YOUR AGRICULTURE, INFRASTRUCTURE & MINING PARTNER

UNAUDITED GROUP RESULTS FOR THE 6 MONTHS ENDED 30 JUNE 2016

The Directors report the following unaudited results in respect of the Group and Company's operations for the six months ended 30 June 2016

CHIEF EXECUTIVE OFFICER'S STATEMENT

INTRODUCTION
In the previous annual update on the group's performance, the company highlighted the strategic initiatives which the board implemented in 2015 in order to realign the business in line with the current economic environment and the future. These initiatives are beginning to bear fruit.

Initiatives & Highlights

- Appointment of new management and internal reorganisation including staff rationalisation.
- Operating costs reduced by 35% from previous year across the group.
- Finance costs reduced by 40%
- Group's half year operating loss reduced by 21% from the previous year
- The group's borrowings reduced by 43%
- Strengthened the relationship with Barloworld Equipment UK (BWE), as per the previous announcement that BWE had increased their shareholding in Barzem from 35% to 49%

OPERATIONAL REVIEW
The operating environment continued to be difficult in the first half of 2016. The impact of the El Nino and the general economic environment resulted in a fairly depressed first quarter. However, turnover improved in the second quarter for a number of reasons. Competitive pricing, improved service delivery and tobacco sales positively impacted on the topline of the agricultural business units. Cost control and efforts to improve efficiencies based on a leaner staff structure began to bear fruit.

We continue to counter the depressed trading environment with a focus on internal re-oganisation coupled with cost control, cash management and the reduction of borrowings.

Mealie Brand
The El Nino induced drought negatively impacted on sales. Mealie Brand experienced a slow start to the year as most of the local distributors started the year with roll over stocks from the previous year. Export performance was also subdued due to weak demand from traditional regional markets as their currencies devalued against the United States Dollar.

Timely price support initiatives by the business unit to the major distributors ahead of the tobacco season restored competitiveness of the products, decongested the distribution chain and generated much needed cash as roll over stocks from 2015 began to be liquidated in the second quarter.

Margins were however under pressure as the average unit price dropped by 15% as prices were realigned to fend off competition. Volumes responded to the price realignment and lost market share was recovered as customers moved back to the brand of choice and quality. Volumes of ploughs sold on the local market increased by 20% and total implement volumes increased by 15% compared to the previous year the same period under review. Export volumes significantly dropped as there was no off take from the traditional markets. Total turnover came down by 37% largely as a result of the depressed economic conditions in Angola and Zambia.

The internal restructuring exercise is now complete and the business is now able to respond to product seasonality and varying labour demands.
Focus for the second half will be on consolidating local distribution through increased market presence and growing the export market starting off with the opening of a branch in Zambia in the third quarter. The Business Unit is also set to re-enter the East African Market in the third quarter.

Farmec
Farmec was not spared from the effect of the drought conditions of the 2015/16 rainy season. The tractor volumes declined by 37% compared to the same last year. This decline in volumes in the first half of the year filtered down to reduced parts uptake and workshop activity with turnovers down by 29% and 19% respectively to the previous year. It's important to note that the last two months of the first half saw tractor sales double compared to the first quarter

Overally, total revenue declined by 34% compared to last year with gross margins remaining static. In order to respond to the declining volumes, management adopted costs containment measures which saw operating costs decline by 40%. We expect the business to improve in the second half of the year as the new season commences.

Powermec
Volumes for generators went down by 52% compared to the same period last year. The stability experienced in electricity supply on the national grid caused this drop in volumes. On a positive note, service hours for the business unit increased by an impressive 322%. Overall turnover was down 24% from prior year.
However more positively, the business continued to demonstrate service excellence as the business enjoyed stability in after sales revenues.

Barzem
Volumes for earth moving equipment at Barzem for the first half of the year were 50% of the same period last year whilst engines and power units were 28% of last year. Customers have been prefering fleet maintenance to fleet replacement in response to poor commodity prices and low activity in the construction sector. This is confirmed by the parts business which was 93% within the previous years' performance. The service business was however 39% down from prior year as a result of the discontinued exports of labour to Barloworld Mozambique.
Sales of power generation units at Barzem remained suppressed due to the overall improved electricity supply in the country.
Measures such as reduced parts prices, cost control and increased customer engagement will offer more stability to the business in the second half of the year.

CT Bolts

The volumes uptake from all key sectors was below projections and even prior year however the business showed resilience with turnover only being down 15% compared to the same period last year

FINANCIAL REVIEW
As a result of the declining volumes, the Group's revenue was 70% of the same period last year. Net operating costs were down by 37% from last year due to the costs containment measures implemented by the group, in particular the staff rationalisation program of 2015. Net finance costs also reduced by 40% from prior year due to the efforts made by the group to reduce borrowings.
The significance of the costs containment measures translated into a 21% improvement in the operating loss compared to prior year.
It is important to highlight that included in the operating loss are non-recurring expenses such as the second phase restructuring exercise costs implemented in 2016 of $201,938 and the fair value loss on disposed properties of $446,483.

OTHER CORPORATE ACTIVITIES & PROSPECTS

The Group successfully raised $1.5 million net proceeds from the disposal on non core properties in order to retire short term debt. The business continues to rely on its balance sheet to re-finance the business as it seeks to reduce borrowings.

Mealie Brand is looking at increased sales in the second half as the business reclaims lost market share in the domestic market and the regional export markets. The unit is experiencing strong demand in Zambia and we look forward to brighter prospects as we enter the East and Central Africa.
Despite battling with soft commodity prices and resultant reduced demand for its products, efforts are afoot at Barzem to improve service delivery, improve availability of spares, and to upgrade the IT platform to SAP. All this should sustain the business unit going forward and importantly result in a positive bottom line by year end.

Farmec is well placed for a stronger second half of the year as demand improves from the commencement of land preparation for the new season. The standards in the workshops are continuously improving, and as a result increased levels of service business are anticipated.

The prospects for a good agricultural season are positive as LA NINA is predicted to bring a normal rainfall season.

DIRECTORATE
There were no changes to the directorship of the company during the period under review. I would like to express my gratitude to the board and management of Zimplow Group for their continued efforts and wish them a profitable second half.

DIVIDEND
In view of the loss posted during the period no dividend has been declared.

Mal Hulett

M HULETT
CHIEF EXECUTIVE OFFICER

CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR SIX MONTHS ENDED 30 JUNE 2016

	Notes	GROUP 30 JUNE 2016 US$	GROUP 30 JUNE 2015 US$	COMPANY 30 JUNE 2016 US$	COMPANY 30 JUNE 2015 US$
TURNOVER		**8,293,5433**	**11,898,169**	**4,669,949**	**6,858,007**
Domestic		8,151,070	11,371,244	4,509,958	6,331,082
Export		142,473	526,925	159,991	526,925
OPERATING LOSS		**(1,313,996)**	**(1,665,127)**	**(981,400)**	**(1,754,582)**
Staff restructuring expenses		(201,938)	-	(201,938)	-
Impairment of investment in Joint Venture		-	(21,319)	-	(250,000)
Fair value (loss) on investment property		(446,483)			
Share of loss from joint venture		-	(31,809)	-	-
LOSS BEFORE INTEREST AND TAX		**(1,962,417)**	**(1,718,255)**	**(1,183,338)**	**(2,004,582)**
Finance Income		111,555	220,261	1,389	124,478
Finance Costs		(275,503)	(493,581)	(274,450)	(492,496)
LOSS BEFORE TAXATION		**(2,126,365)**	**(1,991,575)**	**(1,456,399)**	**(2,372,600)**
Taxation		110,424	137,917	261,271	236,374
LOSS FOR THE PERIOD		**(2,015,941)**	**(1,853,658)**	**(1,195,128)**	**(2,136,226)**
OTHER COMPREHENSIVE (LOSS) / INCOME					
Items that will be reclassified to profit or loss					
Gain on Available for Sale Financial Assets (AFS)		-	-	-	-
Exchange differences on translating foreign operations		(63)	(27,545)	-	-
Income tax relating to items that will be subsequently reclassified		-	-	-	-
		(63)	**(27,545)**	**-**	**-**
Items that will not be reclassified to profit or loss					
Gain on revaluation of properties		-	-	-	-
Income tax relating to items that will not be reclassified to profit or loss		-	-	-	-
		-	-	-	-
Other comprehensive loss for the period, net of tax		(63)	(27,545)	-	-
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD		**(2,016,004)**	**(2,083,141)**	**(1,195,128)**	**(2,136,226)**
(Loss)/ profit attributable to:					
Owners of the parent entity		(1,946,819)	(1,878,188)	(1,195,128)	(2,136,226)
Non controlling interests		(69,122)	24,530	-	-
		(2,015,941)	**(1,853,658)**	**(1,195,128)**	**(2,136,226)**
Total comprehensive (loss) / income attributable to:					
Owners of the parent entity		(1,925,842)	(1,892,342)	(1,195,128)	(2,136,226)
Non controlling interests		(90,162)	11,139	-	-
		(2,016,004)	**(1,881,203)**	**(1,195,128)**	**(2,136,226)**
Loss per share from operations					
Basic		(0.01)	(0.01)	(0.01)	(0.01)
Diluted		(0.01)	(0.01)	(0.01)	(0.01)

CONDENSED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2016

	Notes	GROUP 30 JUNE 2016 US$	GROUP 31 DEC 2015 US$	COMPANY 30 JUNE 2016 US$	COMPANY 31 DEC 2015 US$
ASSETS					
Non current assets		**13,592,985**	**16,905,114**	**17,943,062**	**17,706,737**
Property, plant and equipment		11,752,060	11,901,526	3,920,219	3,974,041
Investment property		-	1,620,276	-	-
Investment in subsidiaries		-	-	12,014,500	12,014,500
Deferred tax asset		571,385	2,138,632	1,821,143	1,560,996
Long term receivables		187,200	157,200	187,200	157,200
Finance lease receivable		-	-	-	-
Investment in joint venture		-	-	-	-
Investment in government treasury bills		135,778	135,778	-	-
Goodwill		946,562	951,702	-	-
Current assets		**21,342,679**	**22,106,971**	**11,827,007**	**13,876,872**
Inventories		12,005,590	12,629,612	8,417,885	9,233,923
Short term portion of long term receivables		144,733	144,733	144,733	144,733
Trade and other receivables		5,729,356	5,736,292	2,973,702	2,980,455
Current tax receivable		130,801	-	-	-
Investment in financial assets		-	225,100	-	225,100
Cash and cash equivalents		2,882,199	2,391,234	290,687	1,292,661
Assets classified as held for sale	2	450,000	980,000	-	-
TOTAL ASSETS		**34,935,664**	**39,012,085**	**29,770,069**	**31,583,609**
EQUITY AND LIABILITIES					
Equity attributable to owners of the parent		21,817,111	23,742,953	18,469,143	19,664,272
Transactions by shareholders in their capacity as owners		(904,212)	(102,336)	-	-
Non-controlling interest		4,842,606	3,290,891	-	-
Total Equity		**25,755,505**	**26,931,508**	**18,469,143**	**19,664,272**
Non current liabilities		**43,225**	**2,232,493**	**-**	**435,995**
Deferred tax		-	1,763,946	-	-
Long term borrowings		43,225	468,547	-	435,995
Current liabilities		**9,136,934**	**9,848,084**	**11,300,926**	**11,483,342**
Trade payables		4,118,395	4,249,137	7,666,701	6,179,307
Other payables and accruals		-	-	-	-
Provisions		1,953,099	1,775,913	550,484	1,481,001
Short term portion of long term borrowings		1,561,904	2,339,342	1,561,904	2,339,342
Bank Overdraft		1,503,536	1,483,692	1,503,536	1,483,692
Current tax Liabilities		-	-	18,301	-
TOTAL EQUITY AND LIABILITIES		**34,935,664**	**39,012,085**	**29,770,069**	**31,583,609**

CONDENSED STATEMENT OF CASHFLOWS
FOR THE SIX MONTHS ENDED 30 JUNE 2016

	GROUP 30 JUNE 2016 US$	GROUP 30 JUNE 2015 US$	COMPANY 30 JUNE 2016 US$	COMPANY 30 JUNE 2015 US$
CASH FLOWS FROM OPERATING ACTIVITIES				
Operating loss before interest and taxation	(1,962,417)	(1,718,255)	(1,183,338)	(2,004,582)
	(1,962,417)	**(1,718,255)**	**(1,183,338)**	**(2,004,582)**
Non cash items:				
Share of loss from joint venture	-	31,809	-	-
Impairment of Investment in joint venture	-	21,319	-	250,000
Fair value loss on investment property	446,483		-	
Depreciation of property, plant and equipment	326,395	452,971	175,332	343,718
(Profit) / loss on disposal of property, plant and equipment	(7,179)	(20,920)	(7,179)	(20,920)
Operating loss before working capital changes	**(1,196,718)**	**(1,233,076)**	**(1,015,185)**	**(1,431,784)**
Working capital changes	1,047,678	647,331	1,381,078	837,255
Cash outflow from operating activities	**(149,040)**	**(585,745)**	**365,893**	**(594,529)**
Taxation paid	(174,856)	(89,758)	(1,304)	(1,430)
Finance income	111,555	220,261	1,389	124,478
Finance costs	(275,503)	(493,581)	(274,450)	(492,496)
Net cash outflow from operating activities	**(487,844)**	**(948,823)**	**91,526**	**(963,977)**
CASH FLOWS FROM INVESTING ACTIVITIES				
Acquisition of plant and equipment	(196,407)	(66,725)	(137,423)	(21,164)
Proceeds from disposal of plant and equipment	1,290,613	21,583	12,412	21,583
Proceeds from disposal of financial assets	225,100	-	225,100	-
Proceeds from disposed business units	-	35,881	-	35,881
Net cash (outflow) / inflow from investing activities	**1,319,306**	**(9,261)**	**100,089**	**36,300**
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from Rights Issue	840,000	4,997,328	-	4,997,328
Share issue costs	-	(126,141)	-	(126,141)
Proceeds from borrowings	-	-	-	-
Repayment of borrowings	(1,202,760)	(4,652,069)	(1,213,433)	(4,659,139)
Net cash inflow / (outflow) from financing activities	**(362,760)**	**219,118**	**(1,213,433)**	**212,048**
Increase / decrease in cash and cash equivalents	**468,702**	**(738,966)**	**(1,021,816)**	**(715,629)**
Net cash and cash equivalents at the beginning of the period	**907,542**	**794,416**	**(191,031)**	**(191,031)**
Effects of exchange rate changes on the balance of cash held in foreign operations	2,419	(141,813)	-	-
Net cash and cash equivalents at the end of the period	**1,378,662**	**(86,363)**	**(1,212,849)**	**(906,660)**
Cash at bank	**2,882,199**	**866,641**	**290,687**	**321,062**
Bank overdrafts	**(1,503,536)**	**(953,004)**	**(1,503,536)**	**(953,004)**
Operating cashflow per share(US$)	(0.002)	(0.003)	0.002	(0.003)

SUPPLEMENTARY INFORMATION

	Notes	GROUP 30 JUNE 2016 US$	GROUP 30 JUNE 2015 US$	COMPANY 30 JUNE 2016 US$	COMPANY 30 JUNE 2015 US$
SHARE DATA					
Shares in issue before rights issue		235,465,865	155,678,825	235,465,865	155,678,825
Bonus Element of rights issue		-	12,360,680	-	12,360,680
Rights issue shares at full value weighted for the period in issue		-	22,475,453	-	22,475,453
For the purpose of basic earnings per share		**235,465,865**	**190,514,958**	**235,465,865**	**190,514,958**
Add dilutive impact of shares		-	-	-	-
For the purposes of diluted earnings/(loss) per share		235,465,865	190,514,958	235,465,865	190,514,958
Loss for the purpose of basic and diluted earnings per share		**(1,946,819)**	**(1,878,188)**	**(1,195,129)**	**(2,136,226)**
(Loss)/ earnings per share					
Basic loss per share(US$)		(0.01)	(0.01)	(0.01)	(0.01)
Diluted loss per share(US$)		(0.01)	(0.01)	(0.01)	(0.01)
COMMITMENTS FOR CAPITAL EXPENDITURE					
Authorised and contracted for		196,407	66,725	137,423	21,164
Authorised and not yet contracted for		486,627	708,919	167,494	437,296
		683,034	**775,644**	**304,917**	**458,460**
DEPRECIATION		**326,395**	**326,395**	**175,332**	**343,718**
TAXATION					
Current tax expense		-	(225,339)	(17,738)	-
Deferred tax credit		110,424	363,256	279,009	236,374
		110,424	**137,917**	**261,271**	**236,374**

DIRECTORS: T. Chataika (Chairman), T.Johnson, M. Hulett*, N. Earle, L. Kennedy, G.T Manhambara, S. Mngomezulu, K. Patel, M. Yong (*Executive)

UNAUDITED GROUP RESULTS FOR THE 6 MONTHS ENDED 30 JUNE 2016

YOUR AGRICULTURE, INFRASTRUCTURE & MINING PARTNER

The Directors report the following unaudited results in respect of the Group and Company's operations for the six months ended 30 June 2016

GROUP STATEMENT OF CHANGES IN EQUITY FOR THE SIX MONTHS ENDED 30 JUNE 2016

	Share capital US$	Share premium US$	Capital Reserve US$	Revaluation reserve US$	Available for sale reserve US$	Change in ownership reserve US$	Foreign Currency Translation Reserve US$	Retained earnings US$	Share based payment reserve US$	Attributable to owners of the parent US$	Non Controlling interest US$	Total US$
Balance at 1 January 2015	**62,271**	**14,631,857**	**5,258,192**	**1,932,439**	**-**	**(102,336)**	**(216,067)**	**2,095,474**	**-**	**23,661,830**	**3,321,988**	**26,983,818**
Rights issue	31,136	4,966,192	-	-	-	-	-	-	-	4,997,328	-	4,997,328
Shares issued to underwriter	779	(779)	-	-	-	-	-	-	-	-	-	-
Share issue costs	-	(126,141)	-	-	-	-	-	-	-	(126,141)	-	(126,141)
(Loss) / profit for the period	-	-	-	-	-	-	-	(1,878,188)	-	(1,878,188)	24,530	(1,853,658)
Other comprehensive loss	-	-	-	-	-	-	(14,154)	-	-	(14,154)	(13,391)	(27,545)
Balance at 30 June 2015	**94,186**	**19,471,129**	**5,258,192**	**1,932,439**	**-**	**(102,336)**	**(230,221)**	**217,286**	**-**	**26,640,675**	**3,333,127**	**29,973,802**
Balance at 1 January 2016	**94,186**	**19,471,129**	**5,258,192**	**1,932,439**	**-**	**(102,336)**	**(316,618)**	**(2,696,375)**	**-**	**23,640,617**	**3,290,892**	**26,931,508**
Share issue to Non Controlling Interest in a subsidiary	-	-	-	-	-	(801,876)	-	-	-	(801,876)	1,641,876	840,000
(Loss) / profit for the period	-	-	-	-	-	-	-	(1,946,819)	-	(1,946,819)	(69,122)	(2,015,941)
Other comprehensive loss	-	-	-	-	-	-	20,977	-	-	20,977	(21,040)	(63)
Balance at 30 June 2016	**94,186**	**19,471,129**	**5,258,192**	**1,932,439**	**-**	**(904,212)**	**(295,641)**	**(4,643,194)**	**-**	**20,912,899**	**4,842,606**	**25,755,505**

COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE SIX MONTHS ENDED 30 JUNE 2016

	Share capital US$	Share premium US$	Capital reserve US$	Revaluation reserve US$	Available for sale reserve US$	Change in ownership reserve US$	Foreign currency translation reserve US$	Retained earnings US$	Share based payment reserve US$	Attributable to owners of the parent US$	Non controlling interest US$	Total US$
Balance at 1 January 2015	**62,271**	**14,631,857**	**7,036,174**	**2,330,628**	**-**	**-**	**-**	**292,477**	**-**	**24,353,407**	**-**	**24,353,407**
Rights issue	31,136	4,966,192	-	-	-	-	-	-	-	4,997,328	-	4,997,328
Shares issued to underwriter	779	(779)	-	-	-	-	-	-	-	-	-	
Share issue Costs	-	(126,141)	-	-	-	-	-	-	-	(126,141)	-	(126,141)
Loss for the period	-	-	-	-	-	-	-	(2,136,226)	-	(2,136,226)	-	(2,136,226)
Balance at 30 June 2015	**94,186**	**19,471,129**	**7,036,174**	**2,330,628**	**-**	**-**	**-**	**(1,843,749)**	**-**	**27,088,368**	**-**	**27,088,368**
Balance at 1 January 2016	**94,186**	**19,471,129**	**7,036,174**	**2,330,628**	**-**	**-**	**-**	**(9,267,846)**	**-**	**19,664,271**	**-**	**19,664,271**
Loss for the period	-	-	-	-	-	-	-	(1,195,129)	-	(1,195,129)	-	(1,195,129)
Other comprehensive income												
Balance at 30 June 2016	**94,186**	**19,471,129**	**7,036,174**	**2,330,628**	**-**	**-**	**-**	**(10,462,975)**	**-**	**18,469,142**	**-**	**18,469,142**

NOTES TO THE CONDENSED UNAUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 30 JUNE 2016

1. Presentation and statement of compliance

1.1 Basis of preparation

The condensed financial results for the six months ended 30 June 2016 have been prepared in accordance with IAS 34 - Interim Financial Reporting, the Companies Act of Zimbabwe (Chapter 24:03) and the Zimbabwe Stock Exchange listing requirements.

1.2 Accounting policies

The accounting policies applied in the preparation of these condensed financial statements for the period under review are in accordance with International Financial Reporting Standards ("IFRS") and are consistent with those applied in preparation of the Group's audited financial statements for the year ended 31 December 2015.

2. Asset held for sale

As previously disclosed in the financial results for the year ended 31 December 2015, the group remains committed to its intention to dispose off the remaining properties held for sale within the next 6 months. The sales transaction for the commercial property valued at $440,000 and two vacant stands were completed at the beginning of the current financial year. Proceeds from the disposal were used to finance working capital requirements

The group also disposed off a commercial property situated at 34 Douglas road, Workington, Harare for $833,524. The property had not previously been classified as held for sale at 31 December 2015. A fair value loss of amounting to $446,483 was recognised upon disposal of the property and is disclosed under fair value adjustments in the statement of profit or loss and other comprehensive income. The property was previously disclosed under the Property segment.

3. Borrowings

The short term portion of long term borrowings and the overdraft which the group accessed from a financial institution are secured by current assets at an average cost of 12%.

4. SEGMENT REPORTING

30 JUNE 2016

	Farming	Mining and Infrastructure	Property	Adjustments	TOTAL
Revenue	4,297,685	4,002,703	10,672	-	**8,311,060**
Intersegment revenue	(17,517)	-	-	-	**(17,517)**
Total revenue	**4,280,167**	**4,002,703**	**10,672**	**-**	**8,293,542**
Segment operating (loss)/profit	(1,509,694)	(151,885)	(37,174)	-	**(1,698,753)**
Unallocated items:					
Other income	318,138	129,994	-	(63,375)	384,757
Staff restructuring expenses	(191,167)	(10,771)	-		(201,938)
Fair value loss on investment property	-	-	(446,483)		(446,483)
Net finance costs	(269,739)	105,791	-		(163,948)
Group loss before tax					**(2,126,365)**
Income taxes	261,687	(55,752)	(68,182)	(27,328)	110,424
Group loss after tax					**(2,015,941)**
Segment assets	20,740,089	12,832,626	10,096,836	(8,745,711)	**34,923,840**
Segment liabilities	(14,286,020)	(2,971,280)	(119,530)	8,208,495	**(9,168,335)**
Other segment information:					
Depreciation and amortisation	162,730	105,981	57,685	-	**326,395**
Additions to non-current assets	120,940	75,466	-	-	**196,407**

30 JUNE 2015

	Farming	Mining and Infrastructure	Property	Adjustments	TOTAL
Revenue	6,462,623	5,466,443	45,966	-	**11,975,032**
Intersegment revenue	(70,828)	-	(6,035)	-	**(76,863)**
Total revenue	**6,391,795**	**5,466,443**	**39,931**	**-**	**11,898,169**
Segment operating (loss)/profit	(1,668,323)	(7,656)	10,852	-	**(1,665,127)**
Unallocated items:					
Impairment of Investment in Joint Venture					(21,319)
Share of loss from Joint Venture					(31,809)
Net finance costs					(273,320)
Group loss before tax					**(1,991,575)**
Income taxes					137,917
Group loss after tax					**(1,853,658)**
Segment assets	27,015,943	11,901,499	4,801,297	(423,253)	**43,295,486**
Segment liabilities	(9,930,924)	(2,248,879)	(148,798)	(993,083)	(13,321,684)
Other segment information:					
Depreciation and amortisation	279,578	129,080	-	44,313	**452,971**
Additions to non-current assets	11,457	46,374	-	8,894	**66,725**

NOTICE TO SHAREHOLDERS

Change in Zimplow Holdings Shareholding Structure

In line with the ZSE requirements and with their approval Zimplow Holdings Limited would like to advise shareholders that Charter Mining (Pvt) Ltd acquired a 5.93% (14,127,952 shares) shareholding from Sino Properties with the effect that the shareholding of Sino Properties reduced from 42% to 34.84%. In future, Sino Properties will no longer make a mandatory offer to minority shareholders, and Charter Mining will also act independently of Sino Properties.

M. Chinorwadza
Company Secretary

DIRECTORS: T. Chataika (Chairman), T.Johnson, M. Hulett*, N. Earle, L. Kennedy, G.T Manhambara, S. Mngomezulu, K. Patel, M. Yong (*Executive)