



2022 HALF YEAR RESULTS

Reviewed Condensed Consolidated Inflation Adjusted Financial Results for the six months ended 30 June 2022

CHAIRPERSON'S STATEMENT



I am pleased to present the Mashonaland Holdings Limited inflation adjusted financial results for the six months ended 30 June 2022.

Operating environment

The economy experienced a resurgence of high levels of inflation in the period under review, with inflation rising to 191% in June 2022 from a headline annual inflation rate of 60.6% in January 2022. The increased inflation was partly driven by a cost-push inflationary pressure emanating from the Russia-Ukraine war which has negatively impacted international supply chain and prices for fuel, gas and wheat among other commodities. In addition, the economy continues to be impacted by foreign currency shortages which have led to a continuation of exchange rate depreciation on both the formal and informal markets. The low output from the 2021/2022 agricultural season has further impacted on economic activity.

In an effort to contain inflation and the deteriorating exchange rate, the Reserve Bank of Zimbabwe has responded by increasing policy lending rates from 80% to 200% in June 2022 as well as introducing gold coins to serve as an alternative store of value. The increase in lending rates, albeit below inflation, has significantly increased property development finance costs.

Property market

The property market remains hamstrung by lethargic demand across all sectors of the market owing to low economic activity in the economy. Whilst the COVID-19 restrictions eased during the period under review, the prevailing global headwinds and internal fiscal and monetary policy issues have further delayed full economic recovery. Despite the faltering economic activity, the occupier submarket's retail and industrial sectors have remained relatively resilient. The tourism sector has also been positively impacted by the easing of COVID-19 restrictions leading to an improvement in hotel occupancies. The office sector however remains subdued particularly in the CBD with new lettings being recorded through inpovative solutions providing the solutions providing activity in the CBD with new lettings are corrected through inpovative solutions providing the solutions and the solutions are activity and the solutions are solutions and the solutions are activity and the terms are activity and the solutions are solutions and the solutions are activity and the terms are activity and the solutions are activity and the terms and the solutions are activity and subdued, particularly in the CBD, with new lettings being recorded through innovative solutions providing flexible and miniaturised office space.

The development submarket is the most affected as construction costs remain on an upward spiral in both currencies. As a result, the sub-market continues to be dominated by residential property projects and a few small-sized commercial developments. The high interest rates on mortgage lending coupled with declining disposable incomes however continue to act as hindrances against further growth in residential sector developments.

Middle to high income residential properties continue to present investors with an avenue for value preservation as the inflation trend remains uncertain. The high demand against a static supply has seen property values in this market segment going up.

Inflation adjusted financial performance

Revenue increased by 51% in the 6 months under review from ZW\$471 million to ZW\$709 million. The revenue growth is attributable to periodic rent reviews and improved occupancy which grew from 79% to 83%.

The Group's net property income as a percentage of revenue decreased from 83% to 78% due to increases in property expenses. Property expenses increased by 98% driven by maintenance works which the Group continues to implement to ensure continued quality of space so as to attract and retain tenants. Maintenance works were also carried out at Chiyedza House to support the growth of the flexi-leasing facility.

Operating profits increased by 204% from ZW\$263 million to ZW\$800 million. The increase in operating profits was in part due to foreign exchange gains of ZW\$503 million which were realised on foreign currency balances held by the Group following receipt of deposits on the disposal of Charter House

The Group's collections percentage remained resilient at 97% due to continuous credit control interventions which sought to ensure timely realisation of value from rentals in the hyperinflationary environment.

Investment property

The Group performed an open market valuation of its investment properties as at 30 June 2022. The Group's investment property portfolio was valued at ZW\$32.5billion an increase of 7% from ZW\$30.5billion from the inflation adjusted valuation performed in December 2021. The increase was mainly due to an aggregate fair value gain amounting to ZW\$2.3 billion. The fair value gain represents the Group's partial realignment of rentals in the highly inflationary environment to protect returns. This realignment is reflected in the growth in rental income in inflation adjusted terms.

Property development projects

Stand 489 Pomona, industrial retail development

The Group completed the acquisition of the 4ha Pomona property in the first quarter of the year. The Group has since appointed a full project team to work on the designs and requisite statutory approvals. The Group is targeting to commence construction works in October 2022. An anchor tenant has been identified for the development project and has signed an Agreement to Develop and Lease (ADL).

Mashview Gardens

The Group is set to complete construction work on the 1st phase of the Mashview Housing in August 2022 and has since commenced works on phases 2 and 3 of the project. The project is targeted for completion in the last quarter of the year.

12 Van Praagh Day Hospital Project Construction works on the development commenced in the second quarter of the year. The project has a duration of 14 months and has a target completion date of 31 August 2023

Windsor Park Ruwa residential stand sales

At 30 June 2022, the Group had concluded agreements of sale for 15 of the 24 fully serviced medium density residential stands in Windsor Park, Ruwa. Funds raised from the disposal of these stands are anticipated to create further liquidity to support other strategic development works.

Reviewed Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income	Inflation Adjusted Group		* Historical Cost Group		
Notes	30 JUNE 2022 Reviewed ZW\$	31 MARCH 2021 Reviewed ZW\$	30 JUNE 2022 Unreviewed ZW\$	31 MARCH 2021 Unreviewed ZW\$	
Revenue 3 Property expenses	709 096 684 (157 083 076)	471 262 809 (79 235 257)	483 232 684 (102 389 031)	137 165 497 (23 219 442)	
Net property income	552 013 608	392 027 552	380 843 653	113 946 055	
Other income 4	500 169 514	9 497 317	463 840 736	2 829 595	
Allowance for credit losses Administrative expenses	(12 428 044) (239 679 730)	(5 458 480) (133 182 415)	(24 646 631) (153 014 563)	(1 624 538) (38 709 363)	
Operating profit before fair value adjustments	800 075 348	262 883 974	667 023 195	76 441 749	
Fair value adjustments	1 839 551 141	(377 031 417)	19 821 905 865	2 166 553 133	
Assets held for trading	(510 894 396)	366 814 109	77 657 977	135 278 840	
Investment properties Non-current assets held for sale	2 281 621 982 68 823 555	39 271 155 (783 116 681)	18 403 007 888 1 341 240 000	19 950 000 2 011 324 293	
Profit/(loss) before finance income, finance cost and tax	2 639 626 489	(114 147 443)	20 488 929 060	2 242 994 882	
		. ,			
Finance income 5 Exchange losses on borrowing	12 236 574 (1 143 100 039)	13 448 371	8 161 792 (877 860 750)	3 895 681	
Finance cost 6	(1143 100 039) (96 974 569)	-	(63 451 251)	-	
Profit/(loss) before tax	1 411 788 455	(100 699 072)	19 555 778 851	2 246 890 563	
Tax expense 7	(286 257 224)	(185 724 212)	(1 068 639 669)	(178 560 858)	
Monetary gain/(loss)	445 616 503	(106 043 500)	-	-	
Profit/(loss) for the period	1 571 147 734	(392 466 784)	18 487 139 182	2 068 329 705	
Weighted average number of shares	1 687 584 009	1 690 249 809	1 687 584 009	1 690 249 809	
Basic and diluted earnings per share - cents	93	(23)	1 095	122	
Reviewed Condensed Consolidated Statement of Financial Position	Inflation Adjusted Group		* Historical Cost Group		
Notes	30 JUNE 2022	31 DEC 2021	30 JUNE 2022	31 DEC 2021	
	Reviewed ZW\$	Reviewed ZW\$	Unreviewed ZW\$	Unreviewed ZW\$	
Assets				10.050.050.01	
Non-current assets Investment property 8	32 674 947 721 32 548 283 595	30 658 066 543 30 527 382 514	32 570 532 139 32 548 283 595	13 959 652 044 13 944 702 000	
Property and equipment	126 664 126	130 684 029	22 248 544	14 950 044	
Current assets 9	2 265 178 979	2 230 952 134	1 968 661 861	1 001 891 203	
Asset held for sale 9.1	2 411 240 000	618 510 903	2 411 240 000	282 531 600	
	37 351 366 700	33 507 529 580	36 950 434 000	15 244 074 847	
Equity and liabilities					
Shareholders' funds Non-current liabilities	32 868 915 698 2 625 504 379	31 399 762 064 1 612 156 415	32 732 687 618 2 528 516 706	14 301 376 426 721 070 807	
Deferred tax	1 852 852 337	1 612 156 415	1 755 864 664	721 070 807	
Borrowing 11	772 652 042	-	772 652 042	-	
Current liabilities 10	1 856 946 623	495 611 101	1 689 229 676	221 627 614	
	37 351 366 700	33 507 529 580	36 950 434 000	15 244 074 847	
Net asset value per share -cents	1 947.69	1 857.70	1 939.62	846.11	
Reviewed Condensed Consolidated Statement of Cash Flows	Inflation Adjusted Group		* Historical Cost Group		
	30 JUNE 2022	31 MARCH 2021	30 JUNE 2022	31 MARCH 2021	
	Reviewed ZW\$	Reviewed ZW\$	Unreviewed ZW\$	Unreviewed ZWS	
Net cash inflow from operating activities	827 097 540	139 338 979	1 058 567 202	48 894 506	
Profit/(loss) before tax	1 411 788 455	(100 699 072)	19 555 778 851	2 246 890 563	
Non-cash items	(873 938 761) 365 655 315	284 428 492 19 932 908	(18 925 036 111) 493 807 402	(2 168 183 598)	
Increase/(decrease) in working capital Finance costs and costs of arranging financing paid	(36 014 367)	19 932 908	(34 702 007)	(9 778 004	
Tax paid	(40 393 102)	(64 323 349)	(31 280 933)	(20 034 455	
Net cash used in investing activities	(1 437 582 126)	(35 851 299)	(943 869 055)	(10 314 728	
Interest received	1 628 065	226 007	1 071 717	119 952	
Proceeds from disposal of asset held for trading	52 620 883	-	52 532 369	-	
Purchase of property and equipment	(15 716 921)	(8 533 790)	(9 431 034)	(2 352 977	
Refurbishment of investment property Purchase of investment property	(171 879 836) (1 304 234 317)	(27 543 516) -	(135 909 622) (852 132 485)	(8 081 703) -	
	767 524 941	(01 00F 660)	427 002 049	(25 092 270	
Net cash generated/(used) in financing activities Dividend paid	767 534 841 (49 853 568)	(91 885 668) (84 382 605)	427 092 048 (49 853 568)	(25 983 270) (23 869 405)	

Dividend

The Board declared an interim dividend of ZW\$141,782,393 or 8.401 cents per share. A separate dividend notice will be published to this effect.

The Government of Zimbabwe has revised downwards the country's economic growth forecasts from 5.5% to 4.6% in line with global economic trends. In addition, authorities expect inflationary pressures to subsist over the short term before measures being implemented begin to bear effect. Despite these developments, the Group remains focused on delivering on its projects pipeline which will support cashflow generation to enable portfolio diversification. The Group's strategic focus will also remain targeted at portfolio performance optimisation, portfolio diversification and increasing operational efficiencies to ensure sustained business growth.

Appreciation

On behalf of the Board, I express appreciation to our valued tenants for their continued loyalty and all our other stakeholders for their support. I also thank fellow board members, management and staff for their continued dedication.

Harare 23 August 2022

Independent auditor's review conclusion

The condensed inflation adjusted financial results for the 6-month period ended 30 June 2022 have been reviewed by the Group's external auditors, Messrs Deloitte & Touche Chartered Accountants (Zimbabwe), who have issued an unmodified review conclusion. The engagement partner for the review engagement was the Group's external auditors and the Group's external auditors. Mr Stelios Michael, PAAB practice certificate number 0443.

Acquisition of treasury shares	(108 903 800)	(7 503 063)	(108 903 800)	(2 113 865)
Increase in cash and cash equivalents Cash and cash equivalents at the beginning of	157 050 255	11 602 012	541 790 195	12 596 508
the period	708 275 318	140 035 941	323 535 378	35 465 800
Cash and cash equivalents at the end of the period	865 325 573	151 637 953	865 325 573	48 062 308
Condensed Consolidated Statement of Changes in Equity		Adjusted oup		ical Cost Sup
	30 JUNE 2022 Reviewed ZW\$	31 DEC 2021 Reviewed ZW\$	30 JUNE 2022 Unreviewed ZW\$	31 DEC 2021 Unreviewed ZW\$
Shareholders' equity at beginning of the period	31 399 762 064	34 622 332196	14 301 376 426	8 703 740 568
shareholders equity at beginning of the period				
Total comprehensive income/(loss)	1 571 147 734	(3 071 521 824)	18 487 139 182	5 644 301 122
Total comprehensive income/(loss) Acquisition of treasury shares	1 571 147 734 -	(3 071 521 824) (7 503 055)	18 487 139 182 -	5 644 301 122 (2 113 865)
Total comprehensive income/(loss)	1 571 147 734 - (101 994 100)		18 487 139 182 - (55 827 990)	

585 849 482

(108 903 866)

926 292 275

(108 903 866)

Directors: Eng. G. Bema (Chairperson), G. Mapfidza (Managing Director), H. M. Munyati, S. Mutangadura, P. Musarurwa, B. Musariri, M. Mubayiwa, B. Shumba, K. Musundire (Chief Finance Officer)

Allina. Eng. G. Bema

Board Chairperson

Loan repayment

Loan raised









Reviewed Condensed Consolidated Inflation Adjusted Financial Results for the six months ended 30 June 2022

Notes to the Condensed Consolidated Financial Statements

1.

Basis of preparation and accounting policies Mashonaland Holdings Limited and its subsidiaries' (the "Group") condensed consolidated inflation adjusted financial results for the six months ended 30 June 2022 have been prepared in accordance with IAS 34"Interim financial reporting. The accounting policies used in the current period are consistent with those applied in the previous period unless otherwise stated. These condensed consolidated inflation adjusted financial statements have been prepared under the assumption that the Group operates on a going concern basis.

1.1 Reporting period and comparatives

These condensed inflation adjusted financial results are for the 6 months ended 30 June 2022. Comparative information presented in the Condensed Consolidated Inflation Adjusted Statement of Profit or Loss and Condensed consolidated inflation Adjusted Statement of Profit or Loss and Condensed consolidated inflation adjusted statement of Cashflows are for the 6 months ended 31 March 2021 due to the change of financial year and the discussion of the condense of financial year. end in the previous financial year.

1.2 Reporting currency These financial statements are presented in the Zimbabwean currency ("ZW\$"), which was designated as the functional and reporting currency.

1.3 Hyperinflation

Typerinitation These results have been prepared under the current cost basis in line with the provisions of International Financial Reporting Standards (IAS) 29 – Financial Reporting in Hyperinflationary economies. The Public Accountants and Auditors Board (PAAB) pronounced that the economy is trading under conditions of hyperinflation in line with IAS 29 (Pronouncement 1/2019). The directors have applied the guidelines provided by the PAAB and the accounting bodies and made various assumptions to produce the inflation adjusted financials. The inflation adjusted amounts are the primary set of results. The bitstric information is supplementary. The historic information is supplementary.

The Group used the price indices provided by the Zimbabwe Statistical Office as reported on the Reserve Bank of Zimbabwe website. Below are the indices and adjustment factors used up to 30 June 2022.

	Index	Conversion factor
CPI as at 30 June 2022	8707.4	1.000
CPI as at 31 December 2021	3977.5	2.189
CPI as at 31 March 2021	2759.8	3.155

1.4 Valuation of Investment Property An internal valuation of the Group's investment property was carried out to determine the fair values as at 30 June 2022. The internal valuation was conducted by the Group's qualified internal valuation team based on IFRS 13 Fair Value Measurement level 3 valuation inputs. An internal valuation was considered appropriate considering the Group had performed a comprehensive external valuation at the last reporting period date on 31 December 2021. Significant judgements were applied as at 30 June 2022 as a result of uncertainties resulting from the inflationary environment and limited comparable information for transactions concluded in Zimbabwean Dollars.

	Inflation Adjusted Group		* Histori Gro	
	30 JUNE 2022 Reviewed ZW\$	31 MARCH 2021 Reviewed ZW\$	30 JUNE 2022 Unreviewed ZW\$	31 MARCH 2021 Unreviewed ZW\$
Depreciation on property and equipment charged to operating profit	19 268 509	2 731 793	2 132 534	707 065
Revenue	709 096 684	471 262 809	483 232 684	137 165 497
Rental income	680 255 692	469 119 923	457 425 679	136 515 163
Stand sales	27 057 179	-	24 519 331	-
Property services income	1 783 813	2 142 886	1 287 674	650 334
Other income				
Service charges	8 957 015	6 082 485	5 912 964	1 804 116
Dividend income	995 780	600 717	669 697	162 293
Foreign currency translation gains	502 902 505	2 742 165	394 018 387	842 738
(Loss)/profit on disposal of non-current assets	(12 929 512)	-	63 059 620	-
Sundry income	243 726	71 950	180 068	20 448
Total	500 169 514	9 497 317	463 840 736	2 829 595
Finance income				
Interest received and receivable	10 608 509	13 303 180	7 090 075	3 852 030
Interest on staff loans	1 628 065	145 191	1 071 717	43 651
Total	12 236 574	13 448 371	8 161 792	3 895 681
Finance costs				
Cost of arranging financing	64 530 932	_	31 007 615	-
Loan interest	32 443 637	-	32 443 636	-
Total	96 974 569	-	63 451 251	-
Tax				
Current income tax expense	(45 561 302)	(75 030 065)	(33 845 813)	(21 767 506)
Deferred tax	(240 695 922)	(110 694 147)	(1 034 793 856)	(156 793 352)
Total	(286 257 224)	(185 724 212)	(1 068 639 669)	(178 560 858)
		n Adjusted oup	* Historio Gro	
	30 JUNE 2022	31 DEC 2021	30 JUNE 2022	31 DEC 2021
	Reviewed ZW\$	Reviewed ZW\$	Unreviewed ZW\$	Unreviewed ZW\$
Investment properties				
Opening balance	30 527 382 514	35 465 713 689	13 944 702 000	8 982 114 000
Disposals	-	(197 424 092)	-	(50 000 000)
Reclassification to held for sale	(2 342 416 445)	(831 601 624)	(1 070 000 000)	(379 870 000)
Net effects of transfer to Inventory	-	(132 493 707)	-	(148 869 627)
Improvements/additions	2 081 695 544	188 911 210	1 270 573 707	73 121 888
Fair value adjustments*	2 281 621 982	(3 965 722 962)	18 403 007 888	5 468 205 739
Closing balance	32 548 283 595	30 527 382 514	32 548 283 595	13 944 702 000

11. Borrowing		Adjusted oup	* Historical Cost Group	
	30 JUNE 2022 Reviewed ZW\$	31 DEC 2021 Reviewed ZW\$	30 JUNE 2022 Unreviewed ZW\$	31 DEC 2021 Unreviewed ZW\$
Interest bearing bank loan	1 337 893 468	-	1 337 893 468	-
The loan balance is presented on the Statement of Financial Position as follows:				
Current liabilities	565 241 426	-	565 241 426	-
Non-current liabilities	772 652 042	-	772 652 042	-
	1 337 893 468	-	1 337 893 468	_

The loan terms are as follows:

12. Segment information

13.

Loan tenure 36 months
 Interest rate 10.35% per annum payable quarterly
 The Group secured the loan against one of its properties with a carrying value of ZW\$2 639 421 000.

Inflation Adjusted

segment mormation			Inflation Adjuste	ed	
30 JUNE 2022 ZW\$	Office/retail	Industrial	Pure retail	Other	Total
Revenue	394 117 593	208 260 671	57 665 216	49 053 204	709 096 684
Net property income	356 170 884	73 434 610	50 301 820	72 106 294	552 013 608
Assets	16 651 774 723	3 918 161 846	1 998 010 953	14 783 419 178	37 351 366 700
Liabilities	1 134 833 291	212 743 082	108 580 700	3 026 293 929	4 482 451 002
			Inflation Adjuste	ad	
	Office/retail	Industria	Pure retail	Other	Tota
31 MARCH 2021 ZW\$ Revenue	317 711 423	85 049 773	38 280 516	30 221 097	471 262 809
Net property income	272 598 516	82 937 090	34 729 488	1 762 458	392 027 552
31 DEC 2021 ZW\$	272 398 310	82 937 090	34729400	1702438	392 027 332
Assets	15 413 463 607	1 675 376 477	1 675 376 479	14 743 313 017	33 507 529 580
Liabilities	969 573 059	927 417 707	105 388 376	105 388 374	2 107 767 516
Labilities	505 575 055	527 417 707	105 500 570	105 500 574	2107707510
			* Historical Cost	t	
30 JUNE 2022 ZW\$	Office/retail	Industrial	Pure retail	Other	Tota
Revenue	268 581 855	141 924 741	39 297 486	33 428 602	483 232 684
Net property income	246 128 355	50 950 721	34 452 825	49 311 752	380 843 653
Assets	16 473 033 178	3 876 103 968	1 976 564 136	14 624 732 718	36 950 434 000
Liabilities	1 063 973 202	199 459 199	101 800 816	2 852 513 165	4 217 746 382
	Office/retail	Industrial	* Historical Cos Pure retail	t Other	Tota
31 MARCH 2021 ZW\$					
Revenue	92 472 914	24 754 541 24 171 386	11 141 906 10 111 641	8 796 136	137 165 497
Net property income	79 688 392	24 171 380	10111641	(25 364)	113 946 055
31 DEC 2021 ZW\$ Assets	7 012 274 430	762 203 742	762 203 742	6 707 392 933	15 244 074 847
Liabilities			-		
Liabilities	433 641 273	414 787 305	47 134 921	47 134 922	942 698 421
Related parties		lı	nflation Adjuste	d	
		Nature of	Transacti	on Bala	nce Balance
	Relationship	transaction	amou		.022 202
				N\$ 2	ZW\$ ZW
ZB Life Assurance	Direct shareholder		29 811 2		
ZB Bank Limited	Indirect sharehold		45 332 1		229 (6 140 594
ZB Life Assurance ZB Bank Limited	Direct shareholder Indirect shareholde				-
ZB Bank Limited	Indirect sharehold			- 155 035	108 102 374 03
ZB Bank Limited	Indirect shareholde			- (1 337 893 4	
ZB Bank Limited	Indirect sharehold		(96 974 56	69)	-
ZB Financial Holdings Limited	Indirect shareholde			1 000	2 202 67
ZB Financial Holdings Limited	Indirect sharehold	market securiti er Dividends rece		- 1 008 9	2 208 675
ZB Financial Holdings Limited				- 363 116 3	754 890 363 601

(20 333 990) (811 158 804) 988 805 716

		* Histor	rical Cost		
	Relationship	Nature of transaction	Transaction amount ZW\$	Balance 2022 ZW\$	Balance 2021 ZW\$
ZB Life Assurance ZB Bank Limited ZB Life Assurance ZB Bank Limited ZB Bank Limited ZB Bank Limited ZB Bank Limited ZB Financial Holdings Limited	Direct shareholder Indirect shareholder Direct shareholder Indirect shareholder Indirect shareholder Indirect shareholder Indirect shareholder	Rent accrued Rent accrued Interest received Bank balances Borrowings Interest cost Investment in money market securities	20 046 018 30 482 769 23 350 333 632 	(1 335) 7 575 229 - 155 035 108 (1 337 893 468) -	(2 804 982) - 46 763 767 - -
ZB Financial Holdings Limited ZB Financial Holdings Limited		Dividends received Investment in equities	- 669 697 -	1 008 908 - 363 116 754	1 046 064 - 406 712 075

(11 895 785) (811 158 804) 451 716 924

14. Commitments for capital expenditure

*Fair valuation of investment properties was determined through an internal valuation performed at 30 June 2022 as disclosed in note 1.4 to the condensed consolidated inflation adjusted financial results.

9.	Current assets				
	Assets held for trading	520 125 336	1 083 640 615	520 125 336	494 999 709
	Inventories	583 139 572	386 961 527	286 622 454	159 568 757
	Trade and other receivables	296 588 498	52 074 674	296 588 498	23 787 359
	Cash and cash equivalents	865 325 573	708 275 318	865 325 573	323 535 378
	Total	2 265 178 979	2 230 952 134	1 968 661 861	1 001 891 203
9.1	Asset held for sale				
	Opening balance	618 510 903	161 887 754	282 531 600	41 000 000
	Net reclassification from investment property	2 342 416 445	831 601 624	1 070 000 000	379 870 000
	Disposals	(618 510 903)	-	(282 531 600)	-
	Fair value adjustments	68 823 555	(374 978 475)	1 341 240 000	(138 338 400)
	Closing balance	2 411 240 000	618 510 903	2 411 240 000	282 531 600
10.	Current liabilities				
	Trade and other payables	1 254 652 582	424 531 411	1 086 935 635	189 158 891
	Current portion of borrowings	565 241 426	-	565 241 426	-
	Income tax payable	20 056 858	36 293 650	20 056 858	16 578 694
	Provisions	16 995 757	34 786 040	16 995 757	15 890 029
	Total	1 856 946 623	495 611 101	1 689 229 676	221 627 614

	30 JUNE 2022	31 DEC 2021	30 JUNE 2022	31 DEC 2021
	Reviewed	Reviewed	Unreviewed	Unreviewed
	ZW\$	ZW\$	ZW\$	ZW\$
Authorised and contracted	1 023 852 568	184 392 339	1 023 852 568	84 229 174
Authorised and not yet contracted	1 483 840 000	278 549 894	1 483 840 000	127 239 709

Inflation Adjusted

Group

15. Treasury shares

The Group sought and secured Annual General Meeting approval, on the 23rd of June 2022, for the cancellation of 171,489,938 ordinary shares held by the Group as treasury shares. The treasury shares constituted 9.2% of the total issued share capital and were acquired as part of the concluded share buyback scheme. As at 30th June 2022, processes to effect the cancellation, which include deregistration of the shares were on-going and therefore these included the rest of the total formation of the shares were on-going and therefore these included are shared to the full include deregistration of the shares were on-going and therefore these included shares the full include deregistration of the shares were on-going and therefore these includes the full include deregistration of the shares were on-going and therefore these includes the full include deregistration of the shares were on-going and therefore these includes the full include deregistration of the shares were on-going and therefore these includes the full include deregistration of the shares were on-going and therefore these includes the full include deregistration of the shares were on-going and therefore these includes the full include deregistration of the shares were on-going and therefore these includes the full include deregistration of the shares were on-going and therefore these includes the full include deregistration of the shares were on-going and therefore these includes the full include deregistration of the shares were on-going and therefore these includes the full include deregistration of the shares were on-going and therefore the full includes the full include deregistration of the shares were on-going and therefore the full includes the reviewed financial statements do not reflect the full impact of the cancellation of the treasury shares.

16. Going Concern

The Directors assessed the ability of the Group to continue operating as a going concern and concluded that the use of the going concern assumption is appropriate in the preparation of the inflation adjusted financial statements. The Directors have considered the impact of macro-economic conditions on the Group's business and are satisfied that adequate measures have been put in place to ensure viability of the Group beyond the next 12-month period.

The COVID-19 pandemic continues to have a global impact that has altered the operating environment and the Group's business prospects. The Group has continued with implementation of heightened health and safety protocols in all its properties. However, the severity and impact of the pandemic cannot be reasonably estimated at this point in time. The Group will continue implementing measures to minimize the adverse impacts of the pandemic.

17. Subsequent events

There were no material subsequent events that took place after the reporting period at 30 June 2022.

Directors: Eng. G. Bema (Chairperson), G. Mapfidza (Managing Director), H. M. Munyati, S. Mutangadura, P. Musarurwa, B. Musariri, M. Mubayiwa, B. Shumba, K. Musundire (Chief Finance Officer)

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Independent Auditor's Report on the Review of Inflation Adjusted Condensed Consolidated Financial Information To the Shareholders of Mashonaland Holdings Limited

Introduction

We have reviewed the accompanying inflation adjusted condensed consolidated interim financial information of Mashonaland Holdings Limited and its subsidiaries ("the Group"), which comprise the inflation adjusted condensed consolidated statement of financial position as at 30 June 2022 and the inflation adjusted condensed consolidated statement of profit or loss and other comprehensive income, inflation adjusted condensed consolidated statement of changes in equity and inflation adjusted condensed consolidated statement of the six month period then ended, and the selected explanatory notes to the inflation adjusted condensed consolidated interim financial information.

Management is responsible for the preparation and fair presentation of this inflation adjusted condensed consolidated interim financial information in accordance with International Accounting Standard (IAS) 34 - Interim Financial Reporting. Our responsibility is to express a conclusion on this inflation adjusted condensed consolidated interim financial information based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of inflation adjusted condensed consolidated interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying inflation adjusted condensed consolidated interim financial information does not present fairly, in all material respects, the financial position of the Group as at 30 June 2022, and its financial performance and its cash flows for the six-month period then ended in accordance with International Accounting Standard (IAS) 34 – Interim Financial Reporting.

Delatte & Touche

Deloitte & Touche Chartered Accountants (Zimbabwe) Per: Stelios Michael Partner Registered Auditor PAAB Practice Certificate Number: 0443

Harare Zimbabwe Date: 26 August 2022

