SEED CO LIMITED ABRIDGED GROUP AUDITED RESULTS
FOR THE YEAR ENDED 31 MARCH 2019

The African Seed Company

THE HOME OF BUMPER HARVESTS

COMMENTARY

Overview
The Group opted to maintain its presentation currency as the USD following the change in functional currency on 22 February 2019 to RTGS$. The translation to USD was done as practicably possible in the extenuating circumstances based on the prevailing legal statutes. This was however deemed to be non-compliant and in conflict with IAS 21 by the Group's external auditors hence an adverse opinion was issued on the Group's financial statements.

Income statement

Revenue
Turnover increased to $73.4m mainly due to upward price adjustments necessitated by the inflationary environment prevailing in the country.

Gross margin
Gross margin shed 3 percentage points due to the increase in the seed production costs.

Operating expenses
Overheads were 5% higher than prior year despite huge inflationary pressures due to cost reduction measures across the value chain.

Net finance income
Finance income rose because of interest received from the investments in the government savings bonds.

Share of profit from associates and joint venture
This mainly relates to profit from unbundled foreign operations now accounted for as an associate entity. In addition, the local vegetable and cotton seed businesses achieved a solid set of results.

Profit from continuing operations
The Group's profit from continuing operations was up resulting from:
- increase in revenue;
- interest from government savings bonds; and
- share of profit from associates and joint venture.

Profit from discontinued operations
The profit arose from the partial unbundling of a former foreign subsidiary.

Statement of financial position

Property, plant and equipment
The $3.9m decrease in property, plant and equipment resulted from the local currency devaluation. This was partly offset by the subsequent revaluation of fixed assets.

Other financial assets
The majority of the treasury bills matured and were settled during the period with part of the proceeds reinvested in government savings bonds.

Inventories
The book value of stock is substantially lower than at the previous year end following the conversion of local currency values to USD.

Trade and other receivables
Trade and other receivables also declined due to the currency redenomination. The balance outstanding from government was settled post year end.

Cash and cash equivalents
The decrease was mainly due to translation from RTGS to USD.

Equity
The decrease in equity resulted from the dividends (cash and in-specie) and exchange differences on translation of the Group's financial statements from RTGS to USD negating the profit for the year and asset revaluations carried out during the year.

Liabilities
The Group paid off most of its local creditors and bank borrowings. However, remittances for foreign obligations remained lodged with the bankers pending repatriation on availability of the required foreign currency.

Seed Supply
Despite the inflationary challenges experienced by growers and the dry spell experienced during the production season; the Group has adequate stocks to meet anticipated demand for the forthcoming season.

Research and Development
A total of 3 new maize hybrids in the medium to late series were officially released with the Seed Services in Zimbabwe while an additional 11 varieties are in their final stages of observation pending release.

One new Soyabean variety was released and registered for commercialisation.

Significant progress is being made on the rice varieties being developed.

Outlook
It is difficult at this stage to estimate the impact of exchange rate changes on future financial performance but the Group expects that:
- it will maintain its market dominance with new products expected to spur growth;
- the vegetable business will maintain its upward growth trajectory;
- the new seed drying facilities currently under installation will enhance the early availability of seed for sale post-harvest; and
- the currency dynamics will continue to present product pricing challenges.

Directorate
There were no changes to the directorate during the period under review.

Dividend
The board declared a dividend of 0.40 USD cents per share payable to shareholders in RTGS at the ruling interbank rate on 13 June 2019, the analysts briefing date. The dividend is payable either in cash or scrip at the rate of 1.35 new shares for every 100 existing and held as of 12 July 2019 depending on the option selected by each Shareholder. Shares will trade cum-div until 9 July 2019 and ex-div from 10 July 2019. The payment date is 7 August 2019.

By Order of the Board
T.N. Chimanya
Secretary

Registered Office	Transfer Secretaries
Shamwari Road	Corpserve
Stapleford	2nd Floor ZB Centre
Harare	Corner First Street/Kwame Nkrumah Avenue
Zimbabwe	Harare
	Zimbabwe

SUPPLEMENTARY INFORMATION

1. Corporate Information
-Seed Co Limited is a company which is incorporated and domiciled in Zimbabwe and listed on the Zimbabwe Stock Exchange.

- These financial statements are presented in United States dollars.

2. Accounting policies
- The principal accounting policies of the Group have been consistently followed in all material respects from prior year except for the adoption of IFRS 9 and IFRS 15.

3. Basis of preparation
-The basis of preparation of these financial statements is International Financial Reporting Standards.

4.Translation of financial statements
-Following the change in the Group's functional currency from USD to RTGS on 22 February 2019, the Group maintained its presentation currency as USD.

The income statement balances for the full year are the the sum of the Group's Zimbabwe division RTGS balances on the legal date of change of functional currency converted at 1:1 and all the transactions thereafter translated at the average daily interbank rate during that period. Share of profit from the local associate and joint venture were equity accounted in a similar manner while the foreign associate was equity accounted at 1:1 for the entire period.

With the exception of equity balances which were translated from RTGS to USD at cost, all assets and liabilities were converted at the closing interbank rate. The differences arising from use of different rates between the income statement and the balance sheet were accounted for through the foreign currency translation reserve within equity.

5. Capital expenditure
- Capital expenditure for the period was US$3,234,552 (2018:US$7,947,320).

6. Commitments for capital expenditure
- Authorised by directors but not contracted was US$4,477,928 (2018:$12,733,147)
- The dryer project worth $10m approved in the last financial year is still work in progress and is expected to be commissioned in February 2020.
- The capital expenditure will be financed out of the Group's own resources and banking facilities.

7. Depreciation
- Depreciation for the period was US$1,435,965 (2018:US$3,557,403).

8. Contingent liabilities
- There were no contigent liabilities as at 31 March 2019 (2018: nil).

9. Approval of financial statements
- The underlying financial statements to these results were approved by the Board on the 24th of May 2019.

10. Auditor's statement
These financial results should be read in conjunction with the full set of financial statements for the year ended 31 March 2019, which have been audited by Ernst & Young. An adverse opinion was issued thereon because of non-compliance with International Accounting Standard 21 (The Effects of Changes in Foreign Exchange Rates). The auditor's report on these financial statements is available for inspection at the Company's registered office. There were no key audit matters.

ABRIDGED GROUP INCOME STATEMENT

FOR THE YEAR ENDED 31 MARCH 2019

	2019 US$	2018 US$
Continuing operations		
Revenue	73,408,864	63,364,173
Cost of sales	(33,148,642)	(26,714,404)
Gross profit	**40,260,222**	**36,649,769**
Other income	2,360,725	2,401,075
Operating expenses	(18,664,646)	(17,496,334)
Operating profit	**23,956,301**	**21,554,510**
Finance income	1,686,935	1,435,213
Finance cost	(512,436)	(131,850)
Share of profit from associates and joint venture	2,493,293	1,250,527
Profit before taxation	**27,624,093**	**24,108,400**
Income tax expense	(6,132,654)	(6,993,525)
Profit from continuing operations	**21,491,439**	**17,114,875**
Profit from discontinued operations	69,221,035	4,316,904
Profit for the year	**90,712,474**	**21,431,779**
Attributable to:		
Equity holders of the parent	90,712,474	21,516,060
Non-controlling interest	-	(84,281)
	90,712,474	**21,431,779**
Earnings per share		
Basic earnings per share - cents	37.42	8.99
Diluted earnings per share - cents	37.42	8.94
Headline earnings per share - cents	8.87	8.99
Earnings per share - continuing operations		
Basic earnings per share - cents	8.87	7.19
Diluted earnings per share - cents	8.87	7.15
Headline earnings per share - cents	8.87	7.19

ABRIDGED GROUP STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2019

	2019 US$	2018 US$
Profit for the period	90,712,474	21,431,779
Other comprehensive income		
Net exchange differences	(79,809,643)	797,586
Share of other comprehensive loss of associates and joint venture	(10,369,357)	-
Revaluation of property, plant and equipment	16,710,944	3,478,228
Deferred tax on revaluation of property, plant and equipment	(4,303,578)	(347,823)
Total comprehensive income for the year, net of tax	**12,940,840**	**25,359,770**
Attributable to:		
Equity holders of the parent	12,940,840	25,453,968
Non-controlling interest	-	(94,198)
	12,940,840	**25,359,770**

ABRIDGED GROUP STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2019

	2019 US$	2018 US$
ASSETS		
Property, plant and equipment	27,400,973	31,318,103
Investment in associates and joint venture	49,137,702	4,589,256
Goodwill	-	264,472
Other financial assets	10,812,237	53,012,610
Inventories	7,457,726	17,027,367
Trade and other receivables	10,913,208	19,014,647
Cash and cash equivalents	4,196,921	12,048,606
Assets classified as held for sale	-	111,820,718
Total assets	**109,918,767**	**249,095,779**
EQUITY AND LIABILITIES		
Equity		
Share capital	242,613	241,883
Non-distributable reserves	(24,904,270)	52,379,234
Changes in ownership reserve	-	562,318
Retained earnings	119,816,445	149,525,911
Reserves of a disposal group held for distribution	-	(16,992,540)
Equity attributable to equity holders of the parent	**95,154,788**	**185,716,806**
Non-controlling interest	-	2,490,597
Total equity	**95,154,788**	**188,207,403**
Liabilities		
Deferred tax liability - net	6,268,431	5,474,323
Bank borrowings	-	906,651
Trade and other payables	8,495,548	17,093,777
Liabilities directly associated with assets classified as held for sale	-	37,413,625
Total liabilities	**14,763,979**	**60,888,376**
Total equity and liabilities	**109,918,767**	**249,095,779**

ABRIDGED GROUP STATEMENT OF CASH FLOW

FOR THE YEAR ENDED 31 MARCH 2019

	2019 US$	2018 US$
Operating activities		
Profit before tax	27,624,093	29,568,563
Non-cash adjustment to reconcile profit before tax to net cash flows	(1,971,404)	5,779,484
Working capital adjustments and tax paid	(31,612,282)	(10,638,234)
Net cash flows from operating activities	**(5,959,593)**	**24,709,813**
Investing activities		
Proceeds from sale of property, plant and equipment	33,588	255,511
Purchase of property, plant and equipment	(3,234,552)	(7,947,320)
Net cash inflow from discontinued operations	12,601,443	-
Investment in associates	(3,120,660)	-
Maturity/(Purchase) of other financial assets	21,025,541	(34,869,305)
Dividend received from associate	-	400,000
Interest received	1,686,935	1,486,134
Net cash flows generated from / (utilised in) investing activities	**28,992,295**	**(40,674,980)**
Financing activities		
Proceeds from exercise of options	302,975	1,451,283
Dividend paid	(10,734,485)	(5,144,872)
Partial disposal of subsidiary	-	1,837,500
Issue of shares to non-controlling interest	-	1,119,336
Long term loan repaid	-	(270,950)
Interest paid	(512,436)	(2,489,324)
Net cash flows used in financing activities	**(10,943,946)**	**(3,497,027)**
Net decrease in cash and cash equivalents	12,088,756	(19,462,194)
Effects of exchange rate changes	(6,739,424)	180,065
Cash and cash equivalents at beginning of period	(1,152,411)	18,129,718
Cash and cash equivalents at end of period	**4,196,921**	**(1,152,411)**

ABRIDGED GROUP STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2019

	Attributable to the equity holders of the parent							
	Issued share capital	Non distributable reserves	Retained earnings	Changes of ownership reserve	Reserves of a disposal group held for distribution	Total	Non controlling interests	Total equity
	US$	US$	US$	US$	US$	US$	US$	US$
As at 31 March 2017	236,233	25,759,991	137,407,801	190,277	-	**163,594,302**	-	**163,594,302**
Profit for the year	-	-	21,516,060	-	-	**21,516,060**	(84,281)	**21,431,779**
Other comprehensive income	-	3,927,991	-	-	-	**3,927,991**	(9,917)	**3,918,074**
Total comprehensive income	-	3,927,991	21,516,060	-	-	**25,444,051**	(94,198)	**25,349,853**
Dividends	-	-	(10,361,153)	-	-	**(10,361,153)**	-	**(10,361,153)**
Issue of share capital	3,638	5,212,644	-	-	-	**5,216,282**	-	**5,216,282**
Exercise of share options	2,012	1,449,271	-	-	-	**1,451,283**	-	**1,451,283**
Realisation of revaluation reserve through use	-	(158,029)	158,029	-	-	-	-	-
Realisation of revaluation reserve through disposal	-	(805,174)	805,174	-	-	-	-	-
Discontinued operations	-	16,992,540	-	-	(16,992,540)	-	-	-
Partial disposal of interest in subsidiary	-	-	-	372,041	-	**372,041**	1,465,459	**1,837,500**
Issue of shares to non-controlling interest	-	-	-	-	-	-	1,119,336	**1,119,336**
As at 31 March 2018	**241,883**	**52,379,234**	**149,525,911**	**562,318**	**(16,992,540)**	**185,716,806**	**2,490,597**	**188,207,403**
Impact of adopting IFRS 9	-	-	(850,835)	-	-	**(850,835)**	-	**(850,835)**
As at 31 March 2018 - restated	**241,883**	**52,379,234**	**148,675,076**	**562,318**	**(16,992,540)**	**184,865,971**	**2,490,597**	**187,356,568**
Profit for the year	-	-	90,712,474	-	-	**90,712,474**	-	**90,712,474**
Other comprehensive income	-	(77,771,634)	-	-	-	**(77,771,634)**	-	**(77,771,634)**
Total comprehensive income	-	(77,771,634)	90,691,548	-	-	**12,940,840**	-	**12,940,840**
Dividends - cash	-	-	(10,734,485)	-	-	**(10,734,485)**	-	**(10,734,485)**
Dividends - in specie	-	-	(122,830,000)	-	-	**(122,830,000)**	-	**(122,830,000)**
Exercise of share options	729	302,246	-	-	-	**302,976**	-	**302,976**
Share based payments	-	185,884	-	-	-	**185,884**	-	**185,884**
Realisation of revaluation reserve through disposal	-	-	13,993,380	-	(13,993,380)	-	-	-
Recycling of foreign currency translation reserve on disposal	-	-	-	-	30,985,920	**30,985,920**	-	**30,985,920**
Derecognition of change in ownership interest	-	-	-	(562,318)	-	**(562,318)**	-	**(562,318)**
Derecognition of non-controlling interest	-	-	-	-	-	-	(2,490,597)	**(2,490,597)**
As at 31 March 2019	**242,612**	**(24,904,270)**	**119,816,445**	-	-	**95,154,788**	-	**95,154,788**

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Independent Auditor's Report

To the Shareholders of Seed Co Limited

Report on the Audit of the Consolidated Financial Statements

Adverse Opinion

We have audited the consolidated financial statements of Seed Co Limited (the Group), which comprise the consolidated statement of financial position as at 31 March 2019, and the consolidated statement of 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 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 accompanying consolidated financial statements do not present fairly the consolidated financial position of the Group as at 31 March 2019, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Adverse Opinion

As explained in note 2g to the consolidated financial statements, the functional currency applied by the Directors for the period 1 April 2018 to 22 February 2019 is the USD and the functional currency applied for the period 23 February 2019 to 31 March 2019 is the RTGS and the consolidated financial statements are presented in USD. The interbank rate used to translate RTGS$ to US$ between 23 February 2019 to the 31 March 2019 year end does not meet the criteria of a market rate per IFRS as it was not accessible.

Zimbabwe witnessed significant monetary and exchange control policy changes in 2016 and increasingly through to 2019. The Reserve Bank of Zimbabwe (RBZ) together with the Ministry of Finance and Economic Development promulgated a series of exchange control operational guidelines and compliance frameworks during this period. Specifically, there was a requirement for banks to separate out FCA RTGS Accounts from the FCA Nostro US$ Accounts during October 2018. Although the rate was legally pegged at 1:1, multiple pricing practices and other transactions observed and reported publicly indicated exchange rates other than 1:1 between RTGS and the US$ amounts. Finally, in February 2019 there was a Monetary Policy statement which introduced the RTGS Dollar(RTGS$) and the interbank foreign exchange market.

These events triggered the need for reporting entities to assess whether there was a change in functional currency (from US$ to RTGS$) and the 1:1 RTGS$:US$ exchange rate.

Based on International Financial Reporting Standards IAS 21-*The Effects of Changes in Foreign Exchange Rates* ("IAS 21") the functional currency of an entity is *the currency of the primary economic environment in which the entity operates* and *reflects the underlying transactions, events and conditions that are relevant to it*. In addition, paragraph 2.12 of the *Conceptual Framework for Financial Reporting* ("the Conceptual Framework") prescribes that for financial information to be useful, it *"must not only represent relevant phenomena, but it must also faithfully represent the substance of the phenomena that it purports to represent. In many circumstances, the substance of an economic phenomenon and its legal form are the same. If they are not the same, providing information only about the legal form would not faithfully represent the economic phenomenon."*

We believe that events in the market and subsequent promulgation of the RTGS$ as a formal currency supports that there was a change in functional currency from US$ to RTGS$ prior to 22 February 2019 and that transactions in the market indicated a different rate between the two currencies despite the legal 1:1 RTGS$:US$ exchange rate. The financial statements of the group include balances and transactions denominated in RTGS$ that were not converted to US$ at an RTGS$:US$ exchange rate that reflects the economic substance of its value as required by International Financial Reporting Standards ("IFRS"). This is because the Directors applied the legal rate of 1:1 as pronounced by Statutory Instrument 133 of 2016, Statutory Instrument 33 of 2019 and the Monetary Policy Statements of the 22nd of February 2018, 1st of October 2018 and 20th of February 2019 for transactions before 22 February 2019. The directors have provided more information on their approach in Note X to the financial statements.

In terms of IAS 21, foreign currency monetary items shall be translated using the closing rate, non-monetary items that are measured in terms of historical cost in a foreign currency shall be translated using the exchange rate at the date of the transaction; and non-monetary items that are measured at fair value in a foreign currency shall be translated using the exchange rates at the date when the fair value was measured. Foreign currency transactions shall be recorded, on initial recognition in the functional currency, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

Transactions between 1 October 2018 and 22 February 2019 and also between 23 February 2019 and 31 March 2019 have been translated using the interbank rate. We believe that the interbank rate used to translate the transactions from RTGS$ to US$ does not meet the definition of a market rate as it is not accessible. This impacts the basis for measuring transactions that occurred between 22 February 2019 and 31 March 2019, the valuation of assets and liabilities at year end as well as the accounting for foreign exchange differences.

Therefore, had a different RTGS$:US$ currency rate been determined and applied by management, virtually every account in, and the information provided by way of notes to, the accompanying financial statements, would have been materially different. The effects of the departure from IFRS are pervasive to the financial statements and have not been quantified.

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 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) together with the 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 and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse opinion.

Key Audit Matters

Except for the matter described in the Basis for Adverse Opinion section, we have determined that there are no other key audit matters to communicate in our report

We have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Other information
The directors are responsible for the other information. The other information comprises the Directors' report but does not include the financial statements and our auditors report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. As described in the Basis for Adverse Opinion section above, the Group did not comply with the requirements of IAS 21 - Effects of Changes in Foreign Exchange Rates. We have concluded that the other information is materially misstated for the same reason with respect to the amounts or other items in the Directors' Report affected by the failure to comply with the referred standard.

Responsibilities of the Directors for the Financial Statements
The directors are responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are 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 the directors either intend to liquidate the group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements
Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 the directors.

- 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 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 consolidated 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 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 consolidated financial statements, including the disclosures, and whether the consolidated 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 entities or business activities within the group to express an opinion on the consolidated 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 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 consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's 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, because of the significance of the matter discussed in the Basis for Adverse Opinion section of our report, the accompanying consolidated financial statements have not in all material respects, been properly prepared in compliance with the disclosure requirements of and in the manner required by the Companies Act (Chapter 24:03).

The engagement partner on the audit resulting in this independent auditor's report is David Marange (PAAB Number 0436)

Ernst & Young
Chartered Accountants (Zimbabwe)
Registered Public Audit

Harare

26 June 2019