ABRIDGED AUDITED FINANCIAL RESULTS

9b HOLDINGS Ltd

FOR THE YEAR ENDED 31 DECEMBER 2018

CHAIRMAN'S STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2018

Introduction
I hereby present to you the financial performance of the company for the year ended 31 December 2018.

The economy is reported to have grown by 4 % in 2018 driven by significant growths in mining, agriculture and construction. According to ZIMSTAT inflation was reported to be at 42 % year on year as at December 2018 when compared to 3.5 % as at December 2017. An acute shortage of foreign currency limited the company's ability to deliver on the order book from its key customers. As a result the outstanding order book at year end was carried forward into the ensuing year. The advent of new monetary measures in the last quarter of the year compelled the business to remodel in order to preserve value and create capacity to import raw materials.

Despite the persistent economic challenges, the company focused on serving its customers through improved value chain enhancements so that it remained the preferred supplier of its products. The maintenance of its key strategic partners shored up the business through cost reduction and improved price competitiveness.

Performance
Notwithstanding curtailed activity in the last quarter, the turnover at US$4.743 million was in line with prior year's US$4.756 million with both Divisions complementing each other. Throughout the year, the company defended its market position through delivering a commensurate value proposition to its customers underpinned by improved operational efficiencies.

Gross profit at US$1.368 million was a 3 % improvement on the prior year's US$1.325 million due to improved throughput in the Chemicals Division and a favourable product mix at the Rubber Division. Operating expenses at US$ 1.725 million were 3 % above prior year's US$1.656 million despite inflationary pressure on expenses and partial reinstatement of salary cuts in the last quarter of the year. As a result an operating loss of US$323 000 was recorded against a prior year operating profit of US$6 000. Finance costs at US$243 000 were 24 % higher than the prior year's cost of US$195 000 due to interest charges on legacy debt. Average finance cost was at 12 % per annum.

Divisional Performance

Rubber Division
Volumes at 257 metric tonnes dropped by 11% from the prior year's 289 metric tonnes due to foreign currency constraints for raw materials procurement. Owing to the need to realign the business with the new operating environment there was limited invoicing despite a firm order book. The strategic partnerships enabled the Division to compete in the industry as improved efficiencies reduced costs and turnaround time. The turnover at US$2.317million was a reduction of 17% from prior year's US$2.776 million as orders were carried over into the ensuing year. As a result gross profit decreased by 62% to US$181 000 when compared with the prior year's US$471 000. Operating costs were 10 % ahead of prior year at US$659 000 due to inflationary pressure.

Chemicals Division
Turnover at Cernol increased by 37 % to USD 2. 424 million although volumes declined by 16 % due to a favourable product mix. The performance was underpinned by market consolidation in the traditional markets and benefits from the technical partnerships. Operating costs increased by 23 % due to the partial reinstatement of the wage cuts in compliance with statutory requirements.

Outlook
The market segments the company serves are poised for growth as Zimbabwe envisions to be an upper middle income country by 2030 driven by extractive industries, agriculture and tourism. The operating environment continues to evolve and the company's recovery strategy is set to withstand the challenges ahead focusing on niche markets while taking advantage of improved efficiencies. The renewal of technical partnerships in the year and existing synergies within the company are expected to deliver improved performance in 2019.

Dividend
At their meeting held on 26 April 2019, the Board considered financial position of the company and resolved not to declare a dividend.

Directorate
Mr. Chamas Dzumbunu was appointed to the Board on 14 November 2018. We look forward to his wise counsel.

Appreciation
On behalf of the Board I sincerely thank our employees and Management whose commitment to the company is immeasurable together with fellow Directors who steer the company in a dynamic environment. We look forward to their support and that of our stakeholders in the ensuing year.

By Order of the Board

G NHEMACHENA
26 April 2019

AUDITOR'S STATEMENT

These abridged financial results should be read in conjunction with the complete set of financial statements for the year ended 31 December 2018, which have been audited by Independant Auditors, BDO Zimbabwe Chartered Accountants. The Indepenant Auitors have issued an adverse opinion on the financial statements because of non compliance with International Accounting Standard 21 (The Effects of Foreign Exchange Rates). A paragraph on material uncertainty related to going concern has been included. The auditors have included a section on key audit matters. The key audit matters were on impairment assessment on plant and equipment and valuation of trade and other receivables. The auditor's independent report on these financial results from which these results were extracted is available for inspection at the company's registered office.

DIRECTORS' RESPONSIBILITY STATEMENT

The directors are required by the Companies Act (Chapter 24:03) to maintain adequate accounting records and are responsible for the content and integrity of the Company's abridged financial statements and related financial information included in this report. It is their responsibility to ensure that the Company's abridged financial statements fairly present the state of affairs of the Company as at the end of the period and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards.

Compliance with IFRSs
While full compliance with IFRS has been possible in previous reporting periods, only partial compliance has been achieved for 2018. The Company has not complied with requirements of IAS 21. The directors have determined that it is not practically possible to comply with the requirements of IAS 21. The effect of the non compliance with IAS 21 has not been quanitified but it is considered significant for these financial statements.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
for the year ended 31 December 2018

	2018 US$	2017 US$
Revenue	4,742,341	4,756,281
Cost of sales	(3,374,576)	(3,430,768)
Gross profit	1,367,765	1,325,513
Other income	34,036	337,227
Operating expenses	(1,724,593)	(1,656,821)
(Loss) /Profit from operations	(322,792)	5,919
Net financing cost	(242,569)	(195,063)
Loss before tax	(565,361)	(189,144)
Income tax expense	(147,698)	(4,577)
Loss after tax	(713,059)	(193,721)
Other comprehensive income	-	-
Total comprensive income for the period	**(713,059)**	**(193,721)**
Number of shares in issue(000s)	536,588,624	536,588,624
Basic loss per share (cents)	(0.002)	(0.000)
Diluted loss per share (cents)	(0.002)	(0.000)
Headline loss per share (cents)	(0.001)	(0.001)

STATEMENT OF FINANCIAL POSITION
as at 31 December 2018

ASSETS

	2018 US$	2017 US$
Non-current assets		
Property, plant and equipment	7,110,030	7,364,359
Current assets		
Inventories	1,659,550	1,212,817
Trade and other receivables	692,231	1,160,788
Bank and cash	157,860	255,844
Total current assets	2,509,641	2,629,449
Total assets	**9,619,671**	**9,993,808**
EQUITY AND LIABILITIES		
Equity		
Share capital	536,588	536,588
Share options reserve	19,200	19,200
Accumulated loss	(4,439,871)	(3,726,812)
	(3,884,083)	(3,171,024)
Non-current liabilities		
Deferred revenue	35,150	37, 000
Deferred tax	208,556	60,858
Long term portion of borrowings	671,521	671,521
	915,227	769,379
Current liabilites		
Current portion of long term borrowings	589,286	498,121
Trade and other payables	11,973,348	11,888,845
Bank overdraft	25,893	8,487
Total current liabilities	12,588,527	12,395,453
Total liabilities	13,503,754	13,1164,832
Total equity and liabilities	**9,619,671**	**9,993,808**

STATEMENT OF CHANGES IN EQUITY
for the year ended 31 December 2018

	Share capital US$	Share options reserve US$	Accumulated loss US$	Total US$
Balance at 1 January, 2017	**536,588**	**19,200**	**(3,533,091)**	**(2,977,303)**
Total comprehensive loss for the year	-	-	(193,721)	(193,721)
Balance at 31 December, 2017	**536,588**	**19,200**	**(3,726,812)**	**(3,171,024)**
Total comprehensive loss for the year	-	-	(713,059)	(713,059)
Balance at 31 December, 2018	**536,588**	**19,200**	**(4,439,871)**	**(3,884,083)**

ABRIDGED STATEMENT OF CASH FLOWS
for the year ended 31 December 2018

	2018 US$	2017 US$
Cash flow from operating activities		
Loss before tax	(565,361)	(189,144)
Adjustments for:		
Depreciation for property, plant and equipment	292,075	291,558
Interest expense	242,569	253,863
Other non cash items	(21,915)	(2,138)
Operating (cash outflows)/cash inflows before working capital changes	**(52,632)**	**295,339**
Working capital changes	**106,328**	**(222,796)**
Net Cash generated from operations	**53,696**	**72,543**
Cash flows from investing activities		
Proceeds from disposal of vehicles	20,065	2,138
Purchase of equipment for maintaining operations	(37,746)	(9,887)
Net cash utilised in investing activities	**(17,682)**	**(7,749)**
Cash flows from financing activities		
Interest paid	(242,569)	(195,063)
Increase in borrowings	91,165	223,400
Net cash (utilised in)/generated from financing activities	**(151,404)**	**28,337**
Net cash (decrease)/ increase in cash and cash equivalents	**(115,390)**	**93,131**
Cash and cash equivalents at the beginning of the year	**247,357**	**154,226**
Cash and cash equivalents at the end of the year	**131,967**	**247,357**

NOTES TO THE ABRIDGED FINANCIAL STATEMENTS

1. Accounting policies
The principal accounting policies adopted in the preparation of these abridged financial statements have been consistently applied to all the years presented.

2. Basis of presentation
The abridged financial statements are prepared on the historical cost basis

3. Currency of reporting
As prescribed under Statutory Instrument 33 (SI 33) of 2019, the company has adopted United States Dollar (USD) as the functional currency notwithstanding requirements of IFRS. The company has also adopted the "USD" as its presentation currency. The functional and presentation currency changed from USD to RTGS dollar in February 2019.

	Audited 2018 US$	Audited 2017 US$
4. Inventories		
Raw materials	638,573	455,122
Finished goods	828,346	536,877
Consumables	164,494	119,582
Work in progress	28,137	101,236
	1,659,550	**1,212,817**
5. Borrowings		
Central African Building Society (CABS)	845,524	767,653
FBC Bank	415,283	401,989
	1,260,807	1,169,642
Less: Short term portion of borrowings	(589,286)	(498,121)
	671,521	**671,521**

The FBC short term loan facility accrues interest at 12% (2017:12%) per annum and is repayable on maturity on 29 January 2019. The loans are secured by land and buildings with a carrying amount of US$1 509,631. The CABS loan facility accrues interest at 10% per annum and is repayable in monthly instalments until 30 June 2024. The loan is secured by land and buildings with a carrying amount of $2 057,559.

	2018	2017
6. Trade and recivables		
Trade receivables	624,174	1,063,928
Less: Impairment allowance	(284,344)	(295,552)
Trade receivables-net	339,830	770,376
Other receivables	352,401	390,412
	692,231	**1,160,788**
7. Trade and other payables		
Trade	1,450,980	1,399,055
Other payables	10,522,368	10,489,790
	11,973,348	**11,888,845**
8. Income tax expense/(credit)		
Current tax	-	-
Deferred tax	147,698	4,577
	147,698	4,577
9. EARNINGS PER SHARE		
Loss for the year and loss used in basic EPS	(713,059)	(193,721)
Number of shares used in calculating basi EPS	536,588,624	536,588,624
Weighted average number of shares used in basic EPS	544,988,624	544,988,624

Basic earnings per share are calculated by dividing the profit attributable to ordinary equity holders of the company by the weighted average number of ordinary shares in issue during the period.

Headline earnings per share
Headline earnings per share are calculated by dividing the headline earnings for the period attributable to ordinary equity holders of the company by the weighted average number of ordinary shares in issue during the year.

Headline earnings are calculated as follows:		
Loss for the year attributable to ordinary equity holders of the parent	(713,059)	(193,721)
Impairment of PPE	-	-
Headline earnings	(713,059)	(193,721)

10. Cyclicality of operations
A significant portion of the Company's revenue is derived from the sale of rubber and chemical products. Due to the nature of the Company's income, there is no defined pattern of cyclicality or seasonality of operations and profitabilty.

11. Supplementary information		
11.1 Depreciation	292,075	291,558
11.2 Capital commitments		
Approved but not contracted	31,500	5,450
Approved and contracted	37,746	9,887
	69,246	15,337

12. BUSINESS SEGMENT INFORMATION

2018	CHEMICALS US$	RUBBER US$	COMPANY US$
Revenue	2,424,441	2,317,900	4,742,341
Inter-segmental revenue	-	-	-
Revenue from external customers	**2,424,441**	**2,317,900**	**4,742,341**
Depreciation	(99,569)	(192,506)	(292,075)
Segment profit/(loss)	40,879	(363,671)	(322,792)
Finance expense	(101,773)	(140,796)	(242,569)
Company loss before tax			**(565,361)**
2017			
Revenue	1,980,038	2,776,243	4,753,981
Inter-segmental revenue	-	-	-
Revenue from external customers	**1,980,038**	**2,773,943**	**4,753,981**
Depreciation	(95,520)	(196,637)	(291,558)
Segment loss	(1,937)	7,856	5,919
Finance expense	(61,847)	(133,216)	(195,063)
Company loss before tax			**(189,144)**
2018			
Additions to non-current assets	30,038	7,708	37,746
Reportable segment assets	4,057,585	5,552,667	9,610,252
Corporate head office assets			9,419
Total company assets			**9,619,671**
Reportable segment liabilities	914,497	6,826,272	7,740,770
Borrowings	100,000	315,285	415,285
Corporate liabilities			
Liabilities			4,293,621
Deferred tax liabilities			208,556
Borrowings			845,522
Total company liabilities	**1,014,497**	**7,141,555**	**13,503,754**
2017			
Additions to non-current assets	9,887	37,000	46,887
Reportable segment assets	4,260,504	5,724,306	9,984,810
Corporate head office assets			8,998
Total company assets			**9,993,808**
Reportable segment liabilities	999,762	6,431,383	7,431,145
Borrowings	8.998	392,993	401,991
Corporate liabilities			
Liabilities			4,503,187
Borrowings			767,651
Deferred tax liabilities			60,858
Total company liabilities	**1,108,760**	**6,824,376**	**13,164,832**

13. EVENTS AFTER THE REPORTING DATE
On the 22nd of February 2019, a Statutory Instrument (SI) 33 of 2019 was issued as an amendment to the Reserve Bank of Zimbabwe Act and which introduced a new currency called the RTGS Dollar. The Exchange Control Directive RU 28 of 2019 was issued on the same day which introduced an interbank market for the RTGS Dollar and the USD as well as other existing currencies in the multi-currency regime. SI 33 of 2019 specified, that for accounting and other purposes, all assets and liabilities that were immediately purchased before the effective date valued in USD (other than those held in NOSTRO FCA accounts and foreign obligations denominated in foreign currency) shall on and after the effective date be deemed to be values in RTGS dollars at a rate of 1:1 to the USD. The opening rate for United States Dollar to RTGS dollars was set at 1:2.5. The estimated financial effect of the introduction of RTGS dollars is as follows:

Sensitivity analysis

	Components of reported amounts				Sensitivity Analysis		
ELEMENTS	Monetary Assets/ Liabilities Nostro FCA US$	Monetary Assets/ Liabilities RTGS$	Non-Monetary Assets/ Liabilities US$	Total US$@1:1	Total RTGS$ @ 1:2.5	Total RTGS$ @1:3.5	Total RTGS$ @1:4.5
Property and equipment	-	-	7,110,030	7,110,030	7,110,030	7,110,030	7,110,030
Inventories	-	-	1,659,550	1,659,550	1,659,550	1,659,550	1,659,550
Trade and other receivables	198,414	493,813	-	692,231	989,858	1,188,276	1,386,694
Bank and cash balances	97,041	60,818	-	157,860	303,421	400,463	497,504
Borrowings	-	(1,260,807)	-	(1,260,807)	(1,260,807)	(1,260,807)	(1,260,807)
Deffered revenue	-	-	(35,150)	(35,150)	(35,150))	(35,150)	(35,150)
Trade and other payables	(390,012)	(11,583,336)	-	(11,973,348)	(12,558,366)	(12,948,378)	(13,338,390)
Bank overdraft	-	(25,893)	-	(25,893)	(25,893)	(25,893)	(25,893)
Deferred tax	-	-	(208,556)	(208,556)	(208,556)	(208,556))	(208,556)
Net Asset/ (Liabilities)	(94,553)	(12,315,405)	8,643,880	(3,884,083)	(4,025,912)	(4,120,465)	(4,215,018)

12.1 Going concern
The operations of the company were significantly affected and may continue to be affected for the foreseeable future, by the adverse effects of the liquidity challenges in the economy. The ability of the company to continue operating as a going concern, in such an environment is subject to continual assessment. Going concern assessment is an area involving significant management judgement requiring assessment in determining the projected future cash flows and the appropriate discount rate to use when calculating the net present value. This compounded by the unstable economic environment prevailing in the country.

In view of the subsequent events that occured on 22 February 2019, the Directors have assessed the ability of the company to continue operating as a going concern and believe that the preparation of these financial statements on a going concern basis is still approriate

12.2 Approval of financial statements
The financial statements were approved for issue on 26 April 2019 by the Board of Directors of the company.

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REPORT OF THE INDEPENDENT AUDITORS

TO THE MEMBERS OF

GB HOLDINGS LIMITED

Adverse Opinion

We have audited the financial statements of **GB HOLDINGS LIMITED** set out on pages 8 to 33, which comprise the statement of financial position as at 31 December 2018, statement of profit or loss and other comprehensive income, statement of changes in equity and the statement of cash flows for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion section of our report, the financial statements do not present fairly, in all material respects, the financial position of **GB HOLDINGS LIMITED** as at 31 December 2018, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

Basis for Adverse Opinion

Non-compliance with IAS 21 The Effects of Changes in Foreign Exchange Rates

During the year the Zimbabwean economy was characterised by a multi-tiered pricing model. Under the model, a single product had different prices depending on the mode of payment, whether United States Dollar cash, electronic money (RTGS), mobile money or bond notes. This resulted in transactions bearing similarities to what one would expect with transactions that are undertaken in different currencies which IAS 21, The Effects of Changes in Foreign Exchange Rates, would apply. Market wide entities experienced premiums and discounts on the official foreign exchange rate of 1:1 between the RTGS balances and Bond notes and the United States Dollar.

These financial statements, which are expressed in United States Dollars, have been prepared using the official exchange rate of 1:1. This is contrary to the requirements of IAS 21 which requires the use of the spot rate in accounting for transactions. The directors have determined that it is not practically possible to comply with the requirements of IAS 21 in the circumstances. The effect of the noncompliance with IAS 21 has not been quantified but it is considered significant for these 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 Financial Statements section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B), together with other ethical requirements that are relevant to our audit of the financial statements in Zimbabwe, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw your attention to note 26 to the financial statements which indicates that the company incurred a loss after tax of US$713,059 (2017: US$193,721) during the year ended 31 December 2018 and as at that date, the company's current liabilities exceeded its current assets by US$10,078,885 (2017: US$9,766,004). In addition, the company had negative equity of US$3,884,083 (2017: US$3,171,024) as at 31 December 2018. These conditions along with other matters as set forth in note 26 indicate the existence of a material uncertainty that may cast significant doubt about the company's ability to continue operating as a going concern. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that in our professional judgment were of most significance in our audit of financial statements. These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
(i) Impairment of plant and equipment The carrying amount of plant and equipment is material to the financial statements of the company. The directors identified the following potential indicators of impairment of plant and equipment: • Low capacity utilization resulting in recurring losses. • Aged equipment which results in regular breakdowns. In assessing impairment, the directors used a number of significant assumptions in calculating the value in use which include: • Projections of future performance by the company and the related cash flows. • Determining a discount rate to use on discounting the projected cash flows to the present value. The above factors resulted in the issue being a key audit matter during the audit.	Our procedures included the following: • Inspecting the physical condition of the plant and equipment. • Assessing the reasonableness of the significant assumptions used in coming up with the projected cash flows. • Testing the reasonableness of the discount rate used by reference to what has been determined by entities with similar operations and the company's borrowing rate. • Testing the arithmetic accuracy of the calculations.
(ii) Valuation of trade and other receivables Under IFRSs, the company is required to annually assess the valuation of accounts receivable by assessing their recoverability. This annual valuation test was significant to our audit because the balance as at 31 December 2017 is material to the financial statements. In addition, management's assessment process is highly judgmental and is based on assumptions, specifically the determination of circumstances affecting the debtors as well as market conditions. Management makes an assessment as to whether its trade and other receivables are recoverable taking into account available evidence about the debtor and economic environment. The above factors resulted in the issue being a key audit matter.	Our procedures focused on assessing the adequacy of the allowance for credit losses that was raised by management and included the following: • Assessing the recoverability of outstanding debts on a debtor by debtor basis by considering payments received after year end, payment history and payment plans. • We also assessed the appropriateness and reasonableness of the impairment loss indicators and assumptions applied by management. • We also tested the accuracy of the ageing analysis used by management in determining the provision.

Responsibilities of the directors for the financial statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act (Chapter 24:03), and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue operating as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the 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 the financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism 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 company'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 the directors' 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 company's ability to continue operating 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 are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the company 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.

We communicate with the directors 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 the directors 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.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements
In our opinion, the financial statements have been prepared in compliance with the disclosure requirements of the Companies Act (Chapter 24:03).

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

BDO

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BDO Zimbabwe Chartered Accountants
3 Baines Avenue,
Harare

Gilbert Gwatiringa CA(Z)
Registered Public Auditor
Partner

26 April 2019