2021

Willdale Limited

Quality • Durability • Diversity

Annual Report

Contents

World Class Clay Bricks.

Mission

To manufacture and distribute affordable world class clay bricks using appropriate technology, enhance employee satisfaction and optimize returns to our community and shareholders.

Values

- Customer satisfaction
- Human dignity
- Quality assurance
- Integrity
- Care for environment
- Teamwork

Vision

To be the leading manufacturer of world class clay bricks.

About This Report

Willdale Limited, founded in 1957 and listed on the Zimbabwe Stock Exchange (ZSE) since 2003 presents the annual report for the year ended 30 September 2021. This report integrates financial and sustainability information to enable investors and other stakeholders to make an informed assessment of our performance, impacts and opportunities.

Reporting Scope and Boundary

The report contains information for Willdale Limited a company, incorporated and domiciled in Zimbabwe. In this report, unless otherwise noted references to "our", "we", "us", "the Company", "Willdale" refers to Willdale Limited.

Reporting Frameworks

The report was prepared with due consideration of the following:

- Companies and Other Business Entities Act [Chapter 24:31].
- Statutory Instrument (SI) 134 of 2019 Securities and Exchange (Zimbabwe Stock Exchange (ZSE) Listing Requirements) Rules.
- International Financial Reporting Standards (IFRS).
- Global Reporting Initiative (GRI) Standards.

Sustainability Data

The report was compiled using qualitative and quantitative data extracted from company policy documents, records and personnel responsible for material issues presented in the report. In some cases, estimations were made and confirmed for consistency with business activities.

Assurance

The financial statements were audited by BDO Zimbabwe Chartered Accountants in accordance with the International Standards of Auditing (ISA). The independent auditors' report is found on page 44-48. Sustainability information was validated for compliance with the GRI Standards by the Institute for Sustainability Africa, an independent subject matter expert. A GRI Content Index is contained on page 88-91. The sustainability data provided in this report was not externally assured.

Report Declaration

The Group management takes responsibility to confirm that this report has been prepared in accordance with the GRI Standards 'Core' option.

Board Approval

The Board of Directors has collectively reviewed this report and confirms that the report is consistent with business operations.

Reinstatements

The company reclassified certain pieces of land as Investment Property and restated opening balances for non current assets and deferred tax.

Forward looking Statements

This report may contain forward looking statements. These statements are based on current estimates and projections by Willdale Limited and currently available information. Forward-looking statements are not statements of historical fact and may contain the terms "may", "will", "should", "continue", "aims", "estimates", "projects", "believes", "intends", "expects", "plans", "seeks" or "anticipates", or words of similar meaning. Future statements are not guarantees of future developments and results outlined therein. These are dependent on several factors which may involve various risks and uncertainties, and they are based on assumptions that are beyond our control. Readers are cautioned not to put undue reliance on forward looking statements

Feedback on the Report

The company appreciates opinions from all valued stakeholders which assist us in building a sustainable company and improving our reporting. We welcome your feedback on this report and any suggestions you may have. Feel free to provide feedback to Mavuto

W. Chidziwo
Chairman
6 January 2022

N Matonda
Chief Executive
6 January 2022

Overview

Our History

Willdale was founded in 1957 in Harare, Zimbabwe . Mashonaland Holdings (then part of Anglo American Corporation) and Willsgrove held 70% and 30% of the issued share capital respectively .

In 2000, Mashonaland Holdings acquired all the shares held by Willsgrove. Willdale finally got listed on the Zimbabwe Stock Exchange in 2003 pursuant to the demerger from Mashonaland Holdings Limited.

Year	Milestones
1957	Willdale is founded.
2000	Mashonaland Holdings acquires all Willsgrove's shares.
2003	Demerger of Willdale from Mashonaland Holdings.
2013	Willdale Listed on the Zimbabwe Stock Exchange.
2019	Willdale secures funding for refurbishment resulting in increased capacity utilisation.
2020	Record profitability achieved. Willdale eyes expansion
2021	Investment in clay crushing machinery and mobile equipment to enhance capacity to meet housing demand.

Willdale Limited at a Glance

Willdale Limited is a major manufacturer and distributor of clay bricks in Zimbabwe. The business is publicly listed on the Zimbabwe Stock Exchange (ZSE) with a long history stretching as far as 1957. Our business is incorporated and domiciled in Zimbabwe with our operations situated at our Head Office in Mount Hampden, Harare. The business also has sales offices in Gweru, Mutare, Kadoma and four sites in Harare.

Willdale Limited at a Glance

Ownership Structure

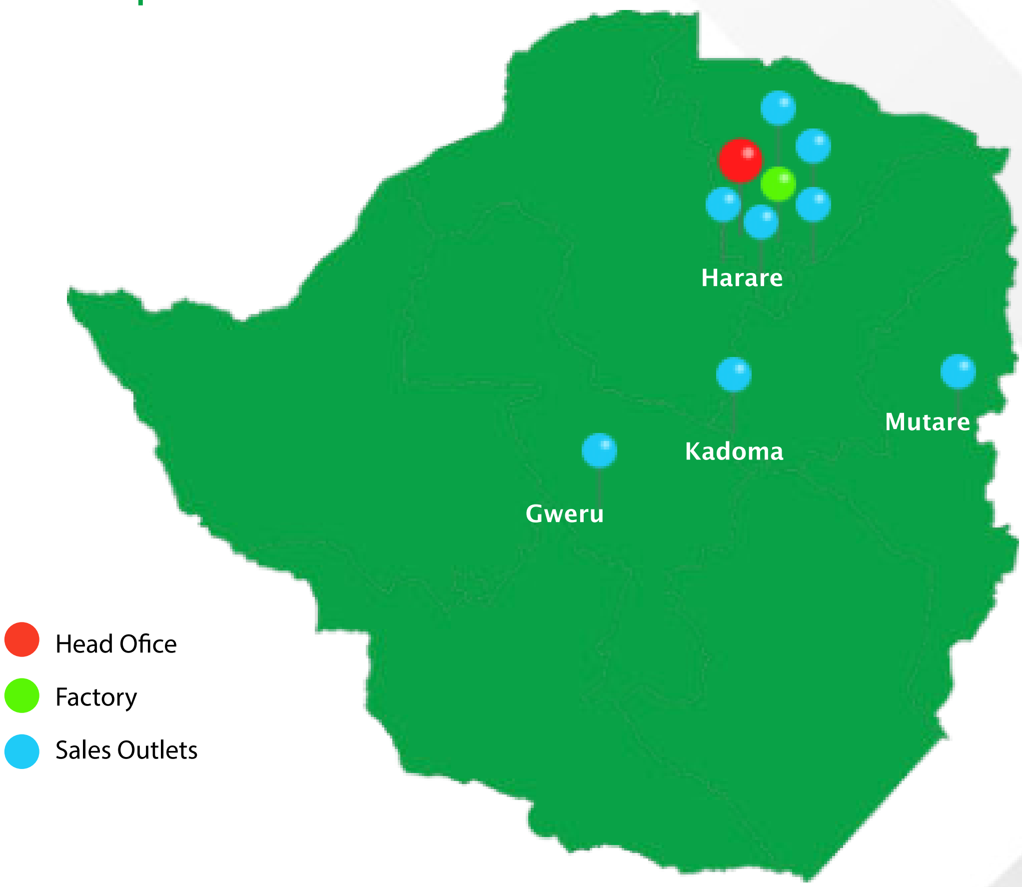
Products and Brands

Willdale Limited's bricks are some of Zimbabwe's popular and long-lasting clay products. Our business has been trusted to build some of the enduring and elegant structures such as the Reserve Bank of Zimbabwe, Sam Levy Village and Arundel Village Shopping Centre among others. Our range of bricks and sales facilities are located across the country demonstrating why our business is well placed to serve the needs of the construction sector.

We offer a range of clay bricks in the following categories:

- Blue Heart
- Blue Multi
- Blue Smooth
- Clinker
- Common
- Dark Splashed
- Load-bearing
- Plum
- Red Defour
- Red Stippled
- Rustic (Topaz Light, Topaz Dark, Blue, Red and Dark)
- Window Cill (Topaz Light, Dark, Blue, Red and Plum)

Location of Operations and Markets



Business Associations and Memberships

Construction Industry Federation of Zimbabwe (CIFOZ).

Clay Brick Association of South Africa (CBSA).

Zimbabwe Builders Contractors Association (ZBCA).

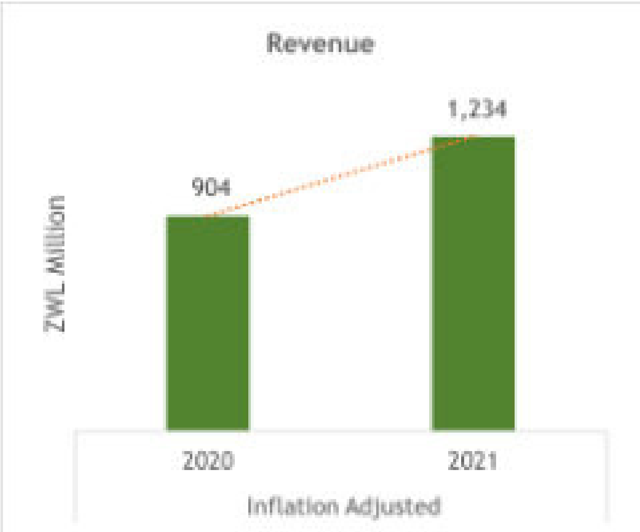
Standards

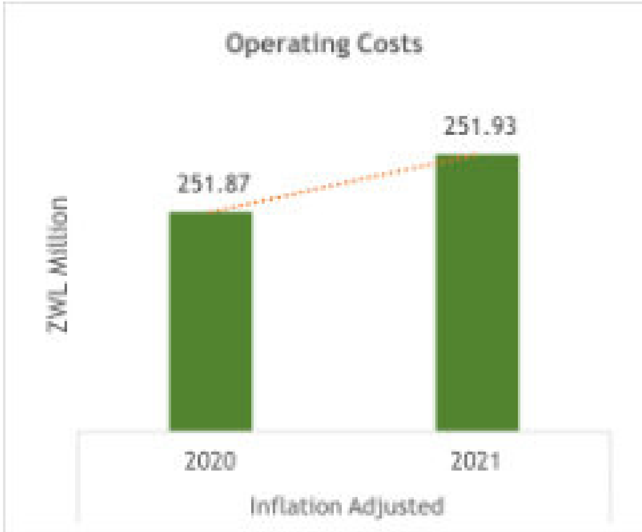
Willdale bricks are certified to the **Product Mark Scheme- SADC ZWSH 981: 2014** (Burnt Clay Masonry)

Performance Review

Financial Highlights

	Inflation Adjusted 2021	Inflation Adjusted 2020
Revenue	1,234,463,428	904,065,717
Operating Profit	251,931,933	251,868,831
Net Assets	1,885,545,238	1,907,710,146
Operating Cash generated	21,022,766	99,030,857
Basic Earnings per share (cents)	9.998	1.852
Diluted Earnings Per Share (cents)	9.998	1.852
Number of Ordinary Shares in issue	1,778,001,428	1,778,001,428
Weighted average number of shares in issue	1,778,001,428	1,778,001,428





Sustainability Highlights

	2021	2020	2019	2018
Clay extracted (m3)	555,855	321,825	441,245	309,199
Coal (Tons)	53,301	36,626	40,167	34,371
Electricity (kwh/kva)	3,768,810	4,448,321	4,556,554	4,379,591
Employees (head count)	790	779	591	576
First Aid (Cases)	4	10	38	58
Supply Chain (no of suppliers)	883	689	1,517	1,467

Chairman's Statement

Overview

The operating environment was impacted by the second and third waves of the Covid19 pandemic which led to government prescribed lockdowns to control the spread of the virus. A vaccination program sponsored and driven by government and strict adherence to prescribed measures helped ease the impact of the pandemic leading to relaxation of lockdown conditions by the end of the financial year.

Annual inflation peaked at 363% in January 2021 and then began to decline ending the year at 52%. The Zimbabwe dollar depreciated marginally against the United States dollar from ZWL82.634 at the beginning of the financial year to 87.6633 at the end. In the midst of the mixed business conditions during the financial year under review, a 32% increase in sales volumes and a 19% increase in production volumes was realised.

Financial Results

Revenue for the year grew by 37% to ZWL1.234 billion, compared to the prior year (2020: ZWL 904m). Revenue growth was largely driven by a 32% increase in sales volumes. Operating profit was ZWL 252million (2021: ZWL 252million) after charging ZWL 29million to depreciation of property, plant and equipment (2020: ZWL13 million).

Other income comprising largely of exchange gains contributed ZWL 32 million (2020: ZWL 39 million) to operating income. Profit margins remained relatively strong despite the impact of the covid19
pandemic on the business. Net cash flows generated from operations amounted to ZWL 90million (2020: ZWL 117 million). Capital expenditure for the year was ZWL 35 million (2020: ZWL$54 million) and was all financed from internal resources. Land and buildings were revalued to reflect fair values in line with policy.

Operations

Although production activities were disrupted by effects of the Covid19 induced lockdowns, production increased by 19% compared to the prior year. Significant downtime was recorded during the year emanating from electricity outages. About US$1m in capital expenditure has been budgeted for in the coming year to refurbish and renew parts of fixed and mobile plant to enhance efficiency and quality.

Sales and Marketing

Volumes grew by 32 per cent compared to the prior year. Housing development contributed most to sales with cluster and individual housing topping the list of projects. The brand remained strong throughout the operating regions riding on consistent quality and a wider range of brick types. The delivery channel was successfully serviced through third party partners despite effects of the Covid19 pandemic and diesel availability challenges. Housing development will continue to drive volume and revenue in the short to medium term given the appetite for provision of decent accommodation from both the government and private sectors.

Human Resources

The rising cost of living continued to exert pressure on wages resulting in a cost to income ratio that was higher than budgeted. Availability of task based labour was affected by increased electricity outages with its discouraging effect on attendance levels. The risk posed by the Covid19 pandemic was well managed with a minimal impact on attendance and productivity levels.

Outlook

The positive sentiments around the economic growth prospects in Zimbabwe, a stable exchange rate and declining inflation give us confidence for the future. The growing appetite for modern housing and government's drive to reduce the housing backlog under the National Development Strategy 1 will drive demand for bricks and related materials in the year ahead. We expect to improve productivity,volume levels and profitability subject to availability of foreign currency to import spares and capital equipment and adequate electricity supply.

Going Concern

The Board remains confident that the Company will continue to operate as a going concern for the foreseeable future and, as a result, financial statements for the period under review have been prepared using the going concern basis.The Board's view is based on current positive financial performance ratios, the successful implementation of its strategic plans, continued support from its stakeholders and other initiatives that the Board, in conjunction with management, is undertaking to improve the Company's performance.

Sustainabilty

Sustainability is at the heart of our operations as demonstrated by our commitment to creating long lasting products. We continue to make progress in our sustainability journey by enhancing our processes for identifying, measuring and managing our impacts. An important aspect of this challenge is capacity development and cultural change to inspire our people to align their daily decision making towards long term value preservation. Our 'Built to Last' sustainability approach remains critical to our operational long-term shift of making buildings and societies resilient.

Dividend

The directors have resolved to pay a dividend of 2.70 cents per share with respect to the financial year ended 30 September 2021. The dividend is payable to shareholders registered in the books of the Company at the close of business on 4 February 2022 and will be paid on or about 18 February 2022. The shares of the Company will be traded cum-dividend (with dividend) on the Zimbabwe Stock Exchange up to the market day on 10 February 2022 and ex-dividend as from 11 February 2022.

Appreciation

On behalf of the Board and Shareholders, I wish to commend our valued customers, suppliers and other stakeholders for their valued contribution and support during the period under review. The year under review has been another difficult one due to the effects of the Covid19 pandemic and a fluid business environment. I also wish to thank management and staff for their perseverance under the challenging conditions. I wish everyone a prosperous 2022.

W. Chidziwo
Chairman
31 December 2021

Summary of **Financial Statements**

	Inflation Adjusted September 2021 ZWL	Inflation Adjusted September 2020 ZWL
STATEMENT OF FINANCIAL POSITION		
Property, plant & equipment	1,917,502,286	1,701,934,823
Investment Property	374,740,407	264,017,533
Investments at Fair Value through Other Comprehensive Income(FVTOCI)	260,809,200	264,017,533
Current assets	582,385,977	445,361,904
Total Assets	**3,135,437,869**	**2,670,918,893**
Trade and other payables and provisions	(261,922,834)	(228,207,674)
Taxation payable	(38,157,852)	(50,443,356)
Deferred taxation	(575,071,538)	(484,059,013)
Net Assets	**1,885,545,238**	**1,907,710,146**
Share capital	4,638,000	4,638,000
Revaluation reserves	889,749,991	686,210,617
Accumulated profit	1,362,212,916	1,216,861,530
Shareholders' funds	**2,256,600,908**	**1,907,710,146**
STATEMENT OF COMPREHENSIVE INCOME		
Revenue	1,234,463,428	904,065,717
Operating profit	251,931,933	251,868,831
Interest income	205,555	321,588
Interest expense	(513,216)	(4,560)
Profit before taxation	275,708,600	72,598,448
Taxation	(97,943,324)	(39,662,462)
Profit for the year	177,765,276	32,935,986
OTHER COMPREHENSIVE INCOME NET OF TAX	203,539,375	307,808,104
Total comprehensive income	**381,304,651**	**340,744,089**
STATEMENT OF CASHFLOWS		
Cash generated from operating activities	9,611,913	10,383,905
Net interest paid	(270,836)	(1,168,915)
Tax Paid	(2,712,290)	1(18,860,2
Net cash generated from operations	21,022,766	99,030,857
Cash generated from/(utilised in) investing activities	(34,450,749)	(53,967,353)
Cash utilised in financing activities	(32,413,890)	(8,851,544)
Net (decrease)/increase in cash and cash equivalents	**(45,841,873)**	**36,211,960**

Leadership & Governance

Directorate and Management

Washington Chidziwo
Independent Non- Executive Chairman
(Appointed 2018)

Washington is a seasoned banker with vast experience in the banking sector acquired through working at several local commercial banks at senior level. Through his expertise and networking skills he took Vascotech Engineering (Private) Limited to greater heights as its chairman in 2009. Currently Washington is the Chairman of Belwood Group of Schools board of directors. He holds a Bachelor of Business studies (BBS Honors) UZ degree and has over 15 years of experience in various senior positions in the banking sector.

Cleophas Makoni
Independent Non-Executive
(Appointed 2012)

Cleophas is an accountant by profession. He holds a Bachelor of Accountancy (Honours) UZ degree and a Masters of Business Leadership from University of South Africa. He also holds F.C.I.S and A.C. M. A from the UK. Currently he is the Managing Consultant for Topaz Consulting. Cleophas has also worked for TM Supermarkets, National Tyre Services, Allied Timbers and Willowvale Mazda Motor Industries in senior positions. He is also a Non –Executive Director at ZB Building Society, ZB Life and SAfAIDS.

Leadership & Governance

Directorate and Management (cont'd)

Brian Kudzaishe Mataruka
Non-Executive
(Appointed 2017)

Brian is a practising lawyer with a leading Harare law firm, Gill Godlonton & Gerrans. Brian is a holder of a bachelor of law Honours Degree from the University of Zimbabwe and a diploma in Mineral Resources Management. He is currently an MBA Candidate with Africa Leadership University (Kigali, Rwanda).

Yaqub Dawson
Non-Executive
(Appointed 2018)

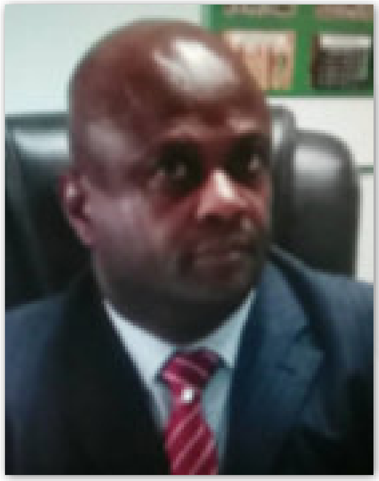
Yaqub holdsa BSc degree in Strategic Management. He has vast business management experience and currently sits on several boards.

Udo Duske
Non-Executive
(Appointed 2014)

Udo is an experienced entrepreneur and sits on the Boards of a number of companies amongst them Scotia Holdings, Motor City Toyota and Professional Security.

Gilbert Machingambi
Non-Executive
(Appointed 2018)

Gilbert is a registered and admitted Legal Practitioner Notary Public and Conveyancer. He is a member of the Law Society of Zimbabwe with over 20 years legal practice experience mainly in commercial litigation, Labour, Insurance and Banking law.



Nyasha Matonda
Chief Executive
(Appointed 2014)

Nyasha holds a Master of Business Leadership Degree from the University of South Africa and a Bachelor of Technology (Electrical Engineering) Degree from the University of Zimbabwe. He is also a member of the Management Committee (Mancom) of CIFOZ and chairing the Economics and Research committee. He scooped the Megafest CEO of the year, Gold Award for 2019.

Mavuto Munginga
Finance Director
(Appointed 2010)

An accountant by profession, Mavuto holds a Bachelor's degree in Accounting and a Masters of Business Administration degree from the University of Zimbabwe. He is a fellow of the Association of Chartered Certified Accountants (FCCA) and an associate member of the Institute of Chartered Secretaries and Administrators (ACIS). He is also a project management professional (PMP) registered with PMI.

Management

Executive Directors
Mr. N Matonda (Chief Executive)

Mr. M Munginga (Finance Director)

Senior Management
Finance
Mr. S Nyajeka (Management Accountant)

Mr. G Tembo (Financial Accountant)

Operations
Mr. T. Mushunje (Works Manager)

Mr. C Mundoma (Production Manager)

Mr. C Chipepera (Maintenance Manager)

Safety Health,Environment and Quality
Ms. C Nkobi (SHEQ Manager)

Sales and Marketing
Mr. T Mugambiwa (Sales and Marketing Manager)

Human Resources
Mrs. M Nkomo Mandangu (HR Manager)

Purchasing and Stores
Mr. I Ngoma (Purchasing and Stores Manager)

Corporate Governance

Willdale Limited's corporate governance is guided by its Articles of Association. The company endeavours to operate in accordance with accepted corporate governance paradigms which conform to the requirements of the Principles of Corporate Governance in Zimbabwe as contained in the Manual of Best Practice, and in full compliance with the requirements of the Zimbabwe Stock Exchange. The company continues to review and improve corporate governance practices in line with the National Code of Corporate Governance in Zimbabwe (ZIMCODE) and other internationally recognised codes of corporate governance.

Board Composition

The Board comprises six (6) non-executive Directors and two (2) executive Directors, the Chief Executive Officer and Finance Director. The non-executive Directors bring a combination of major shareholder representation and specialised advisory skills to the board. Board meetings are held every three months in order to review quarterly financial statements and all aspects of operations. Additional Board meetings are held when necessary.

Conflicts of Interest

At all Board meetings, Directors are required to review and sign a Declaration of Interest file, in which any changes are updated. It is not a requirement of the Articles of Association for Directors to hold shares. All employees are required to declare their interest in any business transaction as guided by the Human Resources Policies and Procedures Manual.

Board Evaluation

Evaluation of directors' performance is conducted through a peer review process facilitated by the Board Chairman. The Chairman regularly engages with Board members to ensure their performance is in line with their commitment and responsibilities.

Business Ethics

Directors, Management and staff are required to maintain the highest possible standards of business ethics and accountability, and appropriate disciplinary measures are in place in the event of any lapses. The conduct of the business at Willdale is guided by values as prescribed. These values require that all business relations and transactions be conducted in a manner that builds customer satisfaction, reflects human dignity, guarantees quality assurance, integrity and care for the environment.

Board Communication with Stakeholders

The company provides various channels to allow stakeholders to communicate with the Board of Directors. These channels include platforms such as the Annual General Meetings (AGM), Website, Social Media and direct engagements.

Board Nomination

Nomination of board members is based on shareholder representation. Most directors are nominated by major shareholders to represent their interest in the company. However, existing members are professionals in their own right and their conduct reflects a true professional interest and responsibility to serve in the interest of the company and all stakeholders.

Anti-Corruption

The company subscribes to the drive against corruption in the business environment. The company has a Whistle blower policy in place which encourages all employees and stakeholders to report any cases of corruption which may involve our staff or directors. Protection is guaranteed to any individuals or institutions who report any cases relating to our business.

Remuneration Policy

The company's remuneration policy is to reward staff at all levels in a manner that is fair and equitable within the limits of what the company can afford. The company is biased towards performance in its remunerations system.

Remuneration of Directors is determined by the Human Resources Committee and approved by the Board. Remuneration for managerial employees is determined by the Human Resources Committee while remuneration for non-managerial employees is covered by the Collective Bargaining Agreement determined by the National Employment Council for Brick Making and Clay Products.

Employment Policy

It is company policy to carry out regular training and development programmes at all employee levels. Overall policy advocates equal opportunity regardless of gender or race, and through a professional human resources department, measures are in place to reward and develop staff according to their recognisable talents and abilities.

Employees are regularly informed of issues affecting their jobs and work environment. Works Council and the Workers Committee provide effective channels for communication. Willdale has a Code of Conduct in place which is registered with the Ministry of Labour and Social Welfare.

Committee	Members	Responsibility
Main Board	W Chidziwo(Chairman) C Makoni N Matonda M Munginga B K Mataruka Y Dawson U Duskie G Machingambi	The Board of Directors is responsible for formulating the overall policies and strategies of the company, including regular review of delegated authority to management, supervision of corporate performance, human resources and ensuring that effective financial and operational controls are adhered to.
Finance & Audit	G Machingambi(Chairman) C Makoni W Chidziwo B K Mataruka	The Finance and Audit Committee comprises of three non-executive Directors. The Company Secretary who is also the Finance Director, the Chief Executive Officer and representatives of the external auditors attend the committee's meetings by invitation. It meets quarterly to review the interim financial statements. It also reviews the half year and year-end financial statements before their final approval by the board and subsequent publication. The Finance and Audit Committee ensures that internal control and financial audits are carried out and it has direct access to the external auditors. It also reviews recommendations and requirements of external auditors and that accounts are prepared according to International Financial Reporting Standards and ensures compliance of the Company's activities to applicable statutes.
Human Resources	B K Mataruka (Chairman) G Machingambi. Y Dawson. W Chidziwo.	The Human Resources Committee, among other duties, is charged with setting the remuneration packages for the executive and senior management, which are reviewed in accordance with their contributions to the company's performance. The Committee also sets guidelines for remuneration of employees within the organisation and is also responsible for the policy relating to incentive bonuses. The HR Committee comprises of three non-executive Directors and the Finance Director and the Chief Executive Officer attend by invitation.
Strategy And Operations	C Makoni (Chairman) Y Dawson U Duske	The Strategy and Operations Committee reviews the various strategic and operational plans and monitors implementation of such plans. It meets quarterly and, additionally, its members are available for consultation by management as and when necessary. The Committee comprises of three non-executive directors. The Finance Director and the Chief Executive Officer attend by invitation.

Committees

Meeting Attendance

Director	Main Board	Finance & Audit	Human Resources	Strategy & Operations
Total meetings	**4**	**4**	**4**	**4**
W Chidziwo	6	3	3	-
M A Gumbie#	4	-	2	2
C Makoni	6	3	-	3
Y Dawson	5	-	3	3
U Duske	6	-	-	3
B K Mataruka	5	3	3	-
G Machingambi	6	3	3	-
N Matonda **	6	3	3	3
M Munginga**	6	3	3	3

*Attend by invitation
Mr M Gumbie resigned from the Board with effect from 1 July 2021.

Compliance and Risk

Willdale is exposed to various compliance requirements and risks which requires strategies and systems to be put in place to ensure negative consequences on the business are minimised. The company operates in a sector with high demand for environmental, business and regulatory compliances.

Compliance Matters
The company seeks to ensure it adheres to all commitments and regulatory requirements which govern its business environment. During the year, the company complied with the following instruments:
- Companies and Other Business Entities Act (COBE)
- ZSE Listing requirements
- Zimbabwe Revenue Authority (ZIMRA)
- Environmental Management Act (EMA)
- National Social Security Authority (NSSA)- Occupational, Health and Safety regulations

Management monitors and adopts provisions and practices that ensure that the company operates in a sustainable manner. These may be voluntary or mandatory provisions.

Risk Management
Willdale operates an integrated Management System (IMS) to manage all forms of risks ranging from financial, business, environmental and social risks. This system requires that management regularly identify, evaluate and address any risks with potential negative effects on the business and stakeholders. Further, management is required by the system to subscribe to best practices and certifications standards that ensure ongoing management of risks.

Financial Risk Management
The company's internal control systems set relevant procedures which must be followed in managing the control environment, finances and employee financial responsibilities. Management constantly checks and reviews the systems which are designed to provide maximum accountability at all levels. Such programmes include the checking of both income and expenses budgets against actual results, monitoring loss prevention and measures to detect any irregularities or fraud. A report is furnished to directors on a quarterly basis, but any items considered to be of a serious nature are evaluated and measures taken immediately.

Business and Operating Risk Management
The company manages operational risks through various policies and procedures within an Integrated Management System. The company has policies that cover human capital management, procurement, safety, health, environment and quality, security and business strategy. These policies are managed through various committees of the Board while implementation falls within management responsibility.

Safety, Health and Environment Risks
The company endeavours to operate with full regard for all health, safety and environmental measures applicable to the industry. Training in health and safety issues is provided to staff and management to enable monitoring of standards and operating practices to ensure negative environmental risks are minimised. The company engages with the Environmental Management Agency (EMA) who conduct regular inspections for compliance in line with agreed Environmental Plans. The company also engages with the National Social Security Authority (NSSA) who conduct reviews and inspections on occupational health and safety risks which are managed under the Safety and Health and Quality Department

Sustainability

Willdale is a significant player in infrastructure development projects in Zimbabwe whose products are integrated into the construction value chain of commercial properties, apartments, homes, hospitals and other infrastructure built every year. While our business has significant impacts on social development and quality of life, the company ensures the management of environmental and economic impacts are integrated. The company invests in systems and processes to manage any negative impacts as provided for in our sustainability strategy.

Our Sustainability Thrust

'Willdale Bricks: Built to Last

We seek to contribute to the development of long-lasting structures through clay products that are sustainably manufactured while contributing to development by restoring our land, managing waste and local community impact'.

Willdale Bricks recognises the impacts it has on structures and the environment through its operations, products and services. The clay brick industry is exclusively dependent on the environment as input into its manufacturing processes. Our sustainability strategy: **'Built to last'** aims at eliminating the negative impacts and enhancing positive impacts. The Strategy was developed from an understanding of the key impacts of clay brick making operations supported by significant stakeholder expectations. At the core of the Built to Last strategy are three pillars:

Our People and Local Communities.
Sustainable brick manufacturing.
Land Reclamation and Waste Management.

Stakeholder Engagement

Engaging groups or individuals that are interested and affected by our business remains a critical pillar of our decision making and risk assessment processes. It also plays a major role in our materiality assessment through facilitating the determination of significant issues of both internal and external stakeholders. We also undertake stakeholder engagement as part of the reporting process and this gives us insights into the stakeholder's information needs. We treat our stakeholders as business partners whose capital is essential in the short- and long-term survival of our business.

Sustainability

How we engage our stakeholders

The business engages stakeholders using a variety of approaches depending on the stakeholder. The popular methods include face to face interviews, briefings, phone calls, networking events and workshops. The business approach to stakeholder engagement is to ensure the process is a shared responsibility for all employees.

Who we engage

The business relies on a mapping approach to determine which stakeholder to engage. This process involves taking note of all stakeholder interactions observed during the year, ranking them to determine which ones the business is accountable to. This process takes into account the individuals and groups who are unable to articulate their views. The following internal and external groups were considered as the most significant to the business:

Internal Stakeholders

Employees.
Shareholders and Investors.

External Stakeholders

Customers.
Suppliers.
Regulators and Governments.
Local communities.
Industry.

Stakeholder	**Material Issues Raised**	**Mitigation Measures**	**Communication Channels**
Employees	Economic hardships. Employee safety. Housing stands for employees. Productivity.	Non-fixed hardship allowance. Safety and health programs. Approached banks for loans. Managing costs.	Works Council meetings. National Employment Council meetings. Safety meetings. Meeting with community councils.
Customers	Service quality – order to delivery. Brick quality.	Product follow up after delivery, customer service desk for handling queries, Production Certification. Input and output quality processes.	Emails, calls customer service Social Media.
Government & Regulators	Compliance with regulations, Environmental Management Agency,	Monitoring emissions levels. On time tax payment. Legal registers -compliance monitoring.	Direct Contact. Emails. Letters.
Suppliers	Payment delays. Inflationary losses. Adherence to payment terms.	Early payments of suppliers. Monitoring adherence to payment terms.	Calls. Emails. Management meetings.
Shareholders	Communications on the operations of the business. Dividend payment.	Publication of quarterly and half year updates. Share price updates on the website. Annual dividend payments.	Direct Contact with the Board. Annual General Meetings Website
Local Communities	Donations and engagements on operational impacts	Cluster arrangements – inclusion of community programs.	Regular community cluster meetings

Sustainability (cont'd)

Managing What Matters

This year we refreshed our 2020 materiality matrix to assess the most significant issues for the business and our stakeholders. The materiality process is guided by the GRI standards and conducted for each reporting period.

Materiality Process

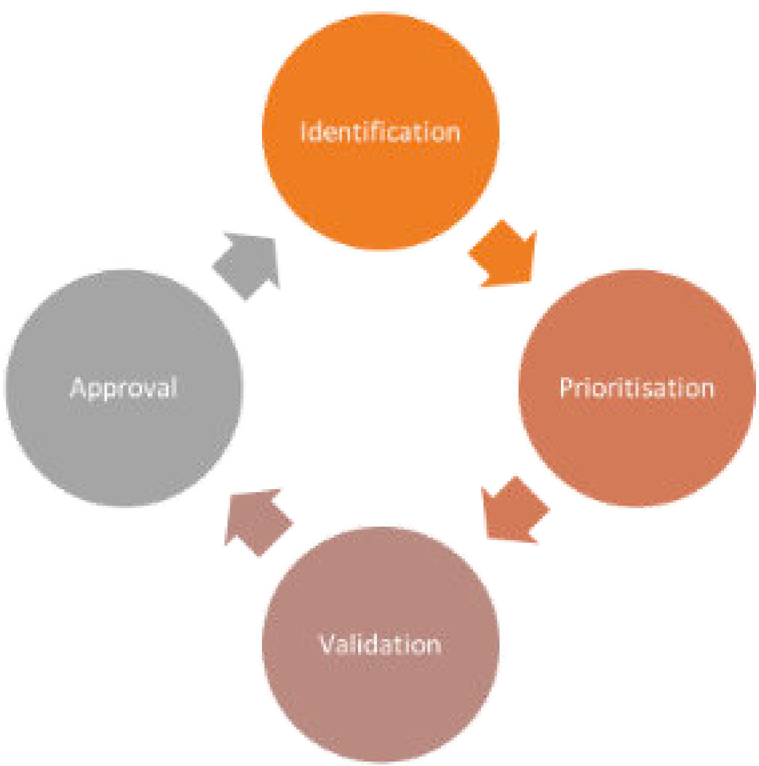
The materiality process was conducted in four steps as follows:

1. Identification
Review of previous year materiality topics.
Internal and external stakeholder engagement.
Benchmarking with companies operating in the same industry as Willdale.

2. Prioritisation- ranking of topics by senior management based on importance and interest to the business and stakeholders.

3. Validation- confirming topics for consistency with business operations, the business environment and stakeholder expectations by senior executives.

4. Approval – final confirmation of topics for reporting by management



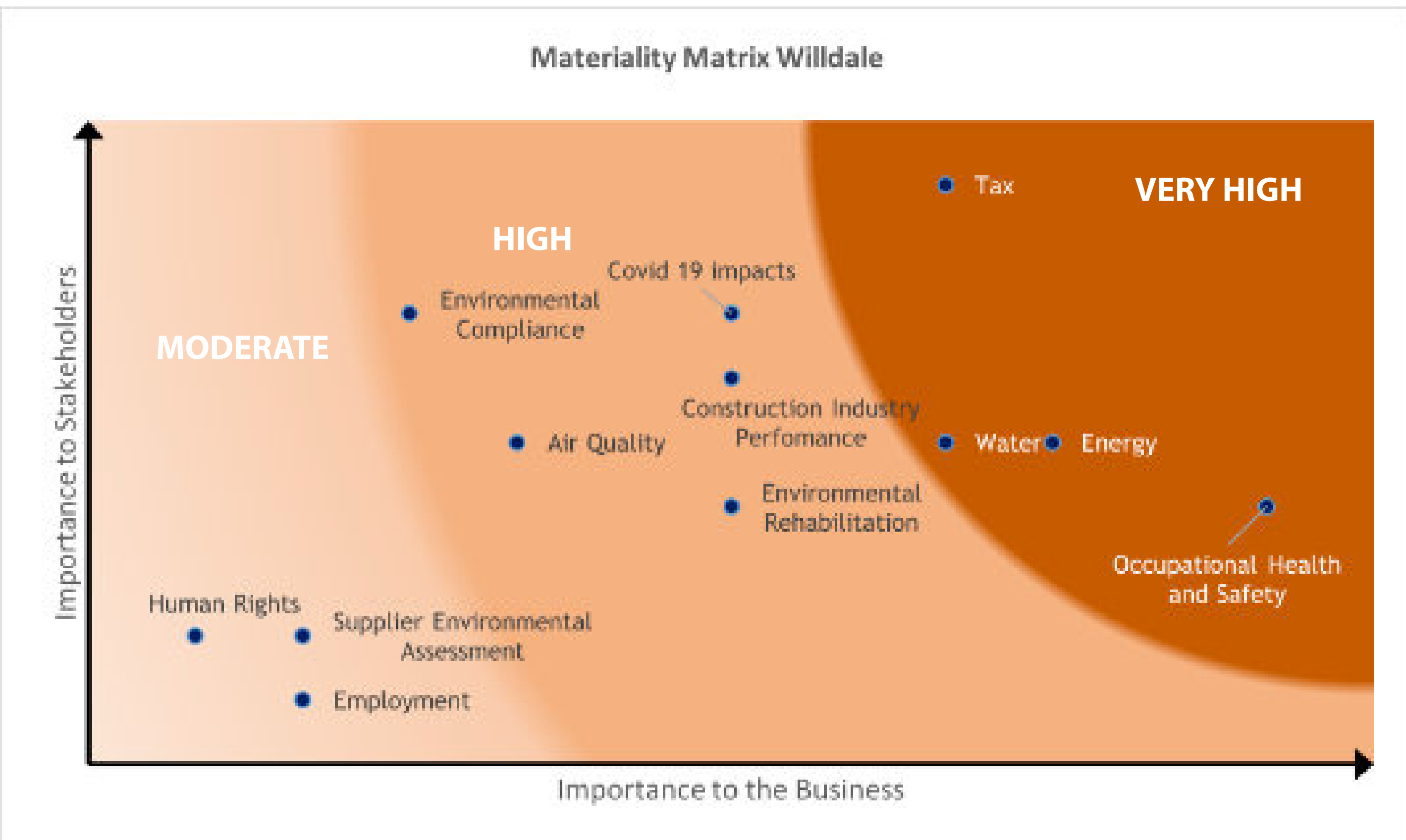
Sustainability (cont'd)

Material topics

The following are topics identified as material during the reporting period:

Environmental	Economic	Social
Water. Environmental Rehabilitation. Environmental Compliance. Air Quality. Supplier environmental assessment. Solid waste. Ecological Impacts. Climate Change.	Economic performance. Tax. Construction Industry performance. Procurement practices. Indirect economic impacts.	Covid19 Impacts. Employment. Human rights.

Materiality Matrix



Our Sustainability Footprints

Environment

Willdale is cognisant of its' operational impacts on the environment and surrounding communities. The business is committed to minimising further environmental damage. We seek to protect the environment and to preserve the natural resources from which our primary products are manufactured from. Our environmental objectives, therefore, are distributed across business functions to fulfil that obligation. The business monitors its impacts on the environment by tracking raw material extraction, energy use, water consumption, and waste emissions to air and land. Overall, the business is guided by ISO 14001:2015 Environmental Management Systems and the Environmental Management Act [20:27]. We have additional specialised approaches for key environmental aspects and impacts.

Water

Water is a crucial resource for the production of our brick products, dust suppression and maintaining a hygienic work environment. The business mainly uses underground water. During the reporting period, we witnessed the Invasion of our staff compound by illegal settlers which resulted in increased demand for water. We have also noted with concern increased vandalism of water infrastructure when pumps were not working resulting in leakages.

Our Approach

Willdale is committed to efficient utilisation of water across its operations including the employees' residence. Generally, we aim to reduce water consumption – this is mainly managed through measuring consumption so that we monitor heavy users while putting control measures on inefficient users. We have also put in place a 'No-leak' Policy to ensure that leaks are managed on time. During the reporting period, we mainly focussed on arresting water leaks and investing in security to minimise vandalism of water infrastructure.

Proposed future water management plans:

- Automated water tapes and borehole pumps to control dispensed quantities and time table for users
- Water harvesting
- Installation of cameras at strategic positions to prevent vandalism of infrastructure.

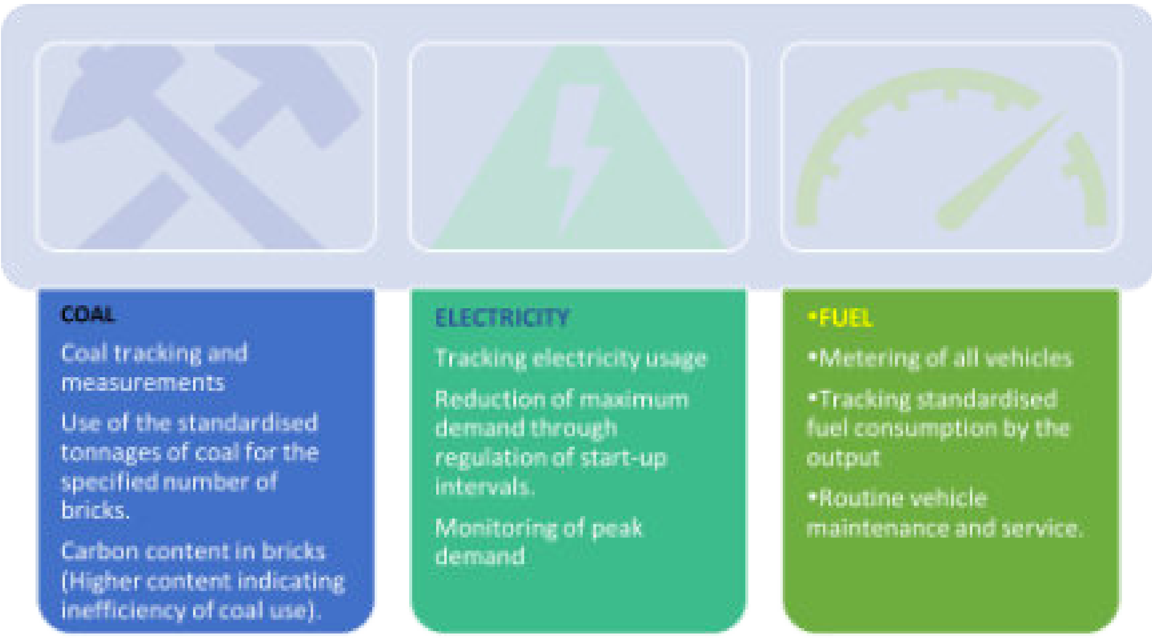
The business is committed to reducing water consumption by 5% through continuous monitoring of water consumption. The business recognises that more needs to be done in-order to achieve the goal of reducing water consumption. Currently, no significant progress has been made on reducing water consumption. However, we have activated a no leak policy to ensure that all leaks from our boreholes have been managed whether they were vandalised or normal wear and tear. We are also assessing our patterns of consumption to guide us in determining high consumption and inefficient processes.

Energy and Emissions

Energy is a critical resource for the brick making and distribution process. We use energy to run the brick making machinery, the kiln firing process and for Mobile Operating Vehicles (MOVs) such as front end loaders and forklifts. Energy use has direct implications on costs, compliance, air pollution and climate change which the business seeks to reduce. Our commitment to reducing energy use and carbon emissions remains resolute.

Management Approach

The Environmental Management System provides overall guidance on energy management. We continuously monitor efficiency during our use of electricity, diesel and coal as follows:

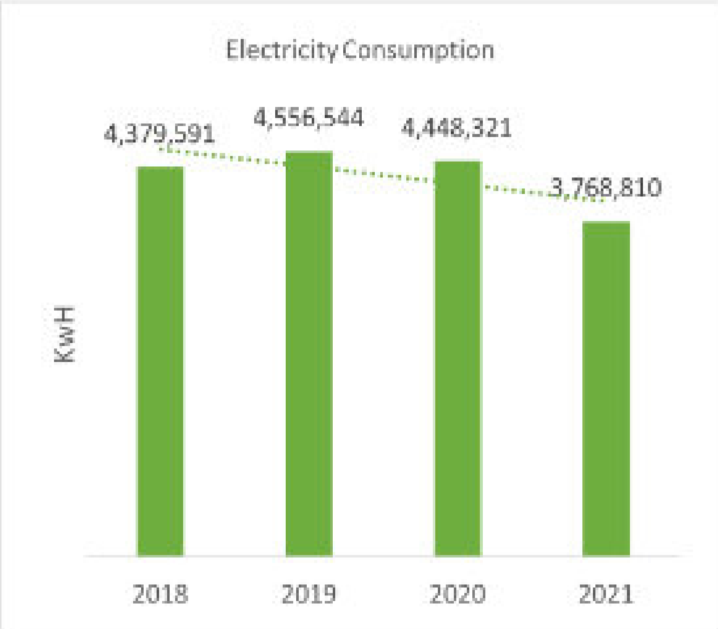


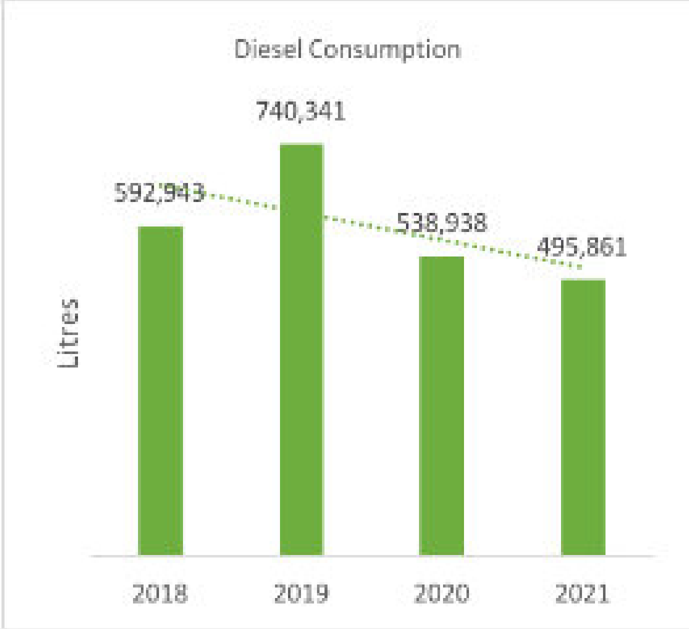
Energy Consumed within the Organisation

This refers to energy used within our facilities to run machinery, provide lighting and power vehicles. Electricity is mainly used to support the day to day running of our operational machinery for brickmaking in the business. Coal is used as fuel during the firing process while diesel fuel is used for mobile vehicles operation such as earthmovers and other heavy-duty vehicles. We have standby generators running on diesel to cater for power cuts.

Energy Source	Unit	2021	2020	2019	2018
Electricity	KwH	3,768,810	4,448,321	4,556,544	4,379,591
Coal	Tonnes	53,301	36,626	40,167	34,371
Diesel	Litres	495,861	538,938	740,341	592,943

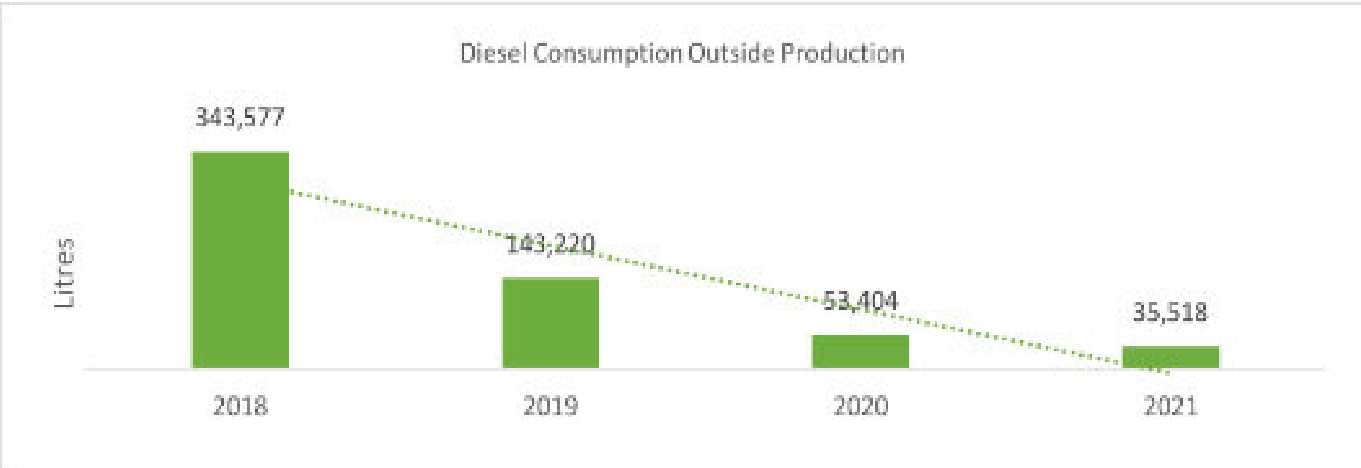
During FY2021, there was a decline of 15% in electricity consumption and 8% in diesel consumption due to our annual rainfalls season shutdown (November to March) and national Covid19 induced lockdowns. However,there was an increase in production which resulted in the increase of coal usage by 46% compared to 2020 due to increased demand.





Energy consumption outside the Production process

Energy Source	Unit	2021	2020	2019	2018
Petrol	Litres	-	460	-	-
Diesel	Litres	35,518	53,404	143,220	343,577
Total	Litres	35,518	53,564	143,220	343,577



There was a decline in diesel used by 33% as was a record only available for distribution by contract transporters in July 2021.

Climate Change

Climate change has both positive and negative implications for our business. Generally, longer dry periods are favourable to our business which relies on open air drying of bricks. At the same time, climate change disrupts business operations through inconsistent weather patterns and frequent emergencies and high temperatures which can cause discomforts to employees working in hot environments. We manage adaptation and mitigation to climate change through our environmental policy.

The business is committed to reducing its negative impact on climate change. Our current focus is to monitor energy efficiency and coal quality to reduce the associated emissions. Our adaptation measures include offering employees protection from sun burns and heat stress through the provision of cooling water and intermittent breaks. We also monitor weather updates to prevent eventualities which can affect operations. We continue to capitalise on longer warm seasons to expand production. capacities.

Carbon Footprint

Willdale calculates its carbon footprint by converting its energy consumption into carbon dioxide (CO2e) equivalency using internationally accepted conversion factors due to the unavailability of nationally adopted conversion factors for Zimbabwe.

Scope 1: Direct Emissions

These are direct Greenhouse Gas (GHG) emissions from operations that are owned or controlled by Willdale. Primarily, these are emissions from fuel consumed by generators and vehicles. We applied emission factors obtained from the United Kingdom (UK) Government GHG Conversion Factors to convert liquid bio-fuel usage and coal combustion as presented below:

Energy Source	Unit	2021	2020	2019	2018
Petrol	kg CO_2e (Litres)	1,334,999	1,488,272	2,219,797	2,352,847
Diesel	kg CO_2e (Litres)	-	1,009	-	-
Coal	kg CO_2e (Ton)	128,127,076	88,043,044	96,555,041	82,622,385
Total		129,462,075	89,532,324	98,774,838	84,975,232

Scope 2: Indirect Emissions

These are emissions from the consumption of energy generated and supplied by a third party in which Willdale has no direct control. Our Scope 2 emissions were calculated using emission factors obtained from the Southern African Power Pool 2015 using Operating Margin factors and the Global Warming Potential rates from the Intergovernmental Panel on Climate Change (IPCC) as presented below:

Energy Source	Unit	2021	2020	2019	2018
Electricity	kg CO_2e (KwH)	3,867,553	4,564,867	4,675,925	4,494,336

Raw Materials

Our business relies significantly on clay as a key raw material that anchors all our products. Given the finite nature of this raw material, it is critical for our business to extract and process it sustainably. Our clay extraction process exposes our operational area to erosion and flooding affecting animal and plant species in our locality. The pits that are the consequence of the mining activity take away the aesthetic appeal of the environment.

Managing Clay Extraction

The business has set in place several systems to manage clay extraction and reduce waste. Key processes that have enhanced our brick management are

Clay Testing

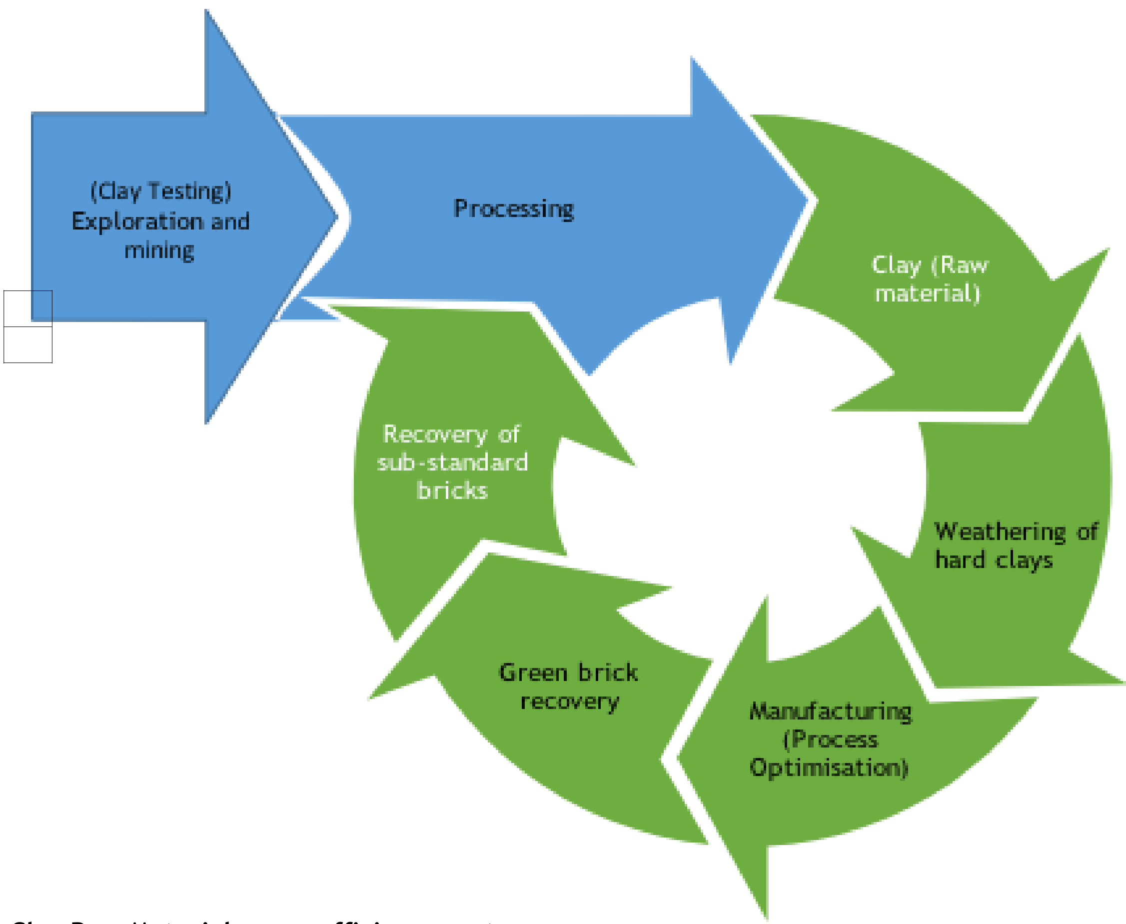
We conduct soil tests to analyse and determine the depth at which we can extract. The soil testing system has optimised our extraction system as viable clay deposits can be reached at depths less than 1,5m.

Bench Mining

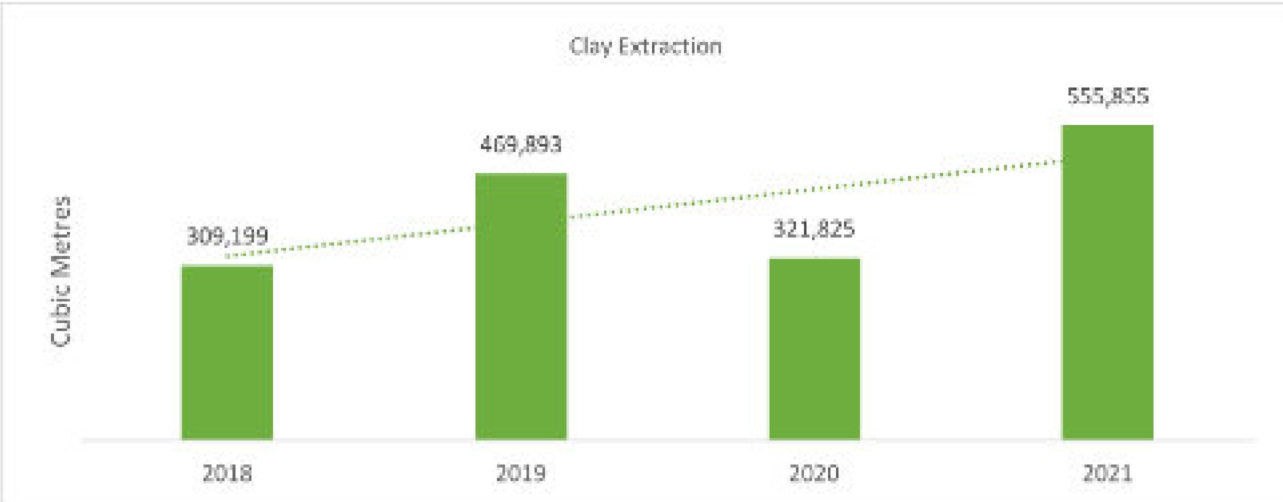
Brick making requires various qualities of clay often found at varying depths. The group through the bench mining method has been able to isolate several layers of clay essential in providing the relevant mixtures. This process enables the business to reduce wastage of clay as the whole extraction process can be done simultaneously while collecting the required quantities of clay from each layer. This has made the management of pits consistent.

Recovery and Recycling

The business does not throw away clay in principle, so all poor quality bricks or green bricks and breakages are recovered or recycled. Brick rubble produced during operations reduces the quality of land aesthetics. Green bricks are recycled to make fresh bricks thereby eliminating wastages. Waste plastic used to cover bricks has the potential to cause land pollution. We have optimised our processes to ensure that there is reduced brick loss and packaging waste from our manufacturing processes. Breakages are diverted to the rehabilitation of pits and preparation of grounds and plastic waste is sold to local recycling companies. In the absence of recycling and reuse alternatives, we have dedicated waste management companies that collect our waste for proper disposal.

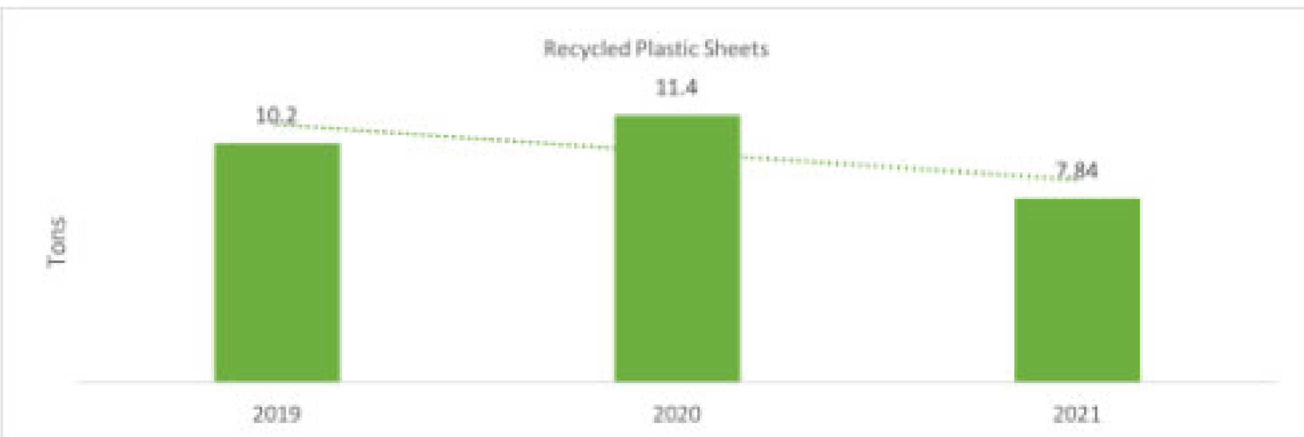


Clay Raw Material usage efficiency system



The rising demand for bricks resulted in an increase in clay extraction during production.

Recycled Input materials



The durability of plastic sheets procured resulted in a reduction by 31% of recycled plastic sheets used during the year.

Supplier Environmental Assessment

Willdale evaluates the environmental practices of its suppliers through visits to avoid related negative impacts on our company and brands. We often agree on remedies that the supplier can implement to reduce any environmental shortcomings. Supplier partnership and relationships was also key to enhancing dialogue and identification of any negative impacts to the environment. Willdale seeks to promote sustainability through Green Procurement – where suppliers are accountable and manage their environmental impacts. We have committed to achieving at least 50% green procurement by 2022.

Rehabilitation

Willdale works closely with the Environmental Management Agency (EMA) who review and approve our annual environmental work plans. The plans provide targets and alternatives for rehabilitating clay extraction pits. The company's environmental rehabilitation efforts are enshrined in the Willdale Environmental Policy.

Key positive and negative impacts

Positive Impacts	Negative Impacts
Restoration of land value and aesthetic appeal. Reduction of falls into open pits. Biodiversity preservation. Employment creation for rehabilitation activities.	Loss of biodiversity due to habitat destruction and soil compaction. Heavy metal accumulation. Disruption of ecosystems. Increased soil acidity

During the reporting period, we focused on the following environmental rehabilitation activities.

- Back filling mining pits with broken bricks.
- Manual restoration of top soils on back filled pits.
- Restriction of access to decommissioned pits to discourage further digging by illegal brick moulders.
- Illegal brick moulders were given evacuation letters.
- Planting trees to bind the soil after rehabilitation.

During the reporting period, the business engaged Charles Prince Airport and the Environmental Management Agency to seek assistance in driving its rehabilitation efforts. The business was unable to assess its rehabilitation efforts during the period.

HUMAN CAPITAL MANAGEMENT

Human capital management is guided by the Human Resources Policies, Procedures Manual and code of conduct administered through the Human Resources Department. The company policy requires that the manual is implemented in recruitment, ongoing engagement, performance evaluation and disengagement. The manual provides grading and remuneration systems to ensure equitable treatment of all employees. The policies and procedures foster the requirements of the Labour Act [Chapter 28:01].

Willdale employees are free to join trade unions of choice covering its sector, participate in collective bargaining through structure and belong to a National Employment Council for Bricks and Clay Moulding in Zimbabwe. Our Employees belong to the Brick and Clay Products Workers' Unions of Zimbabwe (BCPWUZ). The company's strategy is to ensure all regulations and standards on health and safety of employees are adhered to by conducting and implementing various activities

Our Approach

The company focused on maintaining employee relations and compliance with the Human Resources Policy. We engaged with employees through the Workers Committee and Works Council structures in place. This allowed employees to bring to management's attention their concerns relating to erosion of remuneration, accommodation (housing stands), workplace safety and productivity which the business responded to accordingly.

Local Community Recruitment

Willdale is committed to uplifting local communities by providing employment opportunities. We do not discriminate against race and gender. We are a leading employer in the Mount Hampden area with close to 90% of the employees being recruited from surrounding local communities.

Employee Welfare and Remuneration

The business offers attractive packages for its employees which take into account the prevailing cost of living. In addition to the NEC salaries for clay products employees, we offer additional financial incentives and groceries. We also provide accommodation for some of our factory employees near our plant.

Incentives

Willdale offers attractive remuneration packages and incentives which include bonuses, car loans, funeral assistance transport allowances, housing, school fees and study leave. However, these incentives are based on the grade of the employee and position in the company.

Total Employees (Excluding Casuals

Employees by Gender	Unit	2021	2020	2019	2018
Male	Head Count	582	597	559	544
Female	Head Count	46	20	32	32
Total	Head Count	628	617	591	576

Total Employees

Employees by contract type	Unit	2021	2020	2019	2018
Permanent	Count	118	118	118	120
Contract and Casuals	Count	672	499	473	456
Total	Count	790	779	591	576

New Employees

New Employees by Gender	Unit	2021	2020	2019	2018
Male	Count	11	557	431	449
Female	Count	2	128	8	7
Total	Count	13	685	439	456

Employee Hire by Age

New Employees by Age	Unit	2021	2020
Under 30 years old	Head Count	12	586
30-50 years	Head Count	1	99
Total	Head Count	**13**	**685**

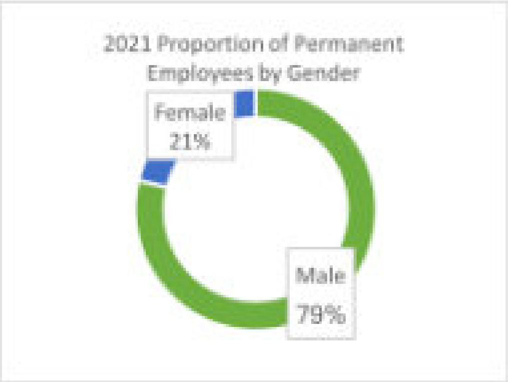
Turnover by Gender

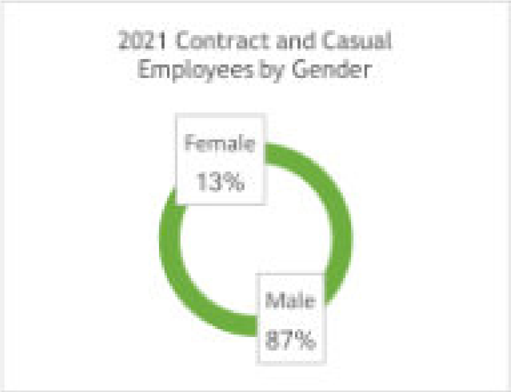
Employees by Gender	Unit	2021	2020	2019	2018
Male	Head Count	2	398	26	30
Female	Head Count	-	99	5	5
Total	Head Count	**2**	**497**	**31**	**35**

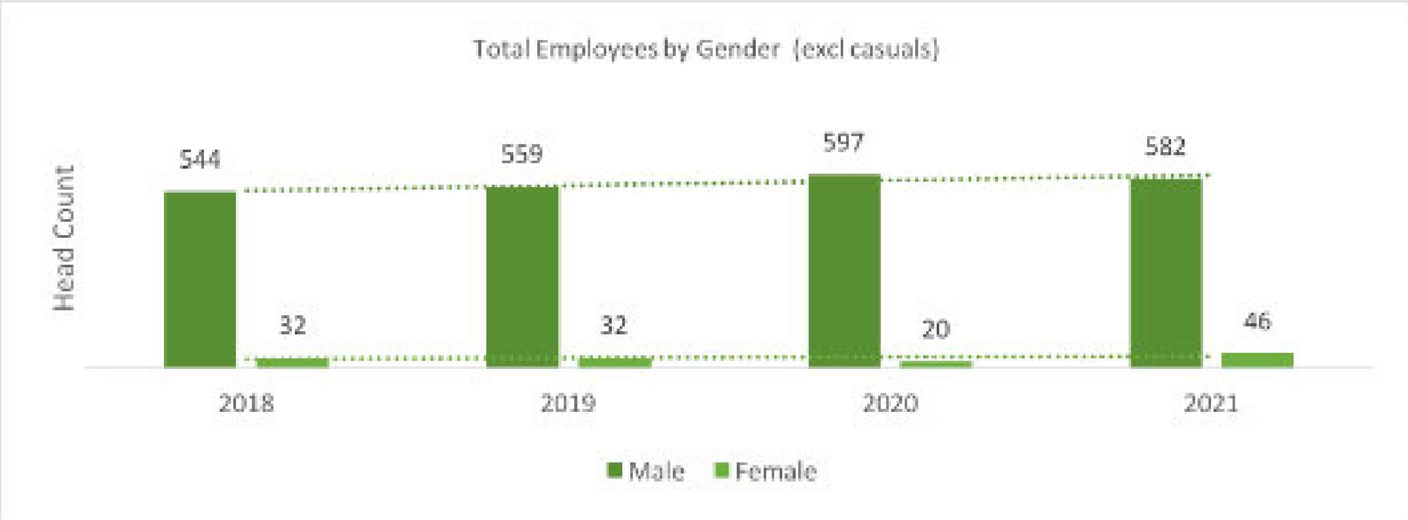
During FY2021, reporting period we recorded statistics for permanent and contract workers, the statistics for casual workers were not recorded due to the short-term nature of their contracts.

Creating opportunities for women

We operate in an industry that has historically excluded women. At Willdale, we have been working hard to improve gender equity. Due to our recruitment efforts, we increased the proportion of women in the workplace. We continue to create opportunities for women as presented below:







Training

To ensure we deliver exceptional services to our customers, training is essential. As such, we ensure our employees are frequently trained on various aspects surrounding our operations.

Average Training Hours

Turnover by Gender	Unit	2021	2020	2019	2018
Male	Head Count	0.5	0.5	0.3	2
Female	Head Count	0.5	0.4	2.2	34

Collective Bargaining

Willdale Bricks provides an opportunity for employees to be involved in collective bargaining through their representatives. More than 48% of the employees are covered by the Brick Making and Clay Products Manufacturing Industry collective bargaining agreement.

Our employees and senior management are members or are pursuing membership of the following professional

- Association of Chartered Certified Accountants (ACCA).
- Chartered Institute of Management Accountants (CIMA).
- Chartered Governance and Accountancy Institute in Zimbabwe(CGAIZ)
- Institute of Risk Management South Africa (IRMSA)
- Institute of Internal Auditors (IIA).
- Chartered Institute of Purchasing and Supply (CIPS).
- Project Management Institute (PMI).
- Institute of People Management Zimbabwe (IPMZ).
- Zimbabwe Institute of Engineers (ZIE).
- Institute of Marketing Management (IMM).
- Southern African Association of Accountants (SAAA)

Occupational Health and Safety

The brick manufacturing industry has inherent safety hazards that places employees and customers at risk. We are also required by law to provide a safe working environment for employees and customers during their time on the company premises. Labour institutions, the National Social Security Authority, employees and other stakeholders expect the business to provide the maximum protection of employees from injury. Our key sources of safety risks occur during the execution of work activities and the distribution of bricks. Willdale has implemented safety programs that are aimed at identifying, reducing and eliminating occupational hazards within the operations.

Key safety risks

- Fugitive dust from the movement of heavy vehicles and from open spaces.
- Smog from the combustion of coal during the firing of bricks.
- Fallen bricks on the road may cause accidents.
- Destruction of road infrastructure from heavy traffic.
- Careless lifestyle aggravating HIV & AIDS.

REPORTING HAZARDS

Employees can report/ Communicate about work safety risks:

During Safety talks

She Committee meetings through the She Reps

Workers' Committee

She Inspections/Walk Abouts/Visible Felt Leadership

Management approach:

Willdale has adopted a systematic approach to deal with the Safety and Health of its employees and stakeholders namely the Integrated Management System (IMS) which reinforces the principles of Occupational Health and Safety (ISO 45001); Environmental Management (ISO 14001) and Quality Management System (ISO 9001). Currently, the company is aiming for certification on IMS and this will assist self-regulation of the company, guaranteeing improved Safety performance.

Hazard Identification and Risk Assessments

To ensure our workplace is free from hazards we subscribe to the Hazard Identification and Risk Assessment (HIRA) processes. We have established routine processes for identifying hazards such as Pre-Task and Baseline Risk Assessments, safety Talks, SHE committee Meetings, SHE monitoring and Inspections. Other non-routine hazard identification processes include the Permit-to-Work and Contractor Management. To enhance the quality of our HIRA processes we provide training and review and monitor all performed Risk Assessments. The HIRA results are used to enhance our health and safety management through proactive management in the execution of tasks regarded as high risk.

Baseline Risk Assessments are done to capture inherent hazards in a process/workplace followed by Pre-Task Risk Assessments done each time prior to execution of work for continuous assessment of risks since situations change. Control measures are put in place and risks are evaluated through rating criteria to assist with decision making by risk prioritisation. Other highly hazardous tasks are approved by competent personnel through the Permit-To-Work system. Job cards for maintenance activities also trigger prior HIRA before execution of work activities.

Reporting Hazards

In addition to the HIRA process, our employees are encouraged to report work-related hazards. The safety department and Supervisors have an open-door policy for reporting hazards. Employees can also use the worker's committee, SHE committee meetings and safety talks for reporting hazards. We promote anonymity in reporting through the use of suggestion boxes. Employees are also expected to remove themselves from work situations that can cause injury as mandated in the Safe Work Procedures, Safety rules and SHEQ policy.

Employees have the liberty to remove themselves from hazardous work environments as follows:
- Highlight to the supervisor any unsafe work condition or unsafe act from others and only resume when addressed.
- Ask to be moved to a less hazardous work area.
- Adherence to all safety precautions involved.

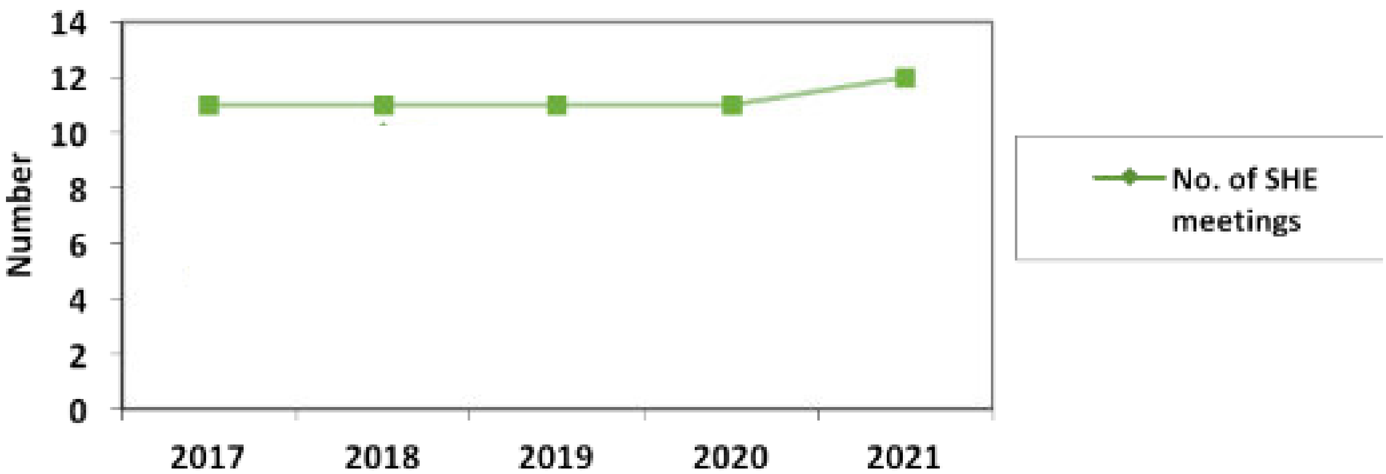
Incident Investigation

When we encounter incidents, the supervisor of the section reports the matter to SHE and where necessary First Aid and hospitalisation are prioritised. An accident investigation team comprising of the casualty, witnesses, Department Head and SHE Committee members convene at the scene of incident deliberating on the root cause analysis for the accident. The Fish bone method is commonly used to determine root causes. Mitigation actions are agreed upon to prevent a recurrence. Any new hazards are picked and hazard register updated.

Safety, Health and Environment (SHE) Committee Meetings

As a way of identifying and monitoring Safety, Health and Environmental risks within our operations, an active Safety Committee of close to forty members led by the Maintenance Manager as the Responsible Person is in place. This is a platform that promotes the participation of workers whilst it also motivates them towards safety responsibility and environmental protection. Inclusion of Management and trained SHE Representatives in the committee guarantees execution of SHE initiatives, a precursor to the improvement of future performance. Below are the statistics of Safety and Health Committee meetings:

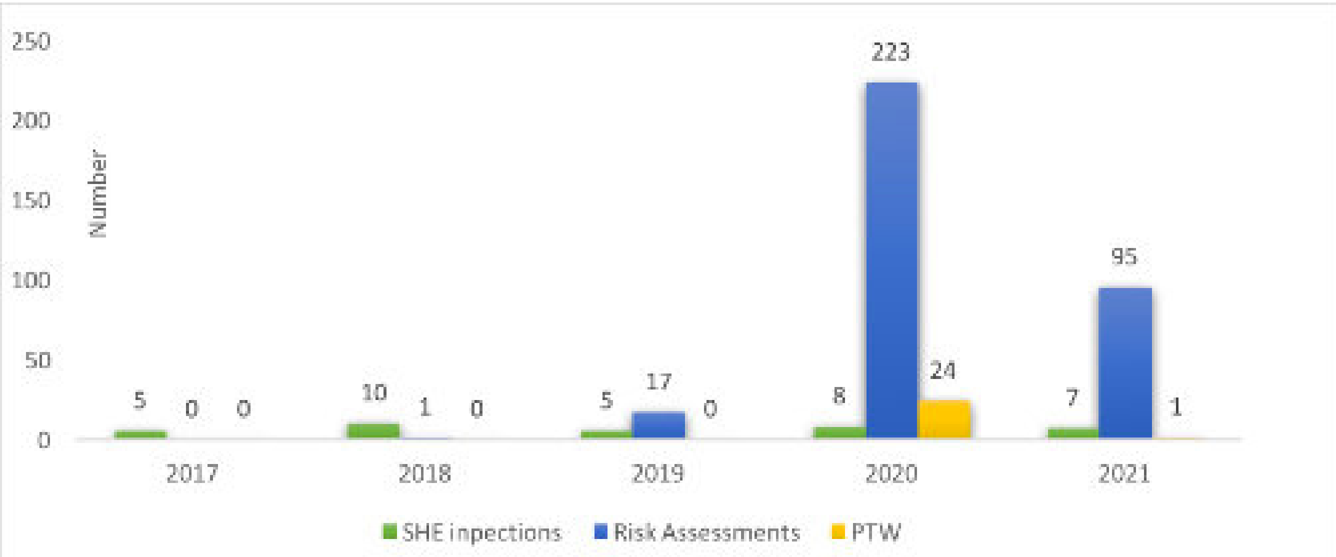
Number of SHE meeDngs



Safety Training

Our employees participate in occupational health and safety matters through routine and non-routine education and training activities. This is a proactive approach to the reduction of occupational accidents by providing employees with an awareness of hazards in the workplace. The awareness campaigns also cover third party employees such as contractors and visitors. We assess the training needs of our workforce through an analysis of incident statistics, results of SHE inspections and audits as well as feedback from new employee engagements.

SHE inspections, Risk assessments and Permit-To-Work (PTW)



Willdale is geared to drive the "Vision Zero" initiated by the International Social Security Authority (ISSA). At Willdale, Safety & Health is everyone's responsibility and everyone has their share of SHE objectives to meet "Vision Zero". The monitoring of objectives and performance will indicate the direction of progress which will improve safety performance. Below are some of the SHE objectives:

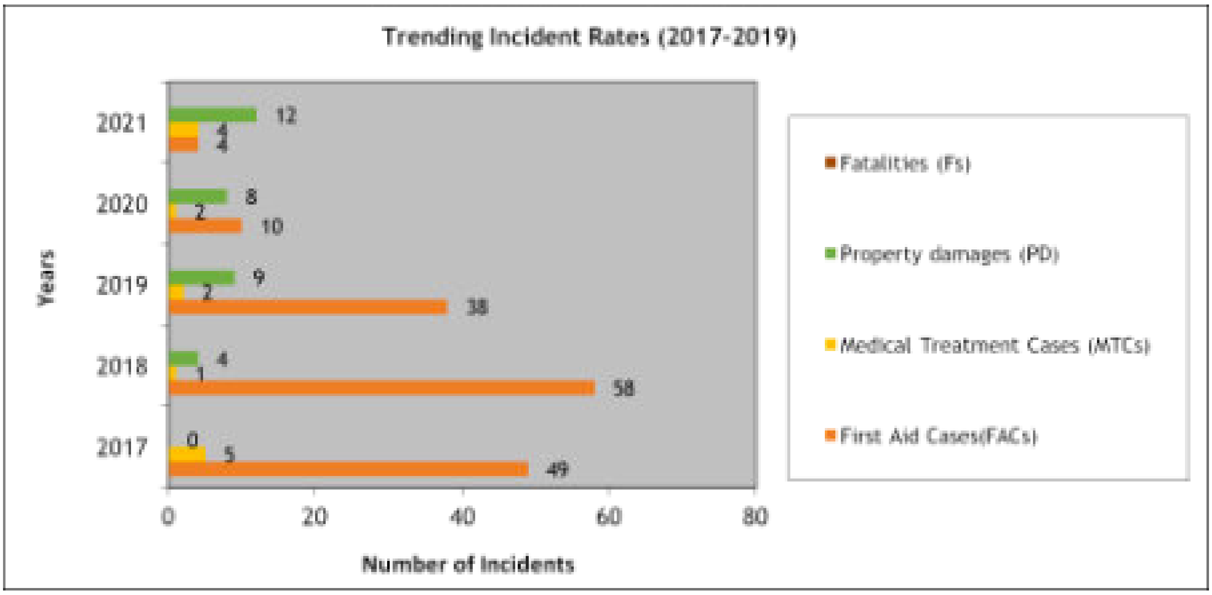
Target:

- Achieve 100% legal and statutory compliance.
- Reduce first aid cases by 5% by end of 2021
- Increase reporting of near misses by 10% by end of 2021.

Incident rates

These indicators denote the current state of our Safety performance and include but are not limited to Accident/Incident rates (First Aid cases, Medical Treatment Cases, Property damages, Fatalities etc.) and the frequency of prosecutions and fines by the regulators. Below is our incidences performance:

Indicator	Unit	2021	2020	2019	2018
Recordable Work-related Injuries	Count	30	16	2	10
Lost Days due to injury	Count	87	35	6	25
Property Damage	Number	12	8	9	4
High consequence injuries (MTC)	Count	4	2	2	1
First Aid Cases	Count	4	10	38	58
Safety Training Days	Count	19	29	4	2



If incidents eventually occur, we take the opportunity to learn and improve to prevent recurrence of the same. We have an effective Incident investigation procedure to ensure adequate assessment of causes of accidents, this is done by the competent team of SHE Reps.

COVID19 RESPONSE

The coronavirus disrupted the way we operated our business, strengthening the need for innovation and partnerships to overcome the impacts. The protection of our people remains our greatest priority. Our COVID19 response plan enables us to monitor and prevent exposure and the spread of the virus. We continue to assess the necessary resources available to contain the virus.

Opportunities created	Negative Impacts
• Continued business despite the pandemic due to improved relations with stakeholders. • Improved industrial relations due to joint initiatives to manage positive cases. • Streamlining some processes to optimise operations.	• Emerging environmental issues from disposal of face masks. • Potential Health effects of frequent use of sanitizers, infra-red radiation checks and continued use of face masks. • Chemical safety concerns from highly flammable sanitizers and toxicity of disinfection chemicals. • Increased expenditure on Covid-19 management initiatives. E.g. Handwashing detergents, disinfectants, infra-red thermometers, face masks, surveillance testing etc. • Increased disinfectants and detergents down the drain which may affect ecology of aqua-life. • Downtimes due to ill employees. • Compliance with National Health Directives. e.g., Virtual meetings reducing effectiveness.

The business implemented the COVID19 Policy to manage impacts. This policy focused mostly on risk management to determine the high-risk processes and areas and mitigation thereof. Preventive measures emphasised by the COVID-19 Policy involve screening, sanitisation, disinfection of frequently shared surfaces, including education and awareness. The policy also describes emergency preparedness procedures to be implemented when a COVID-19 case is encountered which includes Roles and Responsibilities, actions to take if anyone becomes ill at work or has been exposed to COVID-19 or is potentially exposed. The policy highlights the need for Contact Tracing after each confirmed COVID-19 case, deep disinfection requirements, and when temporal closure is to be effected.

Management actions implemented during the year

- Banning of physical meetings.
- Hand etiquette.
- Staff bus use.
- Employee on site vaccination.
- Contingency work plan to counter absenteeism due to illness.
- Smart procurement and streamlining application of measures like surveillance tests.
- Continual updates on COVID-19 positive employees' health status for employees to cement good industrial relations.

Our key priorities

1. Promotion of vaccination amongst employees (achieved 95% vaccination levels to date).
2. Adoption and enforcement of preventive measures including education and awareness.
3. Selection of environmentally friendly disinfection chemicals.
4. Medical surveillance for COVID-19.

Indicator	Unit	2021
Tests Conducted	Head Count	278
Positive Cases	Cases	25
Negative Cases	Cases	253
Deaths due to COVID-19	Head Count	1

The business is committed to achieving zero deaths and hospitalisation including 100% adherence to preventative measures. The organisation continues to do its best to monitor behaviour of the over 700 employees of which we experienced a 7% hospitalisation of some employees. However, one death was recorded. The company continues to encourage employees to get vaccinated through awareness and reminders of preventative actions.

CORPORATE SOCIAL INVESTMENTS AND COMMUNITY IMPACTS

Willdale believes that contributing to social and community needs is a fundamental business responsibility. The company's philosophy is to ensure it contributes towards priority needs and challenges faced by local communities.

Our Approach

Whenever the company is requested to assist by communities, management evaluates the needs and responds accordingly depending on the availability of resources. Where necessary, the company organises events and activities to raise resources to respond to particular needs.

Our Impacts

During the year, the company made the following contributions:

Theme	Purpose	Beneficiaries	Materials	Value
Education	School development	Dzivarasekwa Barracks Primary School. Yemurai Primary School. Emerald Secondary School.	Bricks	493,100
Government support	Peace, Security and Crime management.	ZRP Kaguvi Barracks .	Bricks	323,970
Disability Support	Support for the disadvantaged.	Eyes4Zimbabwe.	Bricks	37,500
Local Communities	Community support.	United Family International Church. Homelux Investments Methodist Church	Bricks	436,500
ARTS	Promoting local arts.	Friends of Joshua Trust. StarBrite	Bricks	567,100
Total				**1,858,170**

CONTRIBUTION TO SUSTAINABLE DEVELOPMENT GOALS.

Our business directly contributes to some of the 17 United Nations Sustainable Development Goals UN SDGs. The United Nations Sustainable Development Goals (SDGs) are a call for action to promote prosperity while protecting the planet. During the year we assessed the key SDGs we made a significant contribution to through our corporate social responsibility activities.

SDG icon	Goal Details	Impact	Our Contributions
	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.	The business is supporting the development of schools so that students have the quality infrastructure to create a conducive learning environment.	Over ZWL$490,000 was donated to support quality education.
	Promote peaceful and inclusive societies for sustainable development provide access to justice for all and build effective, accountable and inclusive institutions at all levels	Willdale provides bricks to public institutions such as the Zimbabwe Republic Police to enhance their capacity in promoting peace and inclusive societies.	Over ZWL$320,000 was donated to the Zimbabwe Republic Police and Zimbabwe National Army.

ECONOMIC IMPACTS

Willdale Limited recognises the various stakeholders that contribute to its success through the provision of capital. This recognition that we don't succeed by ourselves inspires us to efficiently utilise capital such as human, social, natural capital etc. We also seek to efficiently distribute the income we generate to our varied stakeholders while ensuring business continuity. Willdale leadership continues to explore strategies and options for identifying business opportunities and allocation appropriate funds towards the benefits of all stakeholders.

Economic Value Generated and Distributed

Willdale distributes economic value generated in different forms such as employee remuneration and benefit, taxes, providers of capital and finance and operating costs. More detailed disclosures are found in our financial statements. During the year, the economic value created and distributed is presented below:

Economic Value Generated (Historical)

		2021	**2020**	**2019**	**2018**
Economic Value Generated	ZWL$	603,241,915	276,329,260	25,541,709	6,959,973
Other Incomes and interest earned	ZWL$	211,492,943	53,669,241	10,760,471	107,085
Total Value Generated	ZWL$	**814,734,858**	**329,998,501**	**36,302,180**	**7,067,058**
Distributed to:					
Employee wages and benefits	ZWL$	-244,504,256	-27,569,544	-6,374,932	-2,352,976
Payments to Governments	ZWL$	-89,022,720	-91,788,646	-5086778	-1,360,062
Operating Costs	ZWL$	-512,790	-	-54,502	-673,934
Payment to Capital Providers	ZWL$	-25,408,971	-3,241,933	-1,238,333	-1,038,504
Total Value Distributed	ZWL$	-109,335,886	-41,189,162	-1,613,836	-451,500
Total Value Retained	ZWL$	345,950,235	166,209,216	21,933,799	1,190,082

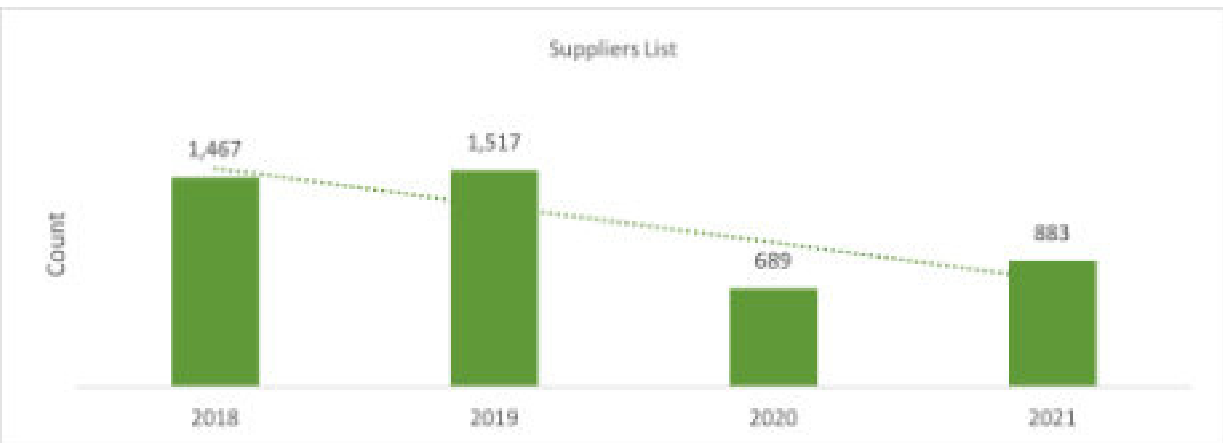
Payments to Government

Willdale's payments to governments for the year were mainly through income, employment, withholding and value added taxes as presented below.

Supply Chain

Management ensures that there are good relations with suppliers to guarantee sustainable and timely delivery of high-quality materials and services. Willdale requires that there is competitive bidding in procuring materials and services. We also routinely evaluate our suppliers on whether they are active or not every year.

During the year, our supplies list increased as a result of an increase in spending on local suppliers.



Spending on local and International Suppliers

During the year, there was a decline in import spending due to cross border restrictions on movement of goods because of the COVID-19 pandemic. As such, the company had to rely on domestic suppliers.

Indicator	Unit	2021	%	2020	%
Spending on in country suppliers	ZWL$	624,482,356	99.8%	531,458,100	99%
Import spending	ZWL$	979,664	0.2%	5,464,939	1%

Payments to Government

		Historical	Historical	Historical	Historical
		2021	**2020**	**2019**	**2018**
Corporate Tax	ZWL$	68,819,340	12,444,988	2,711,483	12,770
PAYE	ZWL$	32,826,331	7,960,807	170,833	177,960
Withholding tax	ZWL$	10,654,829	2,239,918	567,629	318,305
Withholding Tax 10%	ZWL$	1,439,399	21,860		
Other Taxes	ZWL$	0	0	279,129	314,844
Total Tax Paid	ZWL$	113,739,899	22,667,573	3,729,074	823,921

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Directors’ Report

DIRECTORS' REPORT

The Directors have pleasure in submitting their report and the financial statements of the Company for the year ended

30 September 2021.

Authorised Share Capital

The authorised share capital of the company as at 30 September 2021 was ZWL 150 326 at historical cost(one hundred and fifty thousand three hundred and twenty six dollars) divided into 3 000 000 000 (three billion) ordinary shares of ZWL 0.00005 each at historical cost and 3,255,000 (three million two hundred and fifty five thousand) 10% redeemable cumulative preference shares of ZWL 0.0001 each.

Issued Share Capital

As at 30 September 2021 the issued share capital of the company was ZWL 89,225 at historical cost divided into 1 778 001 428 ordinary shares of ZWL 0.00005 each .The balance of the authorised, but unissued, share capital comprising 1 221 998 572 ordinary shares remained under the control of the directors.

Property, Plant and Equipment

Capital expenditure during the year amounted to ZWL$ 35million (2020:ZWL$ 53million).

Directorate

The names of the directors in office at the date of this report, as well as the name andbusiness and postal address of the Secretary, are set out on page 7.

Directors' Fees

A resolution will be proposed at the Annual General Meeting to approve directors' fees amounting to ZWL11.74m (inflation adjusted) in respect of the year under review.

Auditors

A resolution to fix the remuneration for the past audit will be proposed at the Annual General Meeting. A further resolution will be proposed to reappoint BDO Zimbabwe as external auditors until the conclusion of the next Annual General Meeting.

Financial Reporting

The financial statements have been prepared in accordance with International Financial Reporting Standards except for non-compliance with IAS 21, "Effects of Changes in Foreign Exchange Rates"

Going Concern

The Company posted an after tax profit of ZWL 142 milllion in the current financial year (2020: ZWL15 million). Net current assets as at 30 September 2021 were ZWL278 million Although the operating environment is characterised by high inflation, shortages of foreign currency and rapidly changing government policies, the business has sufficient resources and suitable strategies to continue operating as a going concern for the foreseeable future based on the assessment peformed by the directors.The Directors have assessed the ability of the company to continue as a going concern on a continuous basis and believe that the going concern assumption used in the preparation of the financial statements is appropriate because of the following:

-The business outlook presents significant opportunities in terms of sales volume growth, profitability and cash flow generation. Enquiries have been received for several construction projects that are planned for the near future such as university accommodation, schools, cluster home development and general housing development by government, the private sector and individuals. The directors have put in place measures to produce efficiently, increase turnover and preserve cash to mitigate material uncertainties over future trading results and cash flows.

Directors' Report (cont'd)

The preservation of margins through cost management and improved product mix remains key to the company. Consequently, this will result in sustainable profitability. The Directors believe that with sufficient market for the product, its operating model which focuses on high volumes, increased market share and a lower cost of production is sustainable andprofitable going forward. There is no pending litigation with creditors.

The directors therefore have a reasonable expectation that the company has resources to continue in operational existence for the foreseeable future. For these reasons, they continue to adopt the going concern basis of accounting in preparing the annual financial statements. This basis assumes that the company's plans will be successful and that the realisation of assets and settlement of liabilities will occur in the ordinary course of business.

The financial position of the company, its cash flows, liquidity and borrowing facilities are described in the Summary of financial Statements on page 7. In addition, note 18 to the financial statements includes the company's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments; and its exposure to credit and liquidity risk.

Corporate Governance

The Finance and Audit Committee, chaired by non-executive director G Machingambi, has met regularly. The Remuneration Committee chaired by Mr. B K Mataruka and the Operations and Strategy Committee chaired by C Makoni have met as and when necessary. Board meetings have been held every quarter and additional board meetings were held to deal with urgent issues. The Annual General Meeting was held on 25 March 2021. During the year notices were sent to shareholders containing the abridged financial results for the year ended 30 September 2020 and for the six months to 31 March 2021.

W.Chidziwo
Chairman
28 January 2022

N Matonda
Chief Executive Officer
28 January 2022

Directors Responsibility & Approval

Responsibility
The Directors of the company are responsible for the preparation and integrity of the annual financial statements and related information contained in this report. The financial statements are required by law and International Financial Reporting Standards (IFRS) to present fairly the financial position of the Company and the performance for that period. The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that its financial statements comply with the Companies and Other Business Entities Act (Chapter 24.31). They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Preparation of financial statements

The preparation of the financial statements and the process thereto was done under the supervision of Mr. M Munginga (PAAB No. 003250) and under the guidance of the Directors of the Company, who are vested with the governance and responsibility for these financial statements as is provided for in terms of the common law, Companies and Other Businesses Act [Chapter 24:31] and other legislative and regulatory requirements.

Compliance with Companies and Other Businesses Entities Act (Chapter 24:31)

These financial statements which have not been prepared based on IFRS due to non-compliance with IAS21 and are in agreement with the underlying books and records and have been properly prepared in accordance with the accounting policies set out in note 2 of the financial statements, and comply with the disclosure requirements of the Companies and Other Business Entities Act (Chapter 24:31) and the relevant regulations made there under.

Compliance with International Financial Reporting Standards (IFRS)

The financial statements have not been prepared in accordance with International Financial Reporting Standards due non-compliance with IAS 21, "Effects of Changes in Foreign Exchange Rates"

Going concern
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 appropriate.

Significant assumptions and estimation uncertainties relating to assets and liabilities carried at fair value

The significant assumptions and the estimation uncertainties pertaining to items that are carried at fair value have been disclosed in note 2 to these financial statements.

These financial statements have been approved by the Board of Directors and are signed on its behalf by the Chairman and Chief Executive Officer.

W. CHIDZIWO
28 January 2022

N. MATONDA
28 January 202

BDO

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Harare
Zimbabwe

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF WILLDALE LIMITED
Report on the Audit of theInflation Adjusted Financial Statements

Adverse Opinion
Wehaveauditedthe financial statementsof WILLDALE LIMITED set out on pages48to86, which comprise the inflation adjusted statement of financial position as at 30 September 2021, inflation adjustedstatement of profitorlossandothercomprehensive income, inflation adjustedstatementof changesin equity and inflationadjustedstatementofcash flowsfor the year thenended,andthenotes to the financial statements,includingasummary of significantaccountingpolicies.

In our opinion, because of thesignificanceofthe matters describedinthebasis for AdverseOpinion section of our report, the accompanyinginflation adjusted financial statements do not presentfairly the financial position of the company as at 30 September 2020,and its financial performanceanditscash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Adverse Opinion
a) Non-compliancewith International Accounting Standard 21 (IAS 21),The Effects of Changesin Foreign Exchange Rates

Misstatement of comparative financial information and retained earnings
Prior to 22February 2019,the Zimbabweaneconomy was characterizedbya multi-tiered pricing model. Underthemodel, a single product had different prices dependingon the modeofpayment,whether United States Dollar (US Dollar), Real Time GrossSettlement(R TGS), mobile money or bond notes. The multi-tieredpricingmodel was evidence of the emergenceofanewcurrency,theZimbabwe Dollar (ZWL), which was beingusedalongsidethese modesofpayment.The newcurrency, the ZWL, was then formally acknowledgedthroughthe issueof Statutory Instrument 33of 2019(S.I 33) "Presidential Powers (TemporaryMeasures)Amendmentof ReserveBankofZimbabweA ct and Real Time Gross Settlement Electronic Dollars (RTGS) Regulations, 2019.The statutory instrument prescribed parity between the US Dollar and the new local currency (the ZWL) up to the effective date of 22 February 2019.

The new functionalcurrency(ZWL) was effective from22February2019,insteadofthefourthquarter of 2018as evidenced by the separation of the bankaccountsinto foreigncurrency accounts and non-foreigncurrencyaccounts. The statutoryinstrumentalsoprescribedhowUSD ollar balanceswere to be translatedto theZWL.Thedelay in recognizingtheZWLasacurrency and the translationmethodof balances from US Dollar toZWL resultedinmisstatement of comparativefinancial statements and current yearretained earningsbalance of ZWL1,362,212,916.

Use of inappropriate spot rates
TheCompany translated foreign denominatedtransactions and balances usingthegovernmentgazetted auctionexchangerate. IAS21 definesthespot rateastheexchangerateavailableforimmediate delivery. The interbankauctionexchangeratedidnotmeetthe definitionofspotexchangerateasper IAS 21.Hadthecompanyapplied the spot rateasdefined in IAS 21, several elementsof theinflation adjustedfinancialstatementswouldhavebeenmateriallydifferentfromthe reportedamounts.

b) Valuation of land andbuildings, equipment and investments
The Companyhad property, plant, equipment, investment property and investments at fair value through other comprehensive income carried at ZWL1,917,506,286, ZWL374,740,407and ZWL 260,809,200 respectively as at 30 September 2021. These assets were revalued bytheDirectors and independent valuers usinghistorical US$denominated inputs andconverted to ZWL at the interbank auction exchange rate in prior year and the Company'sinternal exchange rateasat 30September 2021. Given the uncertaintyover theappropriatenessof the use of the interbankauctionexchange rateasareflection

of fair value of the assets,we were unableto determine whether the property values, revaluation surplus and fair value adjustmentreported wereappropriate underthecircumstances.

c)Consequential impactoftheabovematterson Inflated adjustedfinancialstatements
Furthermore, notwithstanding that IAS 29 -Financial Reporting in Hyper-inflationary Economies has been applied from 1October2018to 30 September 2021, it is noted that its application wasbased on prior and current periods' financial information which has been misstated as a resultofmatters described above. Had the correct basenumbers and start date been used, several elements of the financial statementswouldhavebeenmaterially different.

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities underthose standards are further described in the Auditor's Responsibilities for the Audit of the FinancialStatementssectionofour report. WeareindependentoftheCompanyinaccordance 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 accordancewiththese requirements.We believe that the audit evidence we haveobtainedissufficient and appropriate to provide a basis for our opinion.

Key Audit Matters
Key audit matters are thosemattersthat inour professionaljudgement were of mostsignificancein our audit of financial statements. Except for the matters described in the Basis for Adverse of Opinion section, we have determined that there are no other key audit matterstocommunicate in our report.

Other Information
Thedirectors are responsiblefor otherinformation. The otherinformation comprise theChairman's Statement, Director's Report, Corporate Governance report and Sustainability Report, which we obtained prior to the date of this report and the AnnualReport, which is expectedto bemadeavailable to usafter that date.

Our opiniononthe Financial Statements doesnot coverthe other information and we do not expressany form of assurance or conclusion thereon.

In connection with our audit of the Financial Statements our responsibility is to read the other informationand in doingsoconsiderwhether the other information is materiallyinconsistentwith the Financial Statements,orourknowledgeobtained intheaudit,or otherwiseappearsto be materially misstated. If, based on thework we have performedontheother informationthat we have obtained prior to the date of the Auditors'Report, weconcludethat there isamaterialmisstatementofthe other information, we are required to report that fact. We have nothingto report in this regard.

Responsibilities of directors for the financial statements
Thedirectors are responsiblefor the preparation andfairpresentation of the financial statements in accordance with International Financial Reporting Standardsand the requirements of the Companiesand OtherBusinessEntitiesAct (Chapter24:31), and for suchinternal control as the directors determine is necessary to enable thepreparation 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 assessingthe Company's ability to continue as agoingconcern, disclosing, as applicable, matters related to goingconcern and usingthe goingconcern basis of accounting unlessthe directors either intend to liquidate the Companyor to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements
Our objective is to obtain reasonableassuranceaboutwhetherthe financial statements as awholeare free from material misstatement,whether due to fraud or error,andtoissueanauditor's report that includes our opinion. Reasonableassuranceis a highlevel of assurancebutisnotaguarantee that an audit conductedinaccordance with International AuditingStandards(ISAs) will always detect a material misstatementwhenitexists.

Misstatements can arise from fraud or error and are consideredmaterial if, individually or in the aggregate, they could reasonablybe expected to influence the economic decisions of userstakenonthe basis of the financial statements.

As part of anaudit inaccordance with International Auditing Standards, we exercise professional judgment and maintain professional skepticism throughoutthe audit. Wealso:

- Identifyandassessrisksof material misstatementsof the financial statements, whether due to fraud or error,design and perform audit proceduresresponsiveto thoserisks,andobtainaudit evidence that is sufficientandappropriate to provide abasisfor our opinion. Theriskofnot detecting a material misstatementresultingfrom fraud is higherthanforoneresultingfrom error, as fraud may involve collusion, forgeryintentional omissions,misrepresentationsorthe override of the internal controls.
- Obtain an understandingof the internal controlrelevant to the audit in order to designaudit procedures in the circumstances, but not for the purpose of expressing an opinionon the effectiveness of the company'sinternal controls.
- Evaluate the appropriateness ofthe accounting policies used and the reasonableness of the accounting estimates and related disclosures made by management.
- Concludeon the appropriatenessof management'suseofthe goingconcern basisofaccounting and, basedonthe audit evidence obtained, whether material uncertainty existsrelated to events or conditionsthat may cast significantdoubt on the entity'sabilitytocontinueasagoing concern.If we concludethat amaterial uncertaintyexists,we are requiredtodrawattention in our auditor's report to the related disclosuresin thefinancial statements or, if suchdisclosures are inadequate, to modifyour opinion. Ourconclusionsare based onthe audit evidence obtained up to thedate of ouraudit report. However,futureevents orconditions may causethecompany to ceaseor continueasagoingconcern.
- Evaluate theoverallpresentation, structureandcontent of financial statements,includingthe disclosures, and whetherthefinancial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regardingthe financial information ofthe entities or businessactivities within the company to express an opinion on the financial statements. We are responsiblefor the directing, supervisionand performanceof the companyaudit. Weremain 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 ininternal control that we identify during our audit.

We alsoprovidethe directorswith a statement that we have compliedwith relevant ethical requirements regarding independence and communicate with themall relationshipsandother matters that may reasonablybethought to bear on our independence, and whereapplicable,related safeguards.

From the matterscommunicatedwith thedirectors,wedetermine thosematters that wereofmost significancein the audit of the financial statements ofthecurrent periodand are therefore the key audit matters. We describethese mattersinour auditors' report unlesslaw or regulation precludes public disclosureabout the matter or when,inextremely rare circumstances, we determine that a matter shouldnot be communicated in our report because the adverse consequences of doing so would reasonablybeexpectedtooutweighthe public interestbenefits of suchcommunication.

Report on legal and regulatory requirements

In our opinion, the financial statements have been prepared in compliance with the disclosure requirements of the Companiesand Other Business Entities Act (Chapter 24:31).

The audit engagement partner on the audit resulting in this independent auditors' report is Davison Madhigi.

BDO Zimbabwe
Chartered Accountants

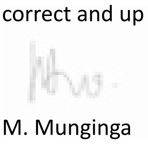
Davison Madhigi (CA(Z))
Partner

28 January 2022

Kudenga House
3 Baines Avenue
HARARE

Company Secretary's Certification

I cerFfy that, to the best of my knowledge and belief, the Company has lodged with the Registrar of Companies all such returns as are required to be lodged by the Public enFty in terms of the Companies Act (Chapter 24:03) of the Republic of Zimbabwe, and all such returns are true, correct and up to date.



M. Munginga
Company Secretary
Mt Hampden

28 January 2022

Statement of Profit/Loss and Other Comprehensive Income

	Notes	Inflation Adjusted September 2021 ZWL$	Inflation Adjusted September 2020 ZWL$
Revenue from contracts with customers	3.1	**1,234,463,428**	**904,065,717**
Cost of sales		(786,573,280)	(496,542,120)
Gross profit		**447,890,148**	**407,523,597**
Selling and distribution expenses		(49,356,747)	(37,257,367)
Administrative expenses		(176,773,565)	(157,886,691)
IFRS9 Impairment loss		(1,855,087)	(4,501,116)
Fair value adjustment on investment joint in venture	9.1	-	(8,465,292)
Other income	3.2	32,027,184	52,455,700
Operating profit	3.3	**251,931,933**	**251,868,831**
Fair Value gain on Investment Property		110,722,874	211,730,872
Interest income	4.2	205,555	321,588
Interest expense	4.1	(513,216)	(4,560)
Profit before Monetary loss		**362,347,146**	**463,916,730**
Monetary Loss		(86,638,546)	(391,318,282)
Profit before tax		**275,708,600**	**72,598,448**
Income tax expense	5	(97,943,324)	(39,662,462)
Profit after tax		**177,765,276**	**32,935,986**
Other comprehensive income-not to be recycled to profit and loss in subsequent periods			
Fair Value Adjustment on Investments at FVTOCI	9.2	1,204,567	95,503,805
Revaluation Surplus		269,096,335	307,392,481
Tax thereon		(66,761,527)	(95,088,182)
Other Comprehensive income net of Tax		**203,539,375**	**307,808,104**
Total comprehensive income for the year		**381,304,651**	**340,744,089**
Basic earnings per share - cents	6	9.998	1.852
Headline earnings per share - cents		9.969	1.852

Statement Of Financial Position

	Notes	Inflation Adjusted September 2021 ZWL$	Restated September 2020 ZWL$	Restated 1 October 2019 ZWL$
Assets				
Non Current Assets		**2,553,051,893**	**2,225,556,989**	**1,780,903,377**
Property, plant and equipment	8.1	1,917,502,286	1,701,934,823	1,556,025,954
Investment property	8.3	374,740,407	264,017,533	52,286,661
Investments at Fair Value through Other Comprehensive Income(FVTOCI)	9	260,809,200	259,604,633	172,590,763
Current Assets		**582,385,977**	**445,361,904**	**451,188,607**
Inventories	10	432,190,853	307,037,766	266,202,423
Trade and other receivables	11	109,225,212	48,480,371	134,386,553
Contract Asset	11	-	3,031,982	-
Cash and cash equivalents	13	40,969,912	86,811,786	50,599,631
Total Assets		**3,135,437,869**	**2,670,918,893**	**2,232,091,984**
Equity and Liabilities				
Equity		**2,256,600,907**	**1,907,710,146**	**1,575,817,600**
Share Capital	14	4,638,000	4,638,000	4,638,000
Asset revaluation reserve		812,383,871	609,808,150	378,402,513
Fair Value of Financial Asset revaluation reserve		77,366,121	76,402,467	-
Accumulated profits		1,362,212,916	1,216,861,530	1,192,777,088
Non Current Liabilities		**575,071,538**	**484,557,716**	**416,806,349**
Deferred Tax	15	575,071,538	484,059,013	416,307,642
Borrowings	16	-	498,703	498,707
Current Liabilities		**303,765,424**	**278,651,031**	**239,468,035**
Trade and other payables	17.	241,168,158	191,256,782	200,925,172
Provisions	17.1	20,754,676	36,950,892	22,145,871
Borrowings	16	3,684,738	-	-
Current tax payable		38,157,852	50,443,356	16,396,992
Total Liabilities		**878,836,963**	**763,208,746**	**656,274,384**
Total Equity and Liabilities		**3,135,437,869**	**2,670,918,892**	**2,232,091,984**

W.Chidziwo
Chairman
06 January 2022

N Matonda
Chief Executive Officer
06 January 2022

Statement of Changes In Equity
For the year ended 30 September 2021

INFLATION ADJUSTED

	Share Capital ZWL$	Asset Revaluation Reserve ZWL$	Fair Revaluation Reserve ZWL$	Accumulated Profit ZWL$	Total Equity ZWL$
As at 1 October 2019 as prevously reported	**4,638,000**	**426,339,633**		**1,197,037,244**	**1,628,014,877**
Prior period error(Note23)	-	(47,937,120)		47,937,120.24	-
Prior period error(Note23)	-	-		(52,197,276)	**(52,197,276)**
Restated balance as at 1 October 2019	**4,638,000**	**378,402,513**	-	**1,192,777,088**	**1,575,817,600**
Total Comprehensive Income for the Year	-	231,405,637	76,402,467	32,935,986	**340,744,089**
Dividend paid	-	-		(8,851,544)	**(8,851,544)**
As at 30 September 2020	**4,638,000**	**609,808,150**	**76,402,467**	**1,216,861,530**	**1,907,710,146**
Total comprehensive income	-	202,575,721	963,654	177,765,276	**381,304,651**
Dividend paid	-			(32,413,890)	**(32,413,890)**
As at 30 September 2019	**4,638,000**	**812,383,871**	**77,366,121**	**1,362,212,916**	**2,256,600,907**

Assets revaluation reserve

This reserve is used to record increases or decreases in the fair value of property, plant and equipment.

Dividend

The directors resolved to pay a final dividend of 2.7 cents per share for the year ended 30 September 2021.

Statement of Cashflows

	Inflation Adjusted September 2021 ZWL$	Restated September 2020 ZWL$
Profit Before Taxation	**275,708,600**	**72,598,448**
Adjustments for non-cash items:		
Effects of IAS 29 restatement	(35,035,105)	180,731,589
Fair Value Adjustment on Investment Property	(110,722,874)	(211,730,872)
Fair Value Adjustment on Joint Venture	-	8,465,292
Depreciation	112,598,252	13,119,393
Profit on disposal of property, plant and equipment	(523,999)	-
Interest expense	513,216	4,560
Interest income	(205,555)	(321,588)
Cashflow before changes in working capital	**242,332,535**	**62,866,821**
Working capital changes		
Increase in inventories	(125,153,087)	(40,837,354)
(Increase)/decrease in accounts receivable	(60,744,841)	90,406,281
Movement in other provisions	(16,196,216)	14,805,188
Increase/ (Decrease) in accounts payable	49,911,376	(9,666,869)
Cash generated from operating activities	**90,149,767**	**117,574,067**
Interest paid	(513,216)	(4,560)
Interest received	205,555	321,588
Income Tax Paid	(68,819,340)	(18,860,237)
Net cash generated during the year	**21,022,766**	**99,030,857**
Investing activities		
Proceeds from sale of property, plant and equipment	523,999	-
Purchase of property, plant and equipment to increase existing capacity	(34,974,748)	(53,967,353)
Cashflow from investing activities	**(34,450,749)**	**(53,967,353)**
Financing activities		
Dividend Paid	(32,413,890)	(8,851,544)
Net cash outflows from financing activities	**(32,413,890)**	**(8,851,544)**
Net(decrease)/increase in cash and cash equivalents	**(45,841,874)**	**36,211,960**
Cash and cash equivalents at beginning of the year	**86,811,786**	**50,599,826**
Cash & cash equivalents at end of the year	**40,969,912**	**86,811,786**

Notes to the financial statements

1. CORPORATE INFORMATION
The financial statements of Willdale Limited for the year ended 30 September 2021 were authorised for issue in accordance with a resolution of the directors on 28 January 2022.

Willdale Limited is a Company incorporated and domiciled in Zimbabwe whose shares are publicly traded on the Zimbabwe Stock Exchange ("ZSE"). The Company's main activity is the making and selling of clay bricks. Its registered office is at 19.5km peg, Lomagundi Road, Mount Hampden.

2. BASIS OF PREPARATION

2.1 Statement of compliance
The financial statements have not been prepared in accordance with International Financial reporting Standards (IFRS) as issued by the International Accounting Standard Board (IASB) and the International Financial Reporting Interpretations Committee, (IFRIC) interpretations and in a manner required by the Zimbabwe Companies Act (Chapter 24:03) due to non-compliance with IAS21 and IFRS 13-Fair Value measurements.

Financial information is presented in the local currency, the Zimbabwe Dollar (ZWL) and figures are rounded off to the nearest dollar.

2.2 Functional currency
The financial statements have been prepared per the provisions of IAS 29 "Financial Reporting In Hyper-inflationary Economies. The local accounting regulatory board, Public Accountants and Auditors Board (PAAB) proclaimed all financial periods after 1 July 2019 to be reported under the hyper-inflation accounting basis. Effective date of applying IAS 29 was 1 July 2019.

2.3 International Accounting Standard 29

The financial statements are based on the statutory records that are maintained under the historical cost convention. Appropriate adjustments and reclassifications including restatement for changes in general purchasing power of the Zimbabwean dollar for the fair presentation in accordance with International Accounting Standard 29, "Financial Reporting in Hyperinflationary Economies" have been made on the historical cost financial information. IAS 29 requires that the financial statements prepared in the currency of a hyperinflationary economy be stated in terms of a measuring unit current at the balance sheet date, and that comparative figures be stated in the same terms.

The current and prior year financial statements have been restated for changes in the general purchasing power of the ZWL. The company followed the legal instrument and changed the functional currency on 22 February 2019.

The restatement was based on conversion factors derived from the Reserve Bank of Zimbabwe website. The indices and conversion factors used to restate the financial statements as 30 September 2020 are show below:

		CPI	Conversion factor
2020	Oct	2301.67	1.4520
2020	Nov	2374.24	1.4076
2020	Dec	2474.51	1.3505
2021	Jan	2608.79	1.2810
2021	Feb	2698.89	1.2382
2021	Mar	2759.83	1.2109
2021	Apr	2803.57	1.1920
2021	May	2874.85	1.1625
2021	Jun	2986.44	1.1190
2021	Jul	3062.93	1.0911
2021	Aug	3191.19	1.0472
2021	Sep	3342.02	1

The key procedures applied in the restatement process are as follows:

- Monetary assets and liabiliF es at Balance Sheet date are not restated since they are already stated in terms of the monetary unit current at balance sheet date.
- Non-monetary assets and liabiliF es and components of shareholders equity are restated by applying the relevant monthly conversion factors.

- ComparaF ve informaF on is restated using the inflaF on indices in terms of the measuring unit current at the balance sheet date. Most items in the Statement of Profit or loss and Comprehensive Income are.

- restated by applying the relevant monthly conversion factors.

- The net effect of the inflaF on adjustments on the net monetary posiF on of the company is included in the Statement of Profit or Loss and Other Comprehensive Income as a monetary gain or loss

The process of hyper-inflaF ng the historical figures was as below:
Movements in the comparaF ve informaF on

- The comparaF ve amounts as at 30 September were converted at the hyper-inflaF on adjustment factor of 1.5155.

Hyper-inflaF on adjustment approach- Statement of profit or loss and other comprehensive income
Revenue, cost of sales, exchange gain/loss

- The line items were segregated into monthly totals and then the applicable monthly adjustment factor was factored to hyper-inflate the amounts. Unrealised exchange gains or losses were determined at year end and thus they were not hyperinflated

Notes to the financial statements(cont'd)

Other income

- The other income was segregated into the respective month in which the income accrued and then the applicable adjustment factor utilized to hyper-inflate the amounts.

Depreciation

- The depreciation expense was recalculated based on the restated opening balances factoring in the hyper-inflated additions and disposals.

Share of Joint venture profit

- The financial statements for the associate and joint venture were adjusted for inflation before the allocation of the company's share of profit.

Other comprehensive income

- The fair value measurements were determined at year end and thus there in no need to restate the fair value measurements.

Hyper-inflation adjustment approach- Statement of financial positionProperty, plant and equipment

- PPE, except land and buildings, was restated at the rate applicable at the beginning of the period and the additions and disposals were hyperinflated at the applicable hyper-inflation adjustment rates at the date of purchase or disposal.

Land and buildings

- The land and buildings was fair valued at 30 September and thus no restatement on the closing fair values. The difference between the restated opening balance and the closing fair value was accounted for as the fair value adjustment.
- The fair valued amounts were assessed for impairment.

Investment in joint venture and associate

- The financial statements for the associate and joint venture were adjusted for inflation before the allocation of the company's share of profit.

Deferred tax liability

- The closing balance was calculated based on the restated closing balances for the applicable liabilities.
- The opening balance was calculated based on the restated closing balances from the prior period. Secondly, those calculated deferred tax items were restated by the change in the general price level for the reporting period.

Inventory

- The amounts constitute a non-monetary asset and the balance was restated based on the applicable adjustment factor. The resulting differences were accounted for as part of the net-monetary gain in profit or loss.

Trade receivables

- The amounts constitute a monetary asset and thus there was no restatement on the balances.

Prepayments

- The amounts constitute a non-monetary asset and the balance was restated based on the applicable adjustment factor. The resulting differences were accounted for as part of the net-monetary gain in profit or loss.

Cash and bank

- The amounts constitute a monetary asset and thus there was no restatement on the balances.

Trade payables

- The amounts constitute a monetary liability and thus there was no restatement on the balances.

Contract liabilities (revenue received in advance)

- The amount constitutes a non-monetary liability and it was hyper-inflated at the applicable adjustment factor. The resulting differences were accounted for as part of the net-monetary gain in profit or loss.

Provisions

- The provisions were separated into monetary and non-monetary .
- The non-monetary provisions were hyper-inflated using the applicable monthly adjustment factors. The resulting differences were accounted for as part of the net-monetary gain in profit or loss.
- There was no hyper-inflation adjustment on the monetary provisions.

Loans and borrowings

- The amounts constitute a monetary liability and thus there was no restatement on the balances.

Statement of Cash flows

Gains and losses arising from net monetary asset or liability positions are included in the profit and loss statement and the adjusted in the statement of cashflows.

Hyper-inflation adjustment approach- Statement of changes in equity Revaluation reserve

- The amount was hyper-inflated at the applicable adjustment factor from the beginning of the period or the date of contribution.

Share Capital

- Share capital was converted using the rate applicable on the date of contribution

Hyper-inflation adjustment approach- Statement of cash flow
The amounts were segregated into the respective months in which the cashflows actually occurred and the applicable monthly adjustment factor used.

2.4.1 Going Concern

The Company made an operating profit of ZWL 252 m in the current financial year (2020: ZWL 252m) Current assets exceeded current liabilities by ZWL 279m as at 30 September 2021(2020 ZWL 166m).

Although the operating environment is characterised by high inflation, shortages of foreign currency and rapid changes in government policy, conditions that may give rise to a material uncertainty which may cast doubt on the Company's ability to continue operating as a going concern and to realise its assets and discharge its obligations in the normal course of business, the Directors have assessed the ability of the company to continue as a going concern on a continuous basis and believe that the going concern assumption used in the preparation of the financial statements is appropriate.

The Directors have a reasonable expectation that the company has resources to continue in operational existence for the foreseeable future. For these reasons, they continue to adopt the going concern basis of accounting in preparing the annual financial statements. This basis assumes that the company's plans will be successful and that the realisation of assets and settlement of liabilities will occur in the ordinary course of business. The financial position of the company, its cash flows, liquidity and borrowing facilities are described in the Summary of financial Statements on page 8.   In addition, note 18 to the financial statements includes the company's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments; and its exposure to credit and liquidity risk.

2.4.2 Changes in accounting policies and intepretations

The Company has applied a number of amendments to IFRS issued by the International Accounting Standard Board that are effective for accounting periods that begin on or after 1 January 2020. There were no specific amendments to IFRS which had a material impact on the Company's financial statements.

Changes in accounting policy and interpretations

a) New standards, interpretations and amendments adopted from 1 January 2020

The following new standards, amendments and interpretations that are effective for the first time in these financial statements but have not had a material effect on the company:

- Interest Rate Benchmark Reform – IBOR 'phase 2' (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16): These amendments to various IFRS standards are mandatorily effective for reporting periods beginning on or after 1 January 2021. The amendments provide relief to the Company in respect of certain loans whose contractual terms are affected by interest benchmark reform. The impact of the relief is currently unknown.

- COVID-19-Related Rent Concessions (Amendments to IFRS 16): Effective 1 June 2020, IFRS 16 was amended to provide a practical expedient for lessees accounting for rent concessions that arise as a direct consequence of the COVID-19 pandemic and satisfy the following criteria:

a) The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
b) The reduction is lease payments affects only payments originally due on or before 30 June 2021; and
c) There is no substantive change to other terms and conditions of the lease.

Rent concessions that satisfy these criteria may be accounted for in accordance with the practical expedient, which means the lessee does not assess whether the rent concession meets the definition of a lease modification. Lessees apply other requirements in IFRS 16 in accounting for the concession.

Accounting for the rent concessions as lease modifications would have resulted in the Company remeasuring the lease liability to reflect the revised consideration using a revised discount rate, with the effect of the change in the lease liability recorded against the right-of-use asset. By applying the practical expedient, the Company is not required to determine a revised discount rate and the effect of the change in the lease liability is reflected in profit or loss in the period in which the event or condition that triggers the rent concession occurs.

The Company did not have rent concessions that satisfy the criteria mentioned above.

- IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors (Amendment – Disclosure Initiative - Definition of Material); and

- Revisions to the Conceptual Framework for Financial Reporting

b) New standards, interpretations and amendments not yet effective

The following amendments are effective for the period beginning 1 January 2022:

- Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37);
- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16);
- Annual Improvements to IFRS Standards 2018-2020 (Amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41); and
- References to Conceptual Framework (Amendments to IFRS 3).

IFRS 3 Business Combinations (Amendment – Definition of Business)

IASB issued an amendment on Definition of Business (Amendment to IFRS 3) to make it easier for entities to decide whether activities and assets they acquire are a business or merely a group assets.

The amendments:

- confirmed that a business must include inputs and a process, and clarified that:
- the process must be substantive; and
- the inputs and process must together significantly contribute to creating outputs.
- narrowed the definitions of a business by focusing the definition of outputs on goods and services provided to customers and other income from ordinary activities, rather than on providing dividends other economic benefits directly to investors or lowering costs; and
- added a test that makes it easier to conclude that the Company has a group of assets, rather than a business, if the value of the assets acquired is substantially all concentrated in a single asset or group of similar assets.

The following amendments are effective for the period beginning 1 January 2023:
- IFRS 17 Insurance Contracts; and
- IAS 1 Amendments on Classification

In January 2020, the IASB issued amendments to IAS 1, which clarify the criteria used to determine whether liabilities are classified as current or non-current. These amendments clarify that current or non-current classification is based on whether an entity has a right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period. The amendments also clarify that 'settlement' includes the transfer of cash, goods, services, or equity instruments unless the obligation to transfer equity instruments arises from a conversion feature classified as an equity instrument separately from the liability component of a compound financial instrument. The amendments were originally effective for annual reporting periods beginning on or after 1 January 2022. However, in May 2020, the effective date was deferred to annual reporting periods beginning on or after 1 January 2023.

2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.5.1 Taxes

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

Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax assets to be recovered.

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity.

2.5.1.1 Current income tax

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

Current income tax relating to items recognised directly in other comprehensive income or equity is recognised in other comprehensive income or equity and not in profit or loss for the period. Management periodically evaluates positions taken in the tax returns with respect to situation in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the tax authorities.

The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the end of the reporting period.

2.5.1.2 Deferred Tax

Deferred tax is provided for using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax liabilities are recognised for all taxable differences.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary difference and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets are reassessed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

2.5.1.3 Value added tax

Revenue, expenses and assets are recognised net of the amount of value added tax except;

Where value added tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the value added tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable. The net amount of value added tax from, or payable to the taxation authority is included as part of receivables or payables in the statement of financial position.

2.5.1.4 Cost of Sales

Cost of sales refers to the direct costs attributable to the production of the goods or supply of services by an entity. It is also commonly known as the "cost of goods sold (COGS)".
Cost of sales measures the cost of goods produced or services provided in a period by an entity. It includes the cost of the direct materials used in producing the goods, direct labour costs used to produce the good, along with any other direct costs associated with the production of goods.

Cost of sales does not include indirect expenses such as distribution costs and marketing costs. It appears on the income statement and is deducted from the sales revenue for the calculation of gross profit.

2.5.2 Foreign currency transactions

Transactions in foreign currencies are initially recorded at the rate of exchange ruling at the dates of the transactions.

Monetary assets and liabilities are retranslated at approximate rates of exchange ruling at the financial year end. All exchange differences arising on settlement or translation of monetary items are taken to profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the date of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when fair value is determined.

The following exchange rates were used as at year end

30 September 2021 1US$: ZWL87.6653

Statement of Profit or Loss and Other Comprehensive Income items were translated at Interbank rate ruling at date of transaction.

2.5.3 Property, Plant and Equipment

Property, plant and equipment, other than land and buildings, is measured at cost, excluding the costs of day to day servicing, less accumulated depreciation and accumulated impairment loss. Such cost includes the cost of replacing part of the plant and equipment when that cost is incurred, if the recognition criteria are met. Land and buildings are measured at fair value less accumulated depreciation on buildings and impairment losses recognised after the date of the revaluation.

Depreciation is calculated on the following basis over the useful life of the assets.

• Brickfield land - is amortised on the basis of utilisation of clay against the total estimated clay reserves remaining

• Industrial and commercial buildings -2% of cost

• Plant and machinery - based on usage hours.

• Computers, furniture and fittings and motor vehicles varying between 10% and 33% of cost.

Subsequent to initial recognition, Land and buildings are revalued frequently. Revaluations may be done where Directors' deem necessary to ensure that the fair value does not differ materially from its carrying amount. Any revaluation surplus is recorded in other comprehensive income and hence credited to the asset revaluation reserve in the equity section of the statement of financial position, except to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss, in which case the increase is recognised in profit or loss.

The revaluation surplus is transferred to retained earnings on disposal of the revalued asset. The Company assesses at each reporting date whether there is an indication that an item property, plant and equipment may be impaired. If such indication exists, the Company makes an estimate of its recoverable amount.

In applying IAS 29 where revaluation is done, accumulated depreciation is eliminated. Depreciation for all assets is restated using inflation indices. The opening balances have been restated using the closing index for 2021 while assets purchased during the year have been converted using the indices applicable on the date of purchase. The opening revaluation reserve was eliminated against equity.

Current year depreciation for Land and Buildings is based on the revalued amounts at the end of the period.

Property, plant and equipment's recoverable amount is the higher of it's or cash generating unit's fair value less costs to sell and its value in use and is determined for an individual item of property, plant and equipment, unless it does not generate cash inflows that are largely independent of those from other items of property, plant and equipment or group of property, plant and equipment.

Where the carrying amount of item of property, plant and equipment exceeds its recoverable amount, the property, plant and equipment is considered impaired and is written down to its recoverable amount.

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 property, plant and equipment. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices of investments or other available fair value indicators.

Impairment losses on continuing operations are recognised in profit or loss in those expense categories consistent with the function of the impaired property, plant and equipment except for property previously revalued where the revaluation was taken to other comprehensive income. In this case the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Company makes estimates of recoverable amounts. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised.

If that is the case the carrying amount of property, plant and equipment is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment been recognized for the property, plant and equipment asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at a revalued amount in which case the reversal is treated as a revaluation increase.

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 assets' residual values, useful lives and methods of depreciation are reviewed at each financial year end, and adjusted prospectively if appropriate.

2.5.4 Employee benefits

2.5.4.1 Retirement benefits

Retirement benefits are provided for employees through the National Social Security Authority (NSSA) which is also regarded as a defined contribution plan. The cost of retirement benefits for the defined contribution fund is determined by the amount paid and is charged to profit or loss in the year to which it relates. The cost of retirement benefits applicable to the National Social Security Authority (NSSA) is determined by the systematic recognition of legislated contributions and is recognised in profit or loss.

2.5.4.2 Short term employee benefits

Short term employee benefits such as salaries and bonuses are expensed as the related service is performed. A liability is recognised for the amount expected to be paid if the company has a legal or constructive obligation to pay the amount as a result of past service provided by the employee and the amount of the obligation can be estimated reliably.

2.5.5 Inventories

Inventories are valued at the lower of cost, established on the Weighted Average basis, and net realisable value. In the case of work in progress and finished goods, cost includes an appropriate portion of manufacturing overheads. Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and the estimated costs necessary to make the sale.

2.5.6 Cash and cash equivalents

Cash and short term deposits in the statement of financial position comprise cash at banks and on hand and short term deposits with an original maturity of three months or less. Subsequent to initial recognition, cash and cash equivalents are measured at amortised cost.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits as defined above, net of outstanding bank overdrafts.

2.5.7 Provisions (including leave pay and contingent liabilities)

Provisions are recognised when the Company has a Present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and reliable estimate can be made of the amount of the obligation. A contingent liability is a possible obligation that may arise when some uncertain future event occurs or a present obligation whose payment is not probable neither can the amount be measured reliably. Contingent liabilities are not accounted for in financial statements but are disclosed.

2.5.8 Related party disclosures

Transactions with related parties are carried out on an arms' length basis except where stated.

2.5.9 Revenue and other income recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when payment is received. Revenue is measured at the fair value of the consideration received, taking into account contractually defined terms of payments excluding taxes and duty. The company's terms are largely payment in advance, consideration does not vary once it is set at the time of payment.

2.5.9.1 Sale of goods

Revenue from sale of goods is recognised at a point in time when control of the asset is transferred to the customer, generally at the point of dispatch. The company's performance obligation is satisfied at a point in time upon brick delivery to or collection by customers and payments are received in advance or credit is granted by exception.

The company 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, customer loyalty points). In determining the transaction price for the sale of goods, the company considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

If the consideration in a contract includes a variable amount, the company 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 until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when associated uncertainty with variable consideration is subsequently resolved

Contract balances

Trade receivables

A receivable is recognized if an amount of consideration that is unconditional is due from the customer (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section 2.5.11 Financial instruments – initial recognition and subsequent measurement.

Contract liabilities

A contract liability is recognized if a payment is received or a payment is due (whichever is earlier) from a customer before the company transfers the related goods or services. Contract liabilities are recognized as revenue when the company performs under the contract (i.e., transfers control of the related goods or services to the customer).

2.5.9.2 Interest income

Interest income is recognised as interest accrues using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the instrument to the net carrying amount of the financial asset.

2.5.9.3 Rental income

Rental income arising from operating lease is accounted for on a straight-line basis over the lease terms and is included in other income in the statement of comprehensive income.

2.5.10 Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the respective asset. Other borrowing costs are recognised as an expense in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with borrowing of funds.

2.5.11 Financial assets

Initial recognition and measurement
Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement
For purposes of subsequent measurement, financial assets are classified in two categories:
- Financial assets at amortised cost (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)

Financial assets at amortised cost (debt instruments)
Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Company's financial assets at amortised cost includes trade receivables, staff debtors, cash and cash equivalents.

Financial assets designated at fair value through OCI (equity instruments)
Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognized as other income in the statement of profit or loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The company's financial assets at fair value through OCI includes an Investment in Smart Suburb (Pvt) Limited

Derecognition
A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e., removed from the Company's statement of financial position) when:
• The rights to receive cash flows from the asset have expired Or
• The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Company applies a simplified approach in calculating ECLs.
Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established 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 Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.5.12 Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

• Financial liabilities at fair value through profit or loss
• Financial liabilities at amortised cost (loans and borrowings)

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the statement of profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied. The Company has not designated any financial liability as at fair value through profit or loss.

Financial liabilities at amortised cost (Trade payables)

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss. This category generally applies to interest-bearing loans and borrowings.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

iii) Offsetting of financial instruments
Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.5.13 Lease policy applicable before 1 October 2019

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at inception date, whether fulfillment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in any arrangement. Leases are classified as finance leases whenever the terms of the lease transfers substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

2.5.13.1 Company as a lessee

Finance leases which transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability.

Finance charges are recognised in finance costs in the statement of profit or loss. A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an operating expense in the statement of profit or loss on a straight-line basis over the lease terms.

2.5.13.2 Company as a lessor

Leases in which the Company does not transfer substantially all risks and benefits of ownership of the asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same bases as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy described as follows :

based on the lowest level input that is significant to the fair value measurement as a whole:

• Level 1—Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

• Level 2—Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

• Level 3—Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

2.5.15 Current versus non-current classification

The Company presents assets and liabilities in statement of financial position based on current/non-current classification. An asset is classified as current when it is:

• Expected to be realised or intended to be sold or consumed in normal operating cycle

• Held primarily for the purpose of trading

• Expected to be realised within twelve months after the reporting period, or

• Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current. A liability is current when:

• It is expected to be settled in normal operating cycle

• It is held primarily for the purpose of trading

• It is due to be settled within twelve months after the reporting period, or

• There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.5.16 Segment Information

IFRS 8, Operating Segments, is applicable to the Company. However, the Company currently has one reporting segment due to the nature of its business, which is the manufacture and selling of bricks to one local market (i.e. Zimbabwe) and various customers, none of whom are classified as major customers.

2.5.17 Investment in a joint venture

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture.

Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. Willdale Limited's Investment in its joint venture is accounted for using the equity method. Under the equity method, the investment in a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Company's share of net assets of the joint venture since the acquisition date. Goodwill relating to the joint venture is included in the carrying amount of the investment and is neither armotised nor individually tested for impairment.

Notes to the financial statements(cont'd)

The statement of profit or loss reflects Willdlale's share of the results of operations of the joint venture any change in other comprehensive income (OCI) of the joint venture is presented as part of Willdale's OCI. In addition, when there has been a change recognised directly in the equity of the joint venture, Willdale Limited recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between Willdale Limited and the joint venture are eliminated to the extent of the interest in the joint venture. The aggregate of Willdale Limited's share of profit or loss of a joint venture is shown on the face of the statement of profit or loss and other comprehensive income outside operating profit and represents profit or loss after tax and non-controlling interests in the joint venture. The financial statements of the joint venture are prepared for the same reporting period as Willdale Limited. The joint venture uses similar accounting policies as Willdale Limited. After application of the equity method the Company determines whether it is necessary to recognise an impairment loss on its investment in the joint venture. At each reporting date, the Company determines whether there is objective evidence whether the investment in the joint venture is impaired. If there is such evidence, the Company calculates the amount of impairment as the difference between the recoverable amount of the joint venture and its carrying value, then recognises the loss as 'share of loss of a joint venture' in the statement of profit or loss.

Upon loss of significant influence over the joint venture, the Company measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal, is recognised in profit or loss. When the remaining investment constitutes significant influence, it is accounted for as investment in associate.

2.5.18 Critical accounting judgments and key sources of estimation uncertainty

2.5.18.1 Estimation uncertainty

The key assumptions made concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year, are discussed below:

2.5.18.2 Useful lives and residual values of property, plant and equipment

The Company assesses useful lives and residual values of property, plant and equipment each year taking into consideration past experience, technology changes and the local operating environment. Refer to note 8 for the carrying amount of property, plant and equipment.

2.5.18.3 Revaluation of land , buildings and investment property

The Company's Directors carried out a revaluation of land and buildings in September 2021. Fair value is determined by reference to open market value in use. Refer to note 8 for the carrying amount of land and buildings and the key assumptions applied in determining the fair value of land and buildings.

2.5.18.4 Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow (DCF) model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance or the cash generating unit being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

2.5.18.5 Allowance for credit losses

The Company assesses the financial assets held at amortised cost for expected credit losses. The Company uses the simplified approach when assessing for expected credit losses.

Simplified approach

The simplified approach is used to assess for expected credit losses for trade receivables, contract assets and lease receivables. The method uses a provision matrix which determines the expected default rate which is determined by taking into consideration historical and forward-looking information.

The expected default rate is determined separately for each market in which the Company operates as each market faces a different economic and operating environment being granted and the fact that customers have been paying consistently in the year under review

2.5.18.6 Allowance Brick losses

At the end of each financial year a physical stock count of bricks is conducted. Any variances to nominal stock balances are written off as brick losses.

2.5.18.7 Provision for enviromental rehabilitation

A provision for the rehabilitation of pits created by clay excavation is made annually. An estimation of costs required to carry out the rehabilitation activities contained in the Environmental Plan is done to obtain the provision amount.

2.5.18.8 Estimation of day reserves

A topographical survey was done in 2009 which estimated clay reserves to last at least 20 years based on the then production levels. However achieved extrusion levels have been less than anticipated thereby lengthening the lifespan of the reserves. Current estimates of clay reserves are derived from that topographical survey. As at 30 September 2021 clay reserves are estimated to last another 20 years.

Notes to the financial statements(cont'd)

2.5.19 Shareholders' equity

Issued share capital

The issued share capital is the amount paid up on the shares issued, up to their nominal value.

Share premium reserve

The share premium reserve is the amount paid up on the shares issued in excess of their nominal value.

Retained profits

Retained profits are the net results (i.e. that part of the result attributable to shareholders) accumulated in previous years minus distributed dividends.

Notes to the financial statements(cont'd)

		Inflation Adjusted	
		September 2021 ZWL$	September 2020 ZWL$
3.1	**Revenue from contracts with customers**	**1,234,463,428**	**904,065,717**
	Income from sale of bricks*		
	*All revenue is recognised at a point in time and was all generated in Zimbabwe		
3.2	**Other income:**		
	Exchange gain	14,810,285	39,663,528
	Profit on disposal of property, plant and equipment	523,999	-
	Rental income - lease of space for base station and idle land	1,653,202	552,863
	Transport and handling proceeds	8,697,212	3,151,781
	Sundry - Sale of scrap, and rubble	6,342,486	9,087,528
		32,027,184	**52,455,700**
3.3	**Operating profit**		
	The following items have been charged in arriving at the operating profit:		
	Auditors' remuneration	5,866,353	13,522,329
	Directors' emoluments - fees	11,739,480	12,128,054
	Rent	3,323,867	3,560,143
	Bad debts	2,233,074	3,272,934
	Legal expenses	3,177,660	2,967,724
	Depreciation	**(112,598,252)**	**(13,119,392)**
	Brickfield land and buildings	(24,094,632)	(9,411,161)
	Plant and equipment	(44,776,504)	(1,160,400)
	Motor Vehicles	(36,266,344)	(2,237,513)
	Computers, furniture and fittings	(7,460,772)	(310,318)
	Staff costs	**192,645,438**	**141,399,628**
	- Salaries and wages	168,688,067	99,678,095
	- Pension - NSSA	2,980,616	1,323,709
	- Leave pay	11,560,676	11,800,642
	- Medical aid	2,574,939	1,624,095
	- Bonuses	(1,463,426)	22,278,243
	- Transport	3,779,281	2,554,354
	- Standard development and training levy	1,308,250	946,795
	- Workers compensation insurance fund (WCIF) and NEC expenses	3,217,035	1,193,696

	Inflation Adjusted	
	September 2021 ZWL$	September 2020 ZWL$
4 Interest expense/ income		
4.1 Expense		
- Trade payables	513,216	4,560
4.2 Income		
Interest on bank balances	205,555	321,588
Interest is calculated using the effective interest rate method.		
5 Income Tax Expense		
Current tax expense	73,692,326	66,999,274
Deferred tax	24,250,998	(27,336,812)
Total income tax expense	**97,943,324**	**39,662,462**
Tax reconciliation		
Profit before tax	275,708,600	72,598,448
Notional taxation on profit at 24.72%	68,155,166	17,946,336
Change in Tax rate	-	4,947,444
Donations	12,360	1,298,853
Immediate Money Transfer Tax	3,547,450	10,104,541
Legal fees	719,096	807,015
Effect of income being taxed at different tax rates	25,509,252	4,558,273
Total tax	**97,943,324**	**39,662,462**
Current Tax Liability		
Opening Balance	50,443,356	2,304,320
Tax Charge for the year	73,692,326	66,999,274
	124,135,682	69,303,594
Tax Paid	(68,819,340)	(18,860,237)
Effects of IAS 29 restatement	(17,158,490)	-
Closing Balance	**38,157,852**	**50,443,356**

6 Basic earnings per share

6.1 Basic(loss)/earnings per share amounts are calculated by dividing the net profit/(loss)for the year aŁ ributable to ordinary ReconciliaF on of Basic Earnings to Headline earnings
equity holders by the weighted average number of ordinary shares outstanding during the year.

The following reflects the income and share data used in the basic earnings per share calculaDons:

	Inflation Adjusted	
	September 2021 ZWL$	**September 2020 ZWL$**
6.3 Profit attributable to holders-(basic and diluted earnings)	177,765,276	32,935,986
6.4 Weighted average number of shares in used for basic and diluted earnings per share	1,778,001,428	1,778,001,428
6.5 Reconciliation of Basic Earnings to Headline earnings		

Headline earnings report a company's income from operaF ons, trading, and investments only. Headline earnings therefore exclude certain one-F me or excepF onal items such as write-offs, profit/loss on asset disposals.

	Inflation Adjusted	
	September 2021 ZWL$	**September 2020 ZWL$**
Profit for the year attributable to equity holders	177,765,276	32,935,986
Profit on disposal	(523,999)	-
Headline earnings	177,241,277	32,935,986
Basic profit per share (cents)	9.998	1.852
Headline profit per share (cents)	9.969	1.852

7 Segment information

IFRS 8, Operating Segments, is applicable to the company. However, the company currently has one reporting segment due to the nature of its business, which is the manufacture and selling of bricks to one local market (i.e. Zimbabwe) and various customers, none of whom are classified as major customers.

Notes to the financial statements(cont'd)

For the year ended 30 September 2021

8 PROPERTY, PLANT AND

8.1 **Property, plant and equipment -**

INFLATION ADJUSTED

	Land and Buildings	Plant and Equipment	Motor Vehicles	Computers, Furniture & Fittings	Total
	ZWL$	ZWL$	ZWL$	ZWL$	ZWL$
Cost / valuation					
At 1 October 2020	1,497,309,921	223,414,871	165,300,874	17,183,800	1,903,209,466
Additions	-	17,960,788	13,130,321	3,883,639	34,974,748
Revaluation	(30,467,196)	245,018,494	54,545,037	-	269,096,335
Disposals	-	-	(566,487)	-	(566,487)
At 30 September 2021	**1,466,842,725**	**486,394,153**	**232,409,745**	**21,067,439**	**2,206,714,062**
Accumulated depreciation and impairment losses					
At 1 October 2020	-	(89,090,081)	(103,831,056)	(8,353,506)	(201,274,644)
Charge for the year	(24,094,632)	(44,776,504)	(36,266,344)	(7,460,772)	**(112,598,252)**
Disposals	-	-	566,487	-	**566,487**
	24,094,632	-	-	-	**24,094,632**
At 30 September 2021	**-**	**(133,866,585)**	**(139,530,913)**	**(15,814,278)**	**(289,211,777)**
Carrying amount at 30 September 2021	**1,466,842,725**	**352,527,568**	**92,878,832**	**5,253,161**	**1,917,502,286**
Carrying amount at 30 September 2020	**1,497,309,921**	**134,324,790**	**61,469,818**	**8,830,294**	**1,701,934,822**
Property, plant and equipment - 2020					
Cost / valuation					
As at 1 October 2019 as previously reported	1,453,934,973	190,655,199	147,507,084	13,769,883	**1,805,867,139**
Prior period error adjustment	(264,017,533)				**(264,017,533)**
Additions	-	32,759,672	17,793,790	3,413,917	**53,967,379**
Revaluation	307,392,481	-	-	-	**307,392,481**
At 30 September 2020	**1,497,309,921**	**223,414,871**	**165,300,874**	**17,183,800**	**1,903,209,466**
Accumulated depreciation and Impairment losses					
At 1 October 2019	-	(87,929,681)	(101,593,543)	(8,043,188)	**(197,566,412)**
Charge for the year	(9,411,161)	(1,160,400)	(2,237,513)	(310,318)	**(13,119,393)**
Revaluation	9,411,161	-	-	-	**9,411,161**
At 30 September 2020	**-**	**(89,090,081)**	**(103,831,056)**	**(8,353,506)**	**(201,274,644)**
Carrying amount at 30 September 2020	**1,497,309,921**	**134,324,790**	**61,469,818**	**8,830,294**	**1,701,934,823**
Carrying amount at 30 September 2019	**1,453,934,973**	**102,725,517**	**45,913,541**	**5,726,695**	**1,608,300,727**

8.2 Revaluation of land and buildings

Fair value of the properties was determined by using the market comparable method. This means that valuations performed by the valuer are based on active market prices, significantly adjusted for difference in the nature, location or condition of the specific property. As at the date of revaluation on 30 September 2021 , the properties' fair values are based on valuations performed by Rawson Properties, accredited independent valuers.The valuers assert that the due to the specialised nature of the land, there will not be any adverse impact on the valuation due to COVID-19.

Significant unobservable valuation input:

	Range	Range
Price per square metre	ZWL110 - ZWL138	US$1.25 - US$1.57

Significant increases (decreases) in esFmated price per square metre in isolaFon would result in a significantly higher (lower) fair value.
Refer to note 19.2 for the fair value hierarchy.

If land and buildings were measured using the cost model, without revaluation, the carrying amounts would have been as follows:

	September 2021 ZWL	September 2020 ZWL
Cost	52,851,636	80,096,654
Accumulated depreciaFon and impairment	(21,286,159)	(19,042,902)
Carrying amount	31,565,477	61,053,753

8.3 Investment Property

The valuation of investment properties was carried out by Rawson Properties, external independent qualified valuers with recent experience valuing properties in the location held by the Company.During the year the Directors resolved to reclassify the company's land from Property, Plant and Equipment to Investment Property. Some of the land is currently occupied by illegal settlers. The company has an eviction order for the settlers. No provision has been made for the possible loss of the land because the company is pursuing the removal of the illegal settlers and the chances of success

The fair value of investment property is categorised as a level 3 recurring fair value measurement. A reconciliation of the opening and

	Inflation Adjusted	
	September 2021 ZWL	September 2020 ZWL
Opening balance	264,017,533	52,286,661
Fair Value gain	110,722,874	211,730,872
Closing balance	374,740,407	264,017,533

Notes to the financial statements(cont'd)

At 30 September 2021, there were no restricFons on the realisability of investment property or the remiŁ ance of income and proceeds of disposal.There are currently no obligaFons to construct or develop the exisFng investment properFes.

9 Investments at Fair Value Through Other Comprehensive Income

The valuation of investment properties was carried out by Rawson Properties, external independent qualified valuers with recent experience valuing properties in the location held by the Company.During the year the Directors resolved to reclassify the company's land from Property, Plant and Equipment to Investment Property. Some of the land is currently occupied by illegal seŁ lers.The company has an evicFon order for the seŁ lers. No provision has been made for the possible loss of the land because the company is pursuing the removal of the illegal seŁ lers and the chances of success are high.

		September 2021 ZWL	September 2020 ZWL
Investment in Wiltrans	9.1	-	-
Investment in Smart Surburb	9.2	260,809,200	259,604,633
		260,809,200	**259,604,633**

9.1 Willdale Limited had a 50% interest in Willdale Transport Services (Pvt) Limited (Wiltrans), which was being accounted for as a joint venture using equity method up to June 2019. The company was placed under liquidaFon in June 2019 following shareholder disagreements. As a result, Willdale lost control of the investment it is now being accounted for as a simple investment measured at fair value.

INFLATION ADJUSTED	September 2021 ZWL	September 2020 ZWL
Balance as at 1 October	-	8,465,292
Changes in fair value recognised in OCI	-	(8,465,292)
Balance as at 30 September 2021	-	-

9.2 Investment in SMART SUBURB

On 1 December 2018, the company purchased 18.45% of the voting rights in a property development project,Smart Surburb,a Special Purpose Vehicle for ZWL 21.61million.The consideration was settled from the proceeds received from the sale of land. The entity does not have significant influence in Smart Suburb investment. As they do not have the power to participate in the financial and Operating policy decision making of the Vehicle. The investment is held as accounted for as Equity Security at Fair Value through Other Comprehensive Income as the company intends to hold the investment for long term strategic purposes

As at year end the project had not yet generated any revenue or incurred expenses.

Smart suburb consists of property that is land measuring 190.2ha(1,902,000sqm) which is set for future property development. The only underlying asset in Smart suburb is the land hence fair value of land determines fair value of the investment. The fair value of the interest in Smart Suburb an unlisted company, was estimated by applying market approach. The fair value estimates measurements used for valuation of Smart Suburb are based on adjusted observable inputs in the market such as

- Price per square metre(2021 USD 3.89- USD8.0 2020 USD2.65-USD6 .5
- Exchange rate (2021 USD: ZWL87 2020 USD:ZWL82

Significant Unobservable inputs to valuation
The significant unobservable inputs used in the fair value measurement categorized within level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as 31 March 2020

	Valuation Technique	Significant Unobservable inputs to valuation	Range(weighted average) 2021(2020)	Sensitivity of the input to Fair value
Non listed Equity Investment-Property Sector	Market Approach	Price per square metre	**2021** USD 3.89- USD8.0 **2020** 2.65-USD6 .5	5%(2020: 5%) increase/ (decrease) in valuation per square metre would result in an increase/(decrease) in fair value by 2021 13,040,460 (2020:ZWL12,980,329)
		Exchange rate	**2021** 1 USD: ZWL87.6653 **2020** 1USD:ZWL82	5%(2020: 5%) increase/ (decrease) in the exchange rate would result in an increase/(decrease) in fair value by 2021 13,040,460 (2020:ZWL12,980,329)

Fair Value Reconciliation	**ZWL$**
Balance as at 30 September 2020	259,604,633
Fair Value Adjustment	1,204,567
Closing Balance as 30 September 2021	260,809,200

Significant increase (decreases) in the estimated prices per ha in isolation would result in a significantly higher (lower) fair value .

The land has freely permitted uses such as wholesaling, industrial buildings and storage warehouses. Special consent uses include creches, shops and corporate offices to mention but a few. Key assumptions for the measurements of Smart Suburb include the following:
(a) Marketability of the property; the land is fit for purpose and there are no restrictive conditions

(b) There are no environmental laws are adverse to it; the property is not contaminated and there are no abnormal ground conditions

(c) Town planning; the property is not adversely affected by town council properties and it complies with statutory and local authority requirements
(d) Title and tenure; The title deeds are duly registered

(e) No survey has been undertaken of the buildings or improvements; no soil tests have been carried out. The valuation has been undertaken on the basis that the property is in a satisfactory state

The Lot was valued at USD$11.4 million by independent valuers. The significant unobservable inputs that have been used to measure Investment in Smart Suburb are as follows:

· Willdale's percentage shareholding of 18.45% in Smart Suburb

· Total value of Smart suburb of USD$11.4million

· USD$1: 124 ZWL as at 30 September 2021 (2020 USD:ZWL 81.7076)

Notes to the financial statements(cont'd)

		Inflation Adjusted	
		September 2021 ZWL$	September 2020 ZWL$
10	**Inventories**	5,994,464	4,305,232
	Raw materials	163,174,727	83,700,074
	Work in progress	120,980,982	127,623,774
	Finished goods	142,557,453	91,408,685
	Consumables	(516,773)	(273,805)
	Provision for Obsolete Stock	**432,190,853**	**307,037,766**

Raw materials, Work in Progress and consumables are valued at cost while finished goods are valued at the lower of cost and net realisable value.
During 2021 ZWL786,573,280 (2020:ZWL 496,542,120) was recognised as an expense for inventories sold during the year. This is recognised in cost of sales. Included in the Cost of Sales figure is an amount of ZWL39 million relating to brick losses (2020: ZWL 26.67million).

		Inflation Adjusted	
		September 2021 ZWL$	September 2020 ZWL$
11	**Trade and other receivables**		
	Trade receivables	10,380,583	83,700,074
	Less: provision for impairment of trade receivables	(4,811,862)	(4,582,563)
		5,568,721	5,309,478
	Other Receivables		
	Staff debtors	5,533,166	779,693
	Less: provision for impairment of staff debtors	(3,703)	(47,626)
		5,529,463	752,067
	Total financial assets other than cash and cash equivalents classified as amortised cost		
	Other debtors provison	(85,146)	(129,039)
	Prepayments	98,127,028	42,418,826
	Total Trade and other receivables	**109,225,212**	**48,480,371**
	Contract Asset	-	3,031,982

Contract Asset relate to brick inventory held by agents under contract. Revenue is recognised when the the bricks have been sold to final customers

Notes to the financial statements(cont'd)

The carrying value of trade and other receivables classified as loans and other receivables approximates their fair value. The movement in the impairment allowance has been included in the operating expense line item in profit or loss.The net carrying amount of trade receivables is considered a reasonable approximate of fair value. No interest is charged on outstanding debtors. See Note 18 on credit risk of trade receivables, which discusses how the company manages and measures credit quality of trade receivables that are neither past due nor impaired. All the company's trade and other receivables have been reviewed for indicators of impairment.

As at 30 September 2021, non interest bearing receivables of an initial value of ZWL0 (2020:nil) with initial terms of 30 days were impaired and fully provided for.This allowance has been determined by reference to supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Impairment of trade and other receivables

The Company applies the IFRS 9 simplified approach to measuring expected credit losses using a lifetime expected credit loss provision for trade and other receivables. To measure expected credit losses on a collective basis, trade and other receivables are grouped based on similar credit risk. The expected loss rates are based on the company's historical credit losses. The historical loss rates are then adjusted for current and forward looking information on macroeconomic factors affecting the company's clients.

	Inflation Adjusted	
	September 2021	September 2020
Expected credit loss rate	29%	55%
	ZWL	ZWL
Gross carrying amount	16,363,301	8,386,279
Loss provision	**4,815,566**	**4,630,189**

Movements on Allowance for Expected Credit losses are as follows:

	Staff loans	Trade Receivables	Total
	ZWL	ZWL	ZWL
Balance at the beginning of the Year	(47,626)	(4,453,524)	(4,501,150)
Movement in allowance for credit losses during the year	43,923	(358,338)	(314,415)
			-
Balance at the end of the Year	**(3,703)**	**(4,811,862)**	**(4,815,565)**

	Inflation Adjusted	
	September 2021 ZWL$	September 2020 ZWL$
13 Cash and cash equivalents		
Bank balances	31,479,129	86,811,786
Cash on hand	9,490,783	-
Total	40,969,912	86,811,786

Notes to the financial statements(cont'd)

		Inflation Adjusted	
		September 2021 ZWL$	September 2020 ZWL$
	Equity		
14	Authorised 3,000,000,000 (2021: 3,000,000,00) ordinary shares of US$0.00005 cents each	1,561,738	1,561,738
	Issued and fully paid 1 778 001 428 ordinary shares of US$0.00005 cents each	4,638,000	4,638,000
	Deferred tax		
15	**Deferred tax movement**		
15.1	Balance at beginning of year	484,059,013	416,307,642
	Movement through Profit or Loss	24,250,998	(27,336,812)
	Movement Through Other Comprehensive Income	66,761,527	95,088,182
	Balance at end of year	**575,071,538**	**484,059,013**
	Deferred tax analysis		
15.2	Property, plant and equipment	508,749,538	410,712,736
	Investment Property	18,737,020	13,200,877
	Provisions	(5,130,556)	(9,134,261)
	Investment at Fair Value Through Other Comprehensive Income	52,161,840	51,920,927
	Exchange gains	553,696	17,358,734
	Deferred tax liability	**575,071,538**	**484,059,013**
	Borrowings		
16	CBZ Bank Ltd		3,684,738
			3,684,738

	QuanDty	Value (ZWL)
Opening loan balance		**92,500**
Bricks delivered total	309.5	49,167
Outstanding bricks	275.9	42,032
Revalued as at 30 September 2021		3,684,935

The amount is a pre existing CBZ bricks arrangement and does not attract interest. The arrangement does not have tenure or further conditions except the bank collecting the outstanding bricks.

		Inflation Adjusted	
		September 2021 ZWL$	September 2020 ZWL$
	Trade payables	62,253,088	38,820,649
17	Accruals and Other Payables	21,700,362	10,233,822
	Brick deposits	147,641,303	138,420,265
	Total financial liabilities, excluding loans and borrowings, classified as financial liablities	231,594,753	187,474,737
	Statutory payables	9,573,405	3,782,045
	Total Trade and other payables	**241,168,158**	**191,256,782**

Trade payables are mainly non-interest bearing and normally settled within 30 days. Terms vary depending on negotiations with the suppliers.

The carrying value of trade and other payables classified as financial liabilities measured at amortised cost approximates fair value.

17 PROVISIONS
INFLATION ADJUSTED

	Bonus	Leave Pay	Audit fees	Rehabilitation	Total
At 1 October 2020	11,705,175	8,268,336	14,155,649	2,821,732	36,950,892
Utilised during the year	(13,279,275)	(95,508)	(12,554,175)	(13,920,771)	(39,849,729)
Arising during the year	1,574,100	5,988,317	1,145,781	14,945,315	23,653,513
At 30 September 2021	(0)	14,161,145	2,747,255	3,846,276	20,754,676
At 1 October 2019	6,759,191	2,871,042	10,368,813	2,146,547	22,145,592
Utilised during the year	(2,046,845)	(144,742)	(1,665,024)	(1,863,883)	(5,720,494)
Arising during the year	6,992,829	5,542,036	5,451,860	2,539,069	20,525,794
At 30 September 2020	11,705,175	8,268,336	14,155,649	2,821,732	36,950,892

Leave pay is normally discharged by way of employees going on paid leave or by payments in the form of cash in lieu of leave. The audit fee balance is due in the coming year. The rehabilitation provision is for mining pits rehabilitation and will be utilised within the next 12 months as the refilling is done yearly. Work involved includes covering of pits and tree planting, whose costs determine the provision.

18 Financial Risk Management Objectives and Policies

The Company's principal financial liabilities comprise of trade payables.
The main purpose of these financial liabilities is to raise finance for the Company's operations. The Company has various financial assets such as trade receivables and cash and short term deposits, which arise directly from its operations. The Company does not use derivative financial instruments. Exposure to credit, interest rate and liquidity risk arise in the normal course of the business and these are the main risks arising from Financial Instruments.

18.1 Foreign currency risk
Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (monetary assets or liabilities are denominated in a foreign currency). The Company is exposed to foreign exchange risk arising from the volatility of the ZWL against the US Dollar. The Company manages its foreign currency risk by balancing its foreign denominated assets and liabilities so that any negative movements in one are compensated by positive movements in the other.

18.2 Foreign currency rate sensitivity
The table below demonstrates the sensitivity to a reasonably possible change in US dollar exchange rate against the ZWL, with all other variables held constant, on the Company's profit before tax. A 10% change is considered as a reasonably possible change in US$ exchange rate against the respective currencies by the Board. The impact on the Company's profit before tax is due to changes in the value of monetary assets and liabilities induced by exchange rate movements. The company does not have significant monetary assets and liabilities denominated in foreign currencies . A 10% movement will not have a significant impact.

18.3 Liquidity risk
Liquidity risk is the risk that the company might be unable to meet its obligations. The Company monitors its risk to a shortage of funds using a recurring liquidity planning tool. This tool considers the maturity of both its financial investments and financial assets (e.g. accounts receivable) and projected cashflows from operations.

Notes to the financial statements(cont'd)

The table below summarises the maturity profile of the Company's assets and liabilities at 30 September 2021:

	Up to 3 months ZWL	Between 4 & 12 months ZWL	Between 1 and 2 years ZWL	Total ZWL
At 30 September 2021				
Trade and other payables	(231,594,753)			(231,594,753)
Total Financial liabilities	**(231,594,753)**			**(231,594,753)**
Statutory liabilities	9,573,405	-	-	9,573,405
Total liabilities	**241,168,158**	-	-	**241,168,158**
At 30 September 2020				
Trade and other payables	187,47,737			187,47,737
Total Financial liabilities	**187,47,737**	-	-	**187,47,737**
Statutory liabilities	3,782,045	-	-	3,782,045
Total liabilities	**191,256,782**	-	-	**191,256,782**

18.4.1 Credit risk

Credit risk is the risk that the counterpart will not meet its obligations under a financial instrument or a customer contract leading to a financial loss. It is the company's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. As such,the Company trades only with recognised, creditworthy third parties. The Company monitors all financial assets and contracts that are subject to the impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk the Company will measure the loss allowance based on lifetime rather than 12-month ECL. The Company's accounting policy is to use the practical expedient that financial assets with 'low' credit risk at the reporting date are deemed not to have had a significant increase in credit risk. In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument at the reporting date based on the remaining maturity of the instrument with the risk of a default occurring that was anticipated for the remaining maturity at the current reporting date when the financial instrument was first recognized. In making this assessment, the Company considers both quantitative and qualitative including forward-looking information. Multiple economic scenarios form the basis of determining the probability of default at initial recognition and at subsequent reporting dates. Different economic scenarios will lead to a different probability of default. It is the weighting of these different scenarios that forms the basis of a weighted average probability of default that is used to determine whether credit risk has significantly increased.

The provision matrix is as follows:

Trade receivables		Balance	Loss Rate	Impairment
	0 - 30 Days	5,900,959	7%	400,675
	31 - 60 Days	4,333,662	7%	294,256
	61 - 90 Days	2,154,324	7%	146,279
	91 - 120 Days	110,741	100%	110,741
	> 120 Days	3,774,766	100%	3,863,615
		16,274,452		**4,815,566**

Write off policy
Financial assets are written off when the Company has no reasonable expectations of recovering the financial asset (either in its entirety or a portion of it). This when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts owed to the Company.

Cash balances
The Company only deposits cash with financial institutions with high credit ratings. The maximum exposure to risk is equal to the carrying amount of cash and bank balances.

	Inflation Adjusted	
	ZWL$	ZWL$
Carrying Amount		
Trade Receivables	10,380,583	14,991,389
Staff debtors	5,533,166	799,693
	15,913,749	**15,791,082**

Other Debtors include VAT refundable and prepayments to suppliers which will be settled by receipt or goods of services and the list is followed up promptly to ensure delivery.

18.5 Capital Management
Capital includes ordinary shares and reserves attributable to the company's shareholders. The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value. The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio at a maximum of 50%. The Company includes within net debt, interest bearing loans and borrowings, and other payables, less cash and cash equivalents.

No changes were made in the objectives, policies or processes for managing capital during the years ended 30 September 2021 and 30 September 2020. The entity is not subject to externally imposed capital requirements.

	Inflation Adjusted	
	September 2021 ZWL$	September 2020 ZWL$
Share Capital	4,638,000	4,638,000
Revaluation reserves	889,749,991	686,210,617
Accumulated profit	1,362,212,916	1,216,861,530
	2,256,600,907	**1,907,710,146**

18.6

Notes to the financial statements(cont'd)

19 Fair value measurement

19.2 The following tables provide the fair value measurement hierarchy of the Company's assets and liabilities.

Fair value measurement hierarchy for assets and liabilities as at 30 September 2021:

	Total ZWL	**Quoted prices in acDve markets (Level 1) ZWL**	**Significant observable inputs (Level 2) ZWL**	**Significant unobservable inputs (Level 3) ZWL**
Assets measured at fair value:				
Investment Property (Note 8)	374,740,407			374,740,407
Investment in Smart Suburb (Note 9)	260,809,200	-	-	260,809,200
Revalued property, plant and equipment (Note 8):			-	
Land and buildings	**1,466,842,725**			**1,466,842,725**
There have been no transfers between Level 1, level 2 and Level 3 during the period.				
Liabilities measured at fair value:				
Liabilities for which fair values are disclosed:				
Convertible preference shares	-	-	-	-
Assets measured at fair value:				
Revalued Land and Buildings(Note 8)*:				
Investment in Smart Suburb (Note 9)		259,604,633		259,604,633
Land and buildings		1,497,309,921		1,497,309,921
There have been no transfers between Level 1, level 2 and Level 3 during the period.				

Revaluation of Land and Buildings
The entity engaged an accredited independent professional valuer, to determine the fair value of its land and buildings. Fair value is determined by reference to market value which is the price at which similar properties cost in the market. The date of revaluation was 30 September 2021. The fair valuation of land and buildings were done in USD$ and then converted to the functional currency at the closing interbank rate. The interbank exchange rate does not meet the definition of a market exchange rate. Where there is an active market for the property, it is valued at fair value determined by reference to market-based evidence. This means that valuations performed by the valuer are based on active market prices, adjusted for any differences in the nature, location and condition on the specified property. In coming up with the valuations, management considered the highest and best use of the properties. Valuation techniques for properties incorporate various underlying assumptions. These assumptions include, inter alia, the capitalization rate for residential and commercial properties, rental per square metre, discount rates. The use of different valuation techniques and assumptions could produce significantly different estimates of fair value. Significant unobservable valuation input: Range

Price per square meter \$1.25 – \$1.57 (2020: \$1.25 – \$1.57)
Exchange rate \$US1: ZWL 87.6653 (2020 , \$US1: ZWL 81.7076)
Significant increases (decreases) in estimated price per square metre in isolation would result in a significantly higher (lower) fair value. The price per square metre has not been changing significantly over the past year due to the location of the land and buildings of the company therefore no sensitivity has been presented for the price per square metre. The input which is significantly sensitive to change is the exchange rate and the table below illustrates the sensitivity of the Fair value of Land and Buildings to10 percentage points increase in exchange rates assuming all other inputs remain unchanged.The sensitivity rate of 10 percentage points represents the Directors assessment of a reasonably possible change.

Investment in SmartSuburb

The fair value of the interest in SmartSuburb an unlisted company, was estimated by applying a market approach and an income approach. The fair value estimates measurements are based on adjusted observable inputs in the market and thus represent a fair value measurement categorised within Level 2 of the fair value hierarchy as described in IFRS 13. Key assumptions include the following:

(a) an assumed discount rate range of 20–25 per cent;

(b) an assumed terminal value based on a range of terminal projected EBITDA multiples between 3 and 5 times

(c) assumed financial multiples of companies deemed to be similar to SmartSuburb; and

(d) assumed adjustments because of the lack of control or lack of marketability that market participants would consider when estimating the fair value of the 18.45% interest in SmartSuburb.

20 Capital Expenditure

	Inflation Adjusted	
	September 2021 ZWL$	September 2020 ZWL$
Authorised and contracted for	34,974,749	53,966,971
Authorised but not yet contracted for	99,813,840	94,073,147
	134,788,589	**148,040,118**

The capital expenditure will be funded from internally generated resources

21 Contingencies

Occupation of investment property

Part of the company's investment property was occupied by illegal settlers. The Company was granted an eviction order against the illegal settlers on the investment property,although some of the illegal settlers have contested the order at the courts. Our lawyers are of the opinion that company's chances of winning the case are high hence a provision for a probable loss has not been made.

22 Related party disclosures

22.1 Related parties

Related party	Nature of relationship
Scotia Holdings (Private) Limited	Common Control
Mike Harris (Private) Limited	Common Control
AitocMotors (Private) Limited	Common Control
Super Tiles (Private) Limited	Common Control
Mrs J.T.R Mujuru	Shareholder
Mr R Kaukonde	Shareholder
Umuzi Properties (Private) Limited	Common Control
Mr N Matonda	Key Management
Mr M Munginga	Key Management

22.2 Compensation of key management personnel for the company for the year was as follows:

	Inflation Adjusted	
	September 2021 ZWL$	September 2020 ZWL$
Short term employee benefits	62,039,667	25,269,529
Post employment benefits - NSSA	287,739	60,428
	62,327,406	**25,329,956**

Key management personnel include the Chief Executive Officer, the Finance Director and heads of department.

22.3 Volume of transactions with related parties.

	2021 Rental ZWL	2021 Car repairs ZWL	2021 Brick sales ZWL	ZWL
Scotia Holdings (Private) Limited	335,388			**335,388**
Mike Harris (Private) Limited		1,950,844		1,950,844
Aitoc Motors (Private) Limited				
Super Tiles (Private) Limited			430,565	**430,565**
Mrs J.T.R Mujuru			2,035,147	**2,035,147**
Mr R Kaukonde			1,583,439	**1,583,439**
Mr N Matonda			2,895,066	
Mr M Munginga			3,794	
Umuzi Properties (Private) Limited			1,157,229	**1,157,229**
	335,388	**1,950,844**	**8,105,240**	**7,492,612**

	2020 Security Services ZWL	2020 Rental ZWL	2020 Car repair ZWL	2021 Brick sales ZWL	ZWL
Professional Security Services (Private) Limited	2,145,161				**2,145,161**
Scotia Holdings (Private) Limited					-
Mike Harris (Private) Limited					-
Aitoc Motors (Private) Limited					-
Super Tiles (Private) Limited					-
Mrs J.T.R Mujuru				644,612	**644,612**
Mr R Kaukonde					-
Umuzi Properties (Private) Limited					-
	2,145,161	**-**	**-**	**644,612**	**2,789,773**

Amounts due from Related parties

Included in trade and other payables are the following amounts due from related parties	Inflation Adjusted September 2021 ZWL$	 September 2020 ZWL$
Professional Security Services (Private) Limited	-	793,387
Mike Harris (Private) Limited	-	27,302
J T R Mujuru	1,260,189	-
R Kaukonde	74,100	-
Umuzi Properties (Private) Limited	462,093	-
Total	1,796,382	820,689

The sales to and purchases from related parties are made at terms equivalent to those that prevail in arms length transactions. Outstanding balances at the year end are unsecured, interest free and settlement occurs in cash.Unless otherwise stated, none of the transactions incorporate special terms and no guarantees were given or received for the period ended 30 September 2021. The Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

23 Prior Period Errors

a **Classification of Investment property**

The Board of Directors approved the restatement of prior period financial statements to correct an error in the classification of Investment Property as Property, plant and equipment

The reclassification of land held for capital appreciation as Investment property was done retrospectively.

b **Underprovision for deffered tax**

The company underprovided for deferred tax in 2019 by ZWL52,197,276. The error was adjusted for retrospectively.

The restatements had the following effects on previoulsy reported balances:

As at 1 October 2019	Balance reported	Restatement	Restated Balance
	ZWL$	ZWL$	ZWL$
Property, plant and equipment	1,608,312,615	(52,286,661)	1,556,025,954
Investment Property	-	52,286,661	52,286,661
Asset revaluation reserve	426,339,633	(47,937,120)	378,402,513
Accumulated profits	1,197,037,244	47,937,120	1,244,974,364
As at 30 September 2020			
Deferred tax liablity	364,110,366	52,197,276	416,307,642
Property, plant and equipment	1,965,952,355	(264,017,533)	1,701,934,823
Investment property	-	264,017,533	264,017,533
Asset revaluation reserve	609,808,150	-	609,808,150

Shareholders information as at 30 September 2021

Rank	Account Name	Shares	% of Total
1	DAHAW TRADING (PRIVATE) LIMITED	703,274,220	39.55
2	RANUS INVESTMENTS (PRIVATE) LIMITED	402,617,371	22.64
3	OLD MUTUAL LIFE ASSURANCE COMPANY OF ZIMBABWE LIMITED	273,077,603	15.36
4	MEGA MARKET (PVT) LTD	62,406,625	3.51
5	NYARADZO FUNERAL ASSURANCE COMPANY	53,240,807	2.99
6	ETOLL AFRICA (PRIVATE) LIMITED	20,704,000	1.16
7	NYARADZO FUNERAL SERVICES	19,701,600	1.11
8	WILHELM HENRY ALFRED HANS-ALBERT KUHLMANN,	12,000,000	0.67
9	DRAWCARD ENTEPRISES (PVT) LTD,	11,989,036	0.67
10	MUZIKA RUBI HOLDINGS (PVT) LTD	11,801,284	0.66
11	DUSKE, KEIDO	10,219,439	0.57
12	REMO NOMINEES (PRIVATE) LIMITED	8,722,857	0.49
13	MATARANYIKA, PHILLIP	8,462,582	0.48
14	STANBIC NOMINEES (PRIVATE)LIMITED	8,140,644	0.46
15	KS MICHAEL CAPITAL (PVT) LTD	7,109,900	0.40
16	MBIBA DAVID	5,890,994	0.33
17	REVOLTA, ANRDEW JAMES	5,461,339	0.31
18	J SOFT (PVT) LTD	4,951,100	0.28
19	WILLIAM OVER PHOTOGRAPHIC (PRIVATE) LIMITED	4,366,630	0.25
20	KAMBA, THOMPSON TOGAREPI	3,358,803	0.19
21	REACON SERVICES (PVT) LTD	3,141,547	0.18
22	BLAGOJEVIC GORAN	3,005,027	0.17
23	TSANGA, AMY SHUPIKAI TAFADZWA JNR	3,000,024	0.17
24	CHIPATO, TSUNGAI	3,000,000	0.17
25	PUBLIC SERVICE PF - PLATINUM	2,863,124	0.16
26	NGANDU, JACOB	2,809,732	0.16
27	GLORIOSA SUPERBA TRUST,	2,373,143	0.13
28	CHISBURY INVESTMENTS	2,354,946	0.13
29	ROOPUN SURENDR	2,120,300	0.12
30	SOUTHERN TRUST SECURITIES (PVT) LTD	2,040,000	0.11

Total	**1,664,204,677**	**93.60**
Other Shareholders	**113,796,751**	**6.40**
Total Number of Shareholders	**1,778,001,428**	**100.00**

NOTICE TO MEMBERS

Notice is hereby given that the Annual General Meeting of Willdale Limited will be held in the Boardroom, Willdale Administration Block, 19.5km peg Lomagundi Road, Mount Hampden on Thursday 7 April 2022 at 1100 hours for the purpose of transacting the following business:

1 To receive and adopt the financial statements and report of the Directors for the year ended 30 September 2021;

2 To approve the fees for the Directors;

3 To reappoint BDO Zimbabwe Chartered Accountants as auditors for the ensuing year;

4 To approve audit fees for the year ended 30 September 2021;

5 To re-elect the following Directors who retire in terms of the Company's Articles of Association and who, being eligible, offer themselves for re-election:

5.1 Mr. B Mataruka

Brian is a registered lawyer practicing with a leading law firm Gill, Godlonton & Gerrans. He sits on the boards of several companies in Zimbabwe. Brian was appointed to the Board of Willdale Limited in 2017.

5.2 Mr. C Makoni

Cleopas is a qualified accountant with several years of practical and business experience. He is currently an executive Director of Topaz Business Consulting and a non-executive Director of ZB Life and is in his tenth year of service to the Board of Willdale Limited.

6. To appoint Mrs. Paidamoyo Patience Chadoka as a non-executive Director of the Company.

Paidamoyo is a seasoned business leader who has contributed immensely to the dairy industry in Zimbabwe and the region. She holds Bachelor of Science (Hons) Agriculture (University of Zimbabwe) and EMBA (Africa University) degrees and is currently the Chief Executive Officer of the Zimbabwe Association of Dairy Farmers.

7. Special business

Special Notice is hereby given in terms of Section 177 of the Companies and Other Business Entities Act as read with Article 108 of the Company's Articles of Association, that an ordinary resolution will be taken for the removal of Mr. Washington Chidziwo as a director of the Company.

A member entitled to attend and vote at the meeting may appoint one or more proxies to attend, vote and speak in their stead. The proxy need not be a member of the company. To be effective, the proxy form must be lodged at the company's registered office at least forty-eight hours before the appointed time for the Meeting.

M Munginga
Company Secretary
7 March 2022

"Build to last with Willdale Bricks"

GRI Content Index

GRI Standard Disclosure	Page number(s) And/or URL(s)	Omission: Part Omission	Omission: Reason	Omission: Explanation
GRI 101: Foundation 2016				
General Disclosures				
102-1 Name of the organization	Cover Page.			
102-2 Activities, brands, products, and services	5,6,7			
102-3 Location of headquarters	7, 91			
102-4 Location of operations	5,7			
102-5 Ownership and legal form	6			
102-6 Markets served	7			
102-7 Scale of the organization	7, 8, 47, 48			
102-8 Information on employees and other workers	30			
102-9 Supply chain	38			
102-10 Significant changes to the organization and its supply chain	38			
102-11 Precautionary Principle or approach	17			
102-12 External initiatives	37			
102 13 Membership of associations	7			
Strategy				
102-14 Statement from senior decision-maker	9			
Ethics and integrity				
102-16 Values, principles, standards, and norms of behavior	3, 15			
Governance				
102-18 Governance structure	15-16			
Stakeholder engagement				
102-40 List of stakeholder groups	19			
102-41 Collective bargaining agreements	31			
102-42 Identifying and selecting stakeholders	19			
102-43 Approach to stakeholder engagement	19			
102-44 Key topics and concerns raised	19			
Reporting practice				
102-45 Entities included in the consolidated financial statements	4			
102-46 Defining report content and topic Boundaries	4			
102-47 List of material topics	21			
102-48 Restatements of information	4			
102-49 Changes in reporting	21			
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102-51 Date of most recent report	4			
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102-53 Contact point for questions regarding the report	4			
102-54 Claims of reporting in accordance with the GRI Standards	4			
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GRI Content Index

Material Topics 200 series (Economic topics)	Disclosure	Page Number	Omission: Part Omission	Omission: Reason	Omission: Explanation
Economic Perfomance					
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GRI 201: Management Approach 2016	201-1 Direct economic value generated and distributed 201-3 Defined benefit plan obligations and other retirement plans	38 69			
Indirect Economic Impacts					
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary 103-2 The management approach and its components 103-3 Evaluation of the management approach	4, 36 36-37 37			
GRI 203: Indirect Economic Impacts 2016	203-2 Significant indirect economic impacts	37			
Anti - Corruption					
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary 103-2 The management approach and its components 103-3 Evaluation of the management approach	4, 15 15 15			
Procurements Practices					
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Material Topics 300 series (Enviromental topics)					
Energy					
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary 103-2 The management approach and its components 103-3 Evaluation of the management approach	4, 23 23 23-24			
GRI 302: Energy 2016	302-1 Energy consumption within the organization 302-2 Energy consumption outside of the organization	23 24			
Water					
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GRI 303: Water and Effluents 2018	303-5 Water consumption	22			

GRI Content Index

Material Topics 300 series (Enviromental topics)	Disclosure	Page Number	Omission: Part Omission	Omission: Reason	Omission: Explanation
Materials					
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Corporate Information

SECRETARY	Postal Address	Transfer Secretaries
M Munginga Teneriffe Factory 19.5km peg. Lomagundi Road Mount Hampden	P O Box MR 93 Marlborough Harare	First Transfer Secretaries (Pvt) Ltd 1 Armagh Road Eastlea, Harare
Auditors	**Registered Office**	**Factory**
BDO Chartered Accountants (Zimbabwe) Kudenga House Baines Avenue/Prince Edward Harare	Teneriffe 19.5km peg. Lomagundi Road Mount Hampden	Teneriffe 19.5km peg. Lomagundi Road Mount Hampden
Bankers		
CBZ Bank Westgate Branch Harare	ZB Bank Avondale Branch Harare	FBC Bank FBC Centre Branch Harare
NBS Samora Machel Avenue Branch Harare	Nedbank Jason Moyo Avenue/ Corner Third Street Harare	
Legal Practitioners		
Mhishi & Nkomo Legal Practice 86 McChlery Avenue Eastlea Harare	Honey & Blanckenberg 200 Herbert Chitepo Avenue Harare	Muzangaza,Mandaza & Tomana Mercury House Jason Moyo Avenue Harare
Sustainability Advisors		
Institute for Sustainability Africa 22 Walterhill Eastlea Harare		

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Head offices, Sales and Factory+263 242-308 062 334 623 303 186 0860001750
Email mungingam@willdale.co.zw
Website www.willdale.co.zw

Willdale Limited

Quality • Durability • Diversity

Proxy Form

I/We………

of………
being a member of the above Company and entitled to vote hereby

appoint………………...………………………………………………………………………….

of………

or failing him/her………………………………………………………………………………...

of………
or failing him/her, the Chairman of the Meeting as my/our proxy, to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held on 7 April 2022, at 11:00hrs in the Boardroom, Willdale Administration Block,19,5 km peg Lomagundi Road, Mount Hampden, Harare.

Signed this…………………………………………..day

of…………………………………………..….2022

Signature of Member………………………………………………………………………………

i) Note, in terms of section 129 of the Companies Act (Chapter 24:03) as amended, any member entitled to attend and vote at the above mentioned meeting is entitled to appoint a proxy, who need not be a member, to attend and vote and speak, on a poll, vote in his/her stead.
ii) Section 77 of the Company's Articles of Association provides that instruments of proxy must be signed and returned to reach the Registered Office of the Company not less than forty-eight hours before the time for the holding of the meeting.

Notes

Notes

Willdale

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19.5km peg
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