MEIKLES

LIMITED

ANNUAL REPORT 2022

ABOUT OUR REPORT

Meikles Limited, a public company listed on the Zimbabwe Stock Exchange ("ZSE") and London Stock Exchange ("LSE"), is pleased to present the annual report for the year ended 31 March 2022. This report integrates both financial and non-financial information.

SCOPE OF THE REPORT

This report contains information for Meikles Limited which is incorporated and domiciled in Zimbabwe. In this report, unless otherwise stated, references to "our", "we", "us", "the Group", "Meikles Ltd" refers to Meikles Limited and its subsidiaries that includes TM Supermarkets (Pvt) Ltd; Meikles Guard Services (Pvt) Ltd; Thomas Meikle Properties (Pvt) Ltd and Meikles Hospitality (Pvt) Ltd. The report excludes Tanganda Tea Company Limited which was unbundled and separately listed on the ZSE during the financial year.

REPORTING FRAMEWORKS

This report was prepared with due consideration of the following reporting requirements:

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

SUSTAINABILITY DATA

This report was prepared using both quantitative and qualitative data extracted from company records, policies and persons responsible in the Key Results Areas ("KRA") of sustainability impacts for the Group. In some cases, assumptions are made and confirmed for consistency with business activities. Where data has not been provided by all subsidiaries, it is indicated under each table. The Group continues to review its measurement systems on sustainability data and ensure consistency across subsidiary operations.

ASSURANCE

The consolidated financial statements were audited by Deloitte & Touche (Zimbabwe) in accordance with the International Standards of Auditing ("ISA"). The independent auditor's report is found on pages 37 to 40. Non-financial information and data used for sustainability reporting were internally validated by the Group Internal Audit Department. The report was verified for compliance with GRI Standards by the Institute for Sustainability Africa ("INSAF") as subject matter experts. A GRI Content Index is presented on pages 94 to 97. Management validated the report for consistency with business operations before publication.

REINSTATEMENTS

Meikles Ltd made restatements to prior year sustainability data by excluding Tanganda Tea Company which was unbundled from the Group.

REPORT DECLARATION

The Board of Directors and Management confirm that this report has been prepared in accordance with GRI Standards - 'Core' option.

BOARD APPROVAL

The Board recognises its accountability for ensuring the integrity of this annual report. In the Board's opinion, the annual report fairly presents the overall performance of the Group and therefore approved it.

FORWARD LOOKING STATEMENTS

This report may contain forward looking statements. These statements are estimates and projections by Meikles Limited based on current 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. Forward looking 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 beyond our control. Readers are cautioned not to place undue reliance on forward looking statements.

FEEDBACK ON THE REPORT

The Group values opinions and comments from all stakeholders which may assist in improving our reporting. We welcome your feedback on this report and any suggestions you may have. For feedback, please contact Tabani Mpofu (Mr), Company Secretary, email: investorrelations@meikles.com .

John Moxon

J.R.T. Moxon
Chairman
21 November 2022

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MEIKLES LTD AT A GLANCE

OUR JOURNEY OF OVER 100 YEARS

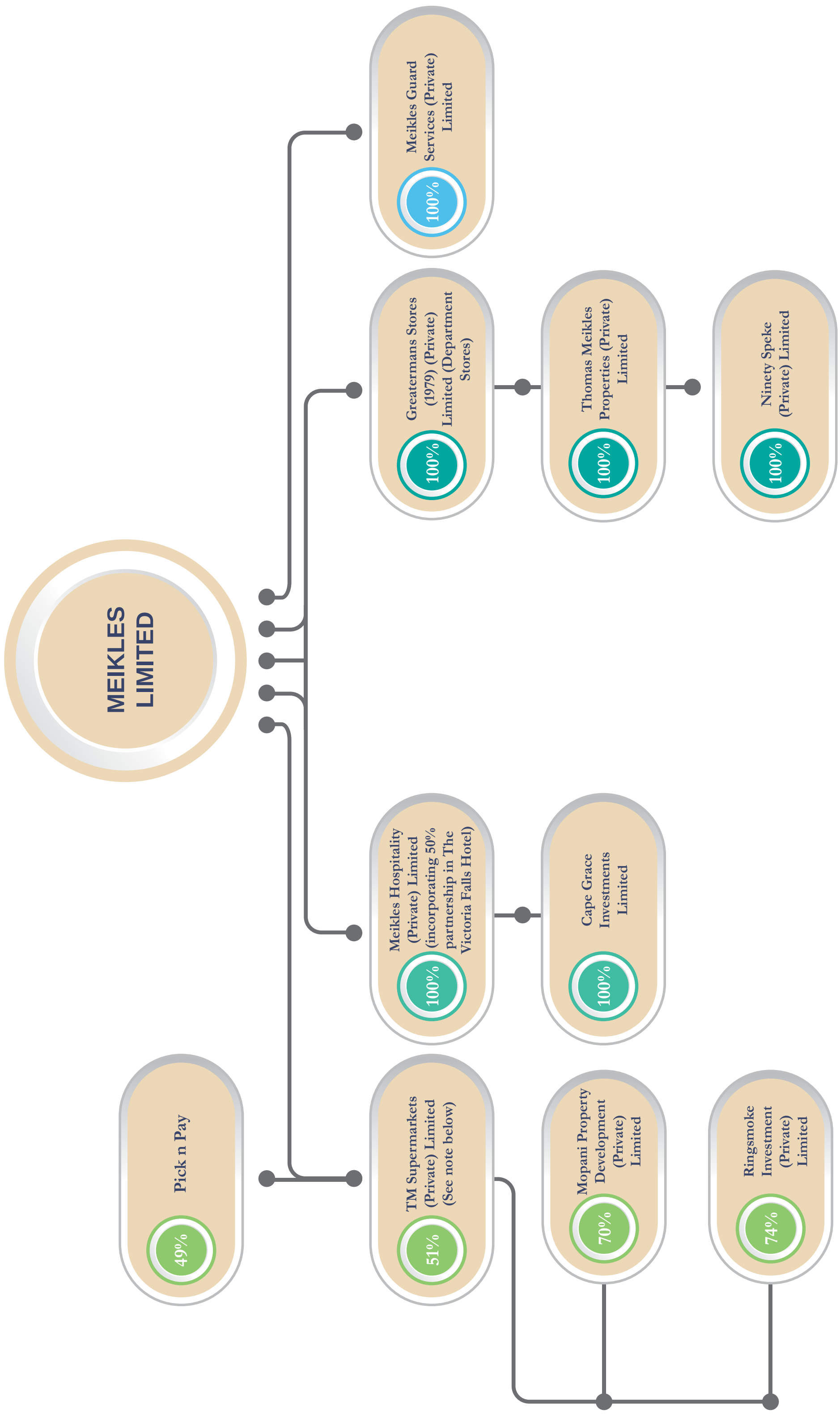
1892	John, Stewart and Thomas Meikle, brothers who migrated from Scotland to Southern Africa, opening trading business in Fort Victoria (now Masvingo) in now Zimbabwe
	Business spread to Bulawayo, Umtali (Mutare) and Salisbury (Harare)
1915	Thomas Meikle opens hotel business in now present day Harare
1920s	Tanganda Tea Estate established
1978	TM Supermarkets ('TMSM") established
1996	Meikles family businesses are listed on the Zimbabwe Stock Exchange and London Stock Exchange under Meikles Africa Limited
	Pick n Pay South Africa acquires 25% of TM Supermarkets.
1998	Meikles Limited purchases 50% of The Victoria Falls Hotel lease and operations
1999	Meikles Limited purchases 50% of the Cape Grace Hotel business and property
2001	Meikles Limited purchases the remaining 50% of the Cape Grace Hotel business and property
2007	Merger of Meikles Limited, Tanganda Tea Company Limited, Cotton Printers (Private) Limited, and Kingdom Financial Holdings Limited.
2010	Demerger of Kingdom Financial Holdings Limited from Meikles Limited.
2012	Meikles Limited acquires 35% shareholding in Mentor Africa (Pty) Limited ("Mentor") through a merger of the Cape Grace Hotel into Mentor.
2013	Pick 'n' Pay South Africa increases shareholding in TMSM to 49%
2014	Meikles Guard Services (Private) Limited formed as a wholly owned subsidiary company
2019	Closure of Departmental Stores trading as Meikles Stores, Barbours and Greatermans
2020	Meikles Limited disposes Meikles Hotel in Harare.
2022	Tanganda Tea Company unbundled.
	Disposal of 35% shareholding in Mentor.

The Group still operates businesses in the following sectors:

1.	**Retail**	TM Supermarkets trading as TM Pick 'n' Pay
2.	**Hospitality**	The Victoria Falls Hotel (Operated in partnership with African Sun Limited)
3.	**Real Estate and Property**	Thomas Meikle Properties
4.	**Security Services**	Meikles Guard Services

MEIKLES LTD AT A GLANCE (continued)

GROUP STRUCTURE



Note: TM Supermarkets (Private) Limited has the following 100% owned subsidiaries: Ebony Properties (Private) Limited, Osterland Investments (Private) Limited and Petria Properties (Private) Limited. Dormant companies have been excluded.

Meikles Group Footprint in Zimbabwe

TM Pick n Pay Branches:

Harare: Budiriro, Chadcombe, Harare Street, Kenneth Kaunda, Machipisa, PnP Newlands, Orr Street, PnP Arundel, PnP Avondale, PnP Borrowdale, PnP Joina City, PnP Kamfinsa, PnP Msasa, PnP SamNujoma, PnP Westgate, Ruwa, Strathaven, PnP Aspindale, PnP Chiremba | **Bulawayo:** Cowdray Park, Fife Street, Jason Moyo, Lobengula, Northend, PnP Ascot, PnP Bradfield, PnP Hyper, Southwold | **Chitungwiza:** Makoni, Zengeza | **Gweru:** PnP Gweru, PnP Gweru Megawatt | **Mutare:** Chikanga, Dangamvura, PnP Mutare, PnP Sakubva | Bindura, Chegutu, Chinhoyi, Chinhoyi South, Chipinge, Chiredzi, PnP Hwange, Kadoma, Kariba, Karoi, Mutoko, Norton, PnP Chivhu, PnP Kwekwe, PnP Marondera, PnP Masvingo, PnP Victoria Falls, Rusape, Triangle, Zvishavane

- Meikles Hospitality has The Victoria Falls Hotel in Victoria Falls
- Thomas Meikle Properties has properties in Harare, Gweru, Masvingo, Mutare and Bulawayo

MEIKLES

LIMITED

(Incorporated in Zimbabwe under company registration number 1/37)

www.meiklesltd.com

MEIKLES LTD AT A GLANCE (continued)

OUR BUSINESS VALUE SYSTEMS

BUSINESS ASSOCIATIONS MEMBERSHIP

Some of our subsidiaries are members of the following associations:

TM Pick n Pay Supermarkets	Meikles Hospitality	Meikles Guard Services
• Confederation of Zimbabwe Industries (CZI) • Employers Confederation of Zimbabwe (EMCOZ) • Retailers Association of Zimbabwe (RAZ) • National Employment for Engineering Sector • Employment Association of Zimbabwe • National Employment Council for the Commercial Sector (NECCSZ)	• Tourism Business Council of Zimbabwe (TBCZ) • Hospitality Association of Zimbabwe (HAZ) • Leading Hotels of the World (LHW) • Africa Travel and Tourism Association (ATTA) • National Employment Council for Hotel and Catering Industry • Zimbabwe National Chamber of Commerce (ZNCC) • We are Africa • Africa's Eden – Kaza Region	• Security Association of Zimbabwe (SAZ) • National Employment Council for the Security Industry (NECSI)

STANDARDS

Some of our subsidiaries subscribe to the following standards:

TM Pick n Pay Supermarkets	Meikles Hospitality	Meikles Guard Services
• Health Registration Certificate – **Ministry of Health and Child Welfare Zimbabwe** • Factory Registration Certificate/ – **Local Authorities** • Air Emission Licence – **Environmental Management Agency (EMA) Zimbabwe** • Liquor Licence – **Local Authorities Zimbabwe** • Music Licence – **Zimbabwe Music Rights Association (ZIMURA)** • Seller of Seeds, Pesticides Retailers, Radio, and Municipal licences. • Shop Licences • Agricultural inputs and livestock products retail registration – **Agricultural Marketing Authority (AMA)**	• Leading Quality Assurance – **Leading Hotels of the World (Global)** • Five Star Hotel Grading – **Zimbabwe Tourism Authority (ZTA)** • Designated Tourist Facility – **Zimbabwe Tourism Authority (ZTA)** • Designated Health Facility (clinic) **– Medical Control Authority of Zimbabwe (MCAZ)**	• Guard Securities Licence – **Ministry of Home Affairs (Zimbabwe)**

AWARDS & RECOGNITIONS

Received during FY2022:

The Victoria Falls Hotel

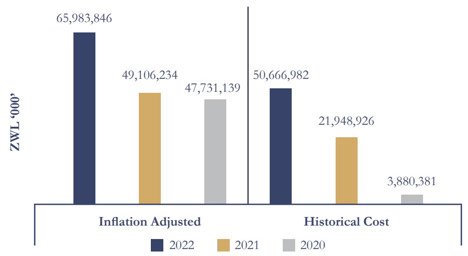
- Non Consumptive Tourism Exporter of the Year – Zimbabwe National Chamber of Commerce (ZNCC)
- 1st Runner up Service Excellence - Contact Centre Association of Zimbabwe (CCAZ)

MEIKLES LTD AT A GLANCE (continued)

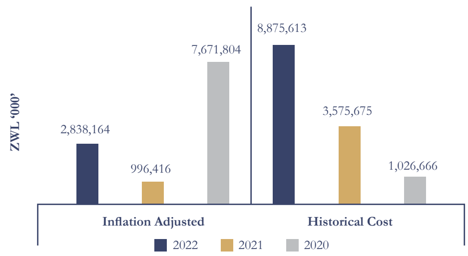
GROUP PERFORMANCE HIGHLIGHTS

FINANCIAL HIGHLIGHTS

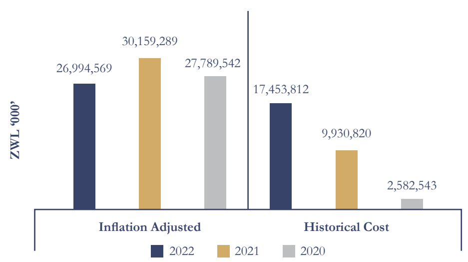
REVENUE



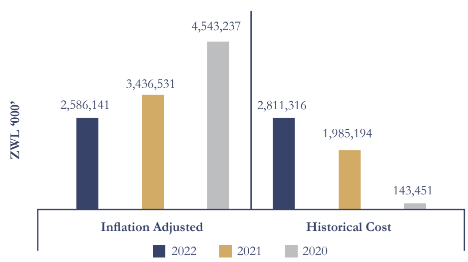
PROFIT FOR THE YEAR



TOTAL ASSETS



NET CASH FLOW FROM OPERATING ACTIVITIES



SHARE PERFORMANCE

	INFLATION ADJUSTED			HISTORICAL COST		
	31 Mar 2022 ZWL cents	31 Mar 2021 ZWL cents	31 Mar 2020 ZWL cents	31 Mar 2022 ZWL cents	31 Mar 2021 ZWL cents	31 Mar 2020 ZWL cents
Share Price	14,076.62	7,772.91	4,763.75	14,076.62	4,500.94	810.00
Basic and Diluted Earnings Per Share from continuing and discontinued operations	612.37	166.66	2,270.01	2,755.53	1,051.90	347.76
Basic and Diluted Earnings Per Share from continuing operations	835.55	14.28	1,648.53	2,591.81	547.83	81.55

SUSTAINABILITY PERFORMANCE

	2022	2021
Tax Payments (ZWL '000') (Historical cost)	3,436,155	1,658,542
Community Investments (ZWL'000') (Historical cost)	19,559	31,947
Electricity (kWh)	41,196,775	49,583,644
Water Usage (m³)	158,334	103,862
Total Employees (head count)	6,013	5,645

STRATEGIC REVIEW

CHAIRMAN'S STATEMENT

GROUP FINANCIAL PERFORMANCE

Shareholders are advised that major strategies relevant to the Group were implemented successfully. These were mainly the unbundling and listing of Tanganda, and the sale of the Group's thirty-five percent shareholding in Mentor Africa (Proprietary) Limited ("Mentor"). The sale of the shareholding in Mentor has resulted in substantial US$ cash accruing to the Group.

The Group's 35 percent shareholding in Mentor was sold for US$ 19.08 million. The sale resulted in the investment being uplifted from the previous carrying value to the amount of the sale proceeds, which has largely been included in the comprehensive income for the year.

The Group achieved commendable profit growth.

Commentary on financial performance is based on inflation adjusted figures, with historical cost figures in brackets to enhance comprehension and analysis.

Revenue for continuing operations, grew by 34% to ZWL 66 billion from ZWL 49.1 billion in 2021. The growth in revenue was primarily driven by the increase in sales units at the supermarket segment. In historical cost terms, revenue grew by 131% to ZWL 50.7 billion from ZWL 21.9 billion in the previous year.

Gross profit margin increased by two percentage points to 25% from 23% in the previous year. Inflationary pressure on operating costs offset the increase in the gross profit margin and as a result the operating profit margin was maintained at 3%.

Operating profit for continuing operations was ZWL 2.2 billion, up 48% from ZWL 1.5 billion in the prior year. (Historical cost, a growth from ZWL 2.4 billion to ZWL 4.3 billion).

Profit after tax for continuing operations (excluding profit on distribution of subsidiary) grew by 461% to ZWL 3.4 billion from ZWL 599 million the previous year. (Historical cost, a growth in profit from ZWL 2.3 billion to ZWL 4.6 billion).

Other comprehensive income increased to ZWL 3.0 billion from ZWL 843 million in the previous year, of which ZWL 1.9 billion is attributable to the uplift of the fair value of 35% investment in Mentor.

Total comprehensive income increased to ZWL 5.8 billion (Previous year: ZWL 1.8 billion) (In historical cost ZWL 11.8 billion from ZWL 4.4 billion), of which ZWL 4.6 billion (79%) is attributable to owners of Meikles and the remaining balance of ZWL 1.2 billion (21%) to minority shareholders.

Segmental contribution to the Group's financial performance is set out in Note 6 of the consolidated financial statements.

KEY DEVELOPMENTS

We are pleased with our achievements towards the objectives set out in the report accompanying the Group's financial results for the previous year.

Demerger of Tanganda Tea Company from the Group

Tanganda was demerged from the Group on 1 February 2022 and was relisted on the Zimbabwe Stock Exchange on 3 February 2022. Its market capitalisation since the listing date justifies the rationale for the unbundling process.

Disposal of the 35% shareholding in Mentor

The Board was presented with an opportunity to unlock the value of the investment in Mentor at an attractive price when a third party offered to purchase Mentor. The anticipated upside potential of Mentor had not been realised. Consequently, the investment was sold in March 2022. The Group realised a gain on disposal of US$ 14.5 million.

The Directors are evaluating options on reinvesting the sale proceeds. Shareholders will be advised of the intended use of the funds.

REVIEW OF OPERATIONS

Supermarkets – trading as TM Pick n Pay

Revenue grew by 36% to ZWL 66.0 billion (Historical cost, a growth of 134% from ZWL 21.7 billion to ZWL 50.7 billion). The sales growth was due to an increase of 26% and 11% in units and customer transactions respectively. The lifting of most of the COVID-19 trade restrictions and our tactical marketing campaigns led to the growth in sales volume over prior year. Our ability to constantly replenish stocks throughout all the branches demonstrated the versatility of our supply chain and logistics networks.

Operating profit increased by 54% to ZWL 2.8 billion from ZWL 1.9 billion in the previous year (In historical cost, a growth of 88% to ZWL 4.7 billion from ZWL 2.5 billion). The growth in operating profit was due to strategic investment in stocks, margin control and cost saving initiatives. Operating expenses linked to exchange rate movement pricing led to a surge in costs over prior year. Management constantly re-aligned strategies to cushion the business from inflationary pressures during the period. The operating profit margin firmed up to 4.3% from 3.8% in prior year.

Profit after tax was ZWL 2.4 billion from ZWL 1.0 billion in prior year. In historical terms, it increased to ZWL 3.4 billion from ZWL 1.7 billion.

The segment's liquidity remained strong. It generated sufficient cash flows from operating activities to fund ZWL 1.8 billion branch refurbishments and ZWL 900 million dividend payout to the shareholders. Stores refurbished during the year were Newlands, Makoni and Zengeza.

Hospitality

Revenue increased to US$ 2.9 million from US$ 342,000 last year. Room occupancy for the year grew to 16.77% from 2.45% last year due to the easing of both local and international COVID-19 stringent travel restrictions during the second half of the financial year.

Profit after tax improved to ZWL 196 million from a loss of ZWL 212 million in the previous year.

The first phase of The Victoria Falls Hotel refurbishment was at an advanced stage at the end of the reporting period. The refurbished rooms are scheduled to open for bookings by the end of August 2022.

The Group's investment in hospitality has now been reduced to a single operation.

STRATEGIC REVIEW (continued)

CHAIRMAN'S STATEMENT (continued)

Properties

The rollout of planned development of properties commenced during the financial year under review. The development of the main property in Mutare was at final stages of completion by the end of the reporting period. The first phase, being the development of the Paint Centre section, was completed in December 2021 and handed over to the tenant. Works to develop shops for small businesses were at an advanced stage in Harare and Mutare. The space under development was fully subscribed by tenants. The refurbishment of the building along Robert Mugabe Road in Harare commenced after the reporting period. The anchor tenant is TM Pick n Pay.

The value of Group properties is carried at historical cost in the Group financial statements. Once appropriate renovations to certain of these properties have been completed and optimal tenants have been secured for all properties, it is envisaged that a property portfolio at market valuation will represent a secure and beneficial part of overall shareholder investment value.

Security Services

Meikles Guard Services had notable successes during the year and generated sufficient cash flows to fund its operations. The segment benefits from expansion of the supermarkets segment.

CORPORATE SOCIAL RESPONSIBILITY

The Group's corporate social responsibility activities are primarily conducted through the Meikles Foundation and TM Pick n Pay. The Group supports Meikles Foundation through donations and other fund-raising activities.

TM Pick n Pay supported old peoples' homes, children's homes and schools through grocery gift vouchers, blankets, and payment of school fees. In addition, the segment contributed towards raising cancer awareness through donations to the Cancer Association of Zimbabwe.

DIVIDEND

The Board declared a final dividend of 100 ZWL cents and 0.1725 US$ cents per share, taking the total dividend for the financial year to 280 ZWL cents and 0.1725 US$ cents per share, inclusive of two interim dividends of 80 ZWL cents and 100 ZWL cents.

DIRECTORATE

Matthew Moxon was appointed to the Board as an Executive Director after the reporting period.

CHANGE IN FINANCIAL YEAR END

The Directors resolved to change the year end of the Company and other subsidiaries from 31 March to 28 February to align with TM Pick n Pay. The requisite approvals to implement the change are being sought.

OUTLOOK

We believe that the growth in unit sales achieved by the Group will continue throughout the forthcoming year.

TM Pick n Pay has already opened a new store and renovated an existing supermarket.

The property renovations are well advanced and there is a recovery in tourism.

The Group will maintain its strong liquidity position and a beneficial dividend distribution policy.

There are challenges in the environment with inflation, both local and imported and the continued depreciation of the ZWL currency. Despite this, the Group believes that it is well positioned internally for the forthcoming financial year, both in terms of profit growth and financial strength.

APPRECIATION

I would like to extend my appreciation to our customers, suppliers and tenants for their continued support and to our shareholders, other stakeholders, including regulatory authorities, for their assistance and guidance. I would also like to extend my thanks and appreciation to fellow Board members, management and staff for their dedication and commitment.

John Moxon

J.R.T. Moxon
Chairman
31 August 2022

STRATEGIC REVIEW (continued)

OVERVIEW OF MAJOR SUBSIDIARIES

TM SUPERMARKETS trading as TM PICK N PAY

Meikles Limited owns 51% of TM Supermarkets (Private) Limited and the remaining 49% is owned by Pick n Pay South Africa. TM Supermarkets is a chain of fifty-six (56) stores across Zimbabwe of which thirty-one (31) are branded and trade as "TM" while twenty-five (25) stores are branded and trade as "Pick n Pay". The supermarkets chain retails a wide range of groceries and perishables, with a limited range of general merchandise and a fresh offering that caters specifically for the communities they serve. TM Supermarkets draws its customers from all communities and income groups across Zimbabwe, while store formats range from convenient small supermarkets to larger supermarkets.

The recently opened Pick n Pay Highland Park store

Pick n Pay Borrowdale Village Walk

STRATEGIC REVIEW (continued)

OVERVIEW OF MAJOR SUBSIDIARIES (continued)

MEIKLES HOSPITALITY

The Group leases and operates The Victoria Falls Hotel through a joint venture arrangement with African Sun Limited. The Victoria Falls Hotel was built in 1904 and is a 5-star hotel situated in a prime location overlooking the Victoria Falls in Zimbabwe. The hotel property is owned by Emerged Railways Properties (Private) Limited. The hotel is currently undergoing refurbishment to bring its product offering to the latest international five star standards.

The Victoria Falls Hotel

CORPORATE GOVERNANCE

Corporate governance is a critical pillar that defines how Meikles Limited remains focused on the founding history of the business. The Company is governed through its Articles of Association. The Group continues to review and realign its corporate governance practices to satisfy the requirements of the Companies and Other Business Entities Act [Chapter 24:31], SI 134 of 2019 – Securities and Exchange (Zimbabwe Stock Exchange Listings Requirements) Rules and the National Code of Corporate Governance in Zimbabwe (ZIMCODE).

GROUP GOVERNANCE

The Group operates a decentralised subsidiary structure. Each significant subsidiary has a formal operating Board with a clear definition of responsibility and operates within well-defined policies. The Main Board works closely with directors in each subsidiary ensuring strategies are formulated and approved following laid down procedures. There is comprehensive financial reporting with actual results reported monthly against budget and prior year.

BOARD STRUCTURE

There were no substantial changes to the structure of the Board of Directors during and after the current financial year. The Board now consists of 10 members, a non-executive Chairman, five independent non-executive Directors, and four executive Directors. The Board is made up of nine males and one female.

Committees

COMMITTEE	MEMBERS	RESPONSIBILITIES
Board	**Mr. J.R.T. Moxon (Chairperson)** Mr R. Chidembo Mr. K. Ncube Mr. J.A. Mushore Mr. S.J. Hammond Ms. C.C. Chitiyo Mr. S.P. Cranswick Mr. M.R. Mycroft Mr. T. Muzvagwandoga Mr. M.J.S. Moxon	The Board is responsible for matters such as Group strategy, acquisition and divestment policy, approval of the Group budget and major capital projects, as well as general treasury and risk management policies. The Board approves all financial reports and plays a pivotal role in managing strategic stakeholder relations. In addition, the Board is responsible for all matters of corporate governance and statutory compliance adherence. The Board meets on a quarterly basis and when there are urgent matters requiring their attention and decision.
Audit	**Mr. R. Chidembo (Chairperson)** Mr. J.A. Mushore Mr. S.J. Hammond	The Audit Committee meets at least quarterly. The internal and external auditors attend these meetings by invitation. The Audit Committee reviews the Group's interim and annual financial statements before submission to the Board for approval. Its objectives are to ensure that the Board is advised on all matters relating to corporate governance and the creation and maintenance of effective internal controls, as well as advising the Board and management on measures which ensure that respect for both regulatory issues and internal controls is demonstrated and stimulated. Accordingly, it reviews the effectiveness of the internal audit function, its programme and reports, and also reviews all reports from the external auditors on accounting and internal control matters, and monitors action taken where necessary. The Audit Committee also recommends the appointment and fees of external auditors.
Risk	**Mr. S.J. Hammond (Chairperson)** Mr. R. Chidembo Mr. J.A. Mushore Mr. K. Ncube	The Risk Committee has, responsibility for the oversight of the Group's risk management framework including related policies and procedures. The Risk Committee meets at least quarterly.
Remuneration	**Mr. S.P. Cranswick (Chairperson)** Mr. J.R.T. Moxon Ms. C.C. Chitiyo	The Remuneration Committee meets at least bi-annually. The terms of reference of the Remuneration Committee are to determine the Group's policy on the remuneration of senior executives.
Nomination	**Ms. C.C. Chitiyo (Chairperson)** Mr. J.R.T. Moxon Mr. R. Chidembo Mr. S.P. Cranswick Mr. J.A. Mushore Mr. S.J. Hammond	The Nomination Committee meets when necessary. The Committee's main mandate is to recommend candidates to serve on the Board based on legal requirements, skills, experience, and diversity required for conducting the business of the Board.

Business Ethics

Meikles Ltd believes in strong business values which demonstrate moral practices of being fair, transparent and ethical. The Group participates and encourages all employees to uphold best practices of ethics to protect its reputation and values. The Group subscribes to a whistle-blower platform, the Tip-Off Anonymous, which provides a discrete reporting channel for unethical behaviour in the workspace.

Stakeholder communication with the Board

The Group allows stakeholders to engage directly with the Board through various channels which include the Annual General Meetings (AGMs), Trading Updates and other meetings.

Declaration of Interests

In line with the Company's Articles of Association and the Companies and Other Business Entities Act [Chapter 24:31], Directors are required to declare their beneficial interest in the Company. The beneficial interests of the Directors for the year are presented in note 25.2 of the Group financial statements.

CORPORATE GOVERNANCE (continued)

DIRECTORATE

J.R.T. MOXON
Chairman

John is a Fellow of the Institute of Chartered Accountants England and Wales (ICAEW) and also holds a Masters of Business Administration from the University of Cape Town (South Africa). He joined the Meikles Group in 1970. He was re-appointed Chairman of Meikles Limited in 2011.

R. CHIDEMBO
Non-Executive Director

Rugare is an extensively experienced business leader, Entrepreneur and Business Turnaround Strategist. He has held executive management and senior finance positions at Lonrho Zimbabwe, Econet Group local as well as regional operations and First Transfer Secretaries.

Rugare obtained his Bachelor of Accountancy Degree in 1982 from the University of Zimbabwe. He completed his articles of clerkship with Deloitte having passed his Board examinations in 1983, and he was duly admitted as fully qualified member of the Institute of Chartered Accountants of Zimbabwe in February 1986. Rugare holds a Masters in Business Administration Degree from the University of Zimbabwe.

J.A. MUSHORE
Non-Executive Director

James was instrumental in the establishment of the then National Merchant Bank of Zimbabwe ("NMB") as the first wholly owned indigenous merchant bank in 1993. NMB Bank is now a retail bank for corporates and high net worth individuals. He set up, and served as the Chief Executive Officer of NMB Holdings Limited, the holding company of NMB Bank Limited, from 2010 to 2014. James also played a pivotal role in the dual listing of NMB on both the London and Zimbabwe Stock Exchanges.

Prior to that James spent 6 years in the United Kingdom from 2004 to 2010, as a financial advisor to companies doing business in Southern Africa.

Prior to NMB Bank Limited, he was a partner with Coopers & Lybrand in Zimbabwe and Zambia. Whilst at Coopers and Lybrand, he served as the Managing Partner of the Zambia Practice where he had responsibility for the Corporate Finance practice.

James is a past director of the Zimbabwe Revenue Authority, past Chairman of the Zimbabwe Tourism Authority and past President of the Institute of Chartered Accountants of Zimbabwe ("ICAZ").

K. NCUBE
Executive Director

Kazilek is the Managing Director of Meikles Guard Services (Private) Limited. He served in the Zimbabwe Republic Police (ZRP) for 31 years, retiring in 1999 at the rank of Assistant Commissioner. Whilst in the ZRP, he successfully completed a number of courses including Human Resources Management and Financial Management with the Zimbabwe Institute of Public Administration and Management ("ZIPAM"). On retirement he joined MineTech Zimbabwe as Operations Manager. As Operations Manager of an International Demining and Security Company, Kazilek oversaw a number of international contracts. He joined the Meikles Board in December 2009.

CORPORATE GOVERNANCE (continued)

DIRECTORATE (continued)

S.P. CRANSWICK
Non-Executive Director

Stewart had a distinguished career as a stockbroker in Johannesburg. He brings a wealth of business insights having significant experience in a wide range of industries from travel and tourism to property and farming in various countries over the 21 years including operating a successful hotel business in Africa and Australia.

He is a director of Tanganda and was previously a director of African Sun Limited.

C.C. CHITIYO
Non-Executive Director

Cathrine is a partner with law firm Atherstone & Cook in Harare. After graduating with an LLB from University of Zimbabwe, Cathrine started her career as a Public Prosecutor before proceeding into private practice. She carved her niche in conveyancing whilst also practising commercial and corporate law. In 2009, her law firm Wickwar & Chitiyo merged with Atherstone & Cook. She has been involved in several commercial transactions, advisory mandates and legal due diligences. She is past Trustee of the Law Society Compensation Fund, and current member of the Law Society of Zimbabwe Conveyancing Committee.

Cathrine is also a past board member of National Aids Council, and some commercial entities including banks.

S.J. HAMMOND
Non-Executive Director

Simon is a Chartered Accountant and seasoned business leader. He joined the Old Mutual Group in 1999 and served in various positions including Group Finance Director for Zimbabwe, Chief Operating Officer for Old Mutual Africa and Managing Director for CABS, a position he held until retirement in March 2020. Prior to joining Old Mutual, Simon was a Partner at KPMG Zimbabwe from 1989 to 1999 and is a past President of the Institute of Chartered Accountants of Zimbabwe ("ICAZ").

Simon has held various positions of responsibility for ICAZ, is a past director of Delta Corporation Limited and is the chairman of the Executive Committee of Peterhouse Group of Schools. He is also a director of Tanganda, Zimswitch Holdings Limited and Old Mutual Insurance Company Limited.

T. MUZVAGWANDOGA
Finance Director

Thempson was appointed to the Board on 16 June 2021. He is a Chartered Accountant who served his articles with Deloitte & Touche in the Harare office. He joined the Meikles Group in 1997 and has occupied roles in Finance at the Hospitality segment and at Corporate Head Office. He is a holder of a Bachelor of Accountancy Degree from University of Zimbabwe and Master of Business Leadership from University of South Africa ("UNISA").

M.R. MYCROFT
Group CEO

Malcom joined the Meikles Group in 2016 as the Managing Director of TM PnP Supermarkets. After attending University of Cape Town School of Business and completing the Executive Development Leadership Programme, his retail career spanned over forty years with Pick n Pay in South Africa across all areas of retail. He was appointed to the Board on 16 June 2021 and is currently the Chief Executive Officer of the Company.

M.J.S. MOXON
Executive Director

Matthew is the Managing Director of Thomas Meikles Properties and was appointed to the Board on 1 April 2022. Matthew is a holder of a Bachelor of Arts Degree from Stellenbosch University and a Bachelor of Laws from the University of Cape Town. He joined Shoprite Checkers Proprietary (Limited) in their Management Training programme and after a stint in project management and operations within their Mozambique Division, Matthew joined Meikles Limited in 2017. He is a non-executive director of Tanganda.

CORPORATE GOVERNANCE (continued)

DIRECTORATE (continued)

MEETING ATTENDANCE

DIRECTOR	Board (10 Meetings)	Audit Committee (6 Meetings)	Risk Committee (4 Meeting)	Remuneration Committee (2 Meetings)	Nomination Committee (2 Meeting)
J.R.T Moxon	9	-	-	2	2
R. Chidembo	10	6	4	-	2
K. Ncube	8	-	4	-	-
J.A. Mushore	10	6	4	-	2
S. J. Hammond	9	6	4	-	2
C.C. Chitiyo	10	-	-	2	2
S. P. Cranswick	10	-	-	2	2
T. Muzvagwandoga*	7	-	-	-	-
M.R. Mycroft*	7	-	-	-	-

*Messrs Mycroft and Muzvagwandoga were appointed to the Board on 16 June 2021. Mr. M.J.S. Moxon was appointed to the Board on 1 April 2022.

DIRECTORS AND SENIOR MANAGEMENT

GROUP/HOLDING COMPANY

J.R.T. Moxon	Chairperson
R. Chidembo	Non-Executive Director
K Ncube	Executive Director
J.A. Mushore	Non-Executive Director
S.J. Hammond	Non-Executive Director
C.C. Chitiyo	Non-Executive Director
S. P. Cranswick	Non-Executive Director
M.R. Mycroft	Group Chief Executive Officer
T. Muzvagwandoga	Finance Director
M.J.S. Moxon	Executive Director
T. Mpofu	Company Secretary
L. Chikara	Group Financial Controller
N.C. Avery	Head of Group Audit

SUBSIDIARIES

TM SUPERMARKETS

J.R.T. Moxon	Chairperson [Meikles]
L. Olivier	Non-Executive Director [Pick n Pay South Africa]
D. Langman	Alternate Director [Pick n Pay South Africa]
G.M. Ackerman	Non-Executive Director [Pick n Pay South Africa]
G.P. Gathmann	Alternate Director [Pick n Pay South Africa]
P. Boone	Non-Executive Director [Pick n Pay South Africa]
T. Mpofu	Non-Executive Director [Meikles]
T. Muzvagwandoga	Non-Executive Director [Meikles]
M. Oakley	Alternate Director [Meikles]
M.R. Mycroft	Managing Director
G. Nyamuzinga	Chief Finance Officer

MEIKLES HOSPITALITY

J.R.T. Moxon	Chairperson
J.A. Mushore	Non-Executive Director
T. Muzvagwandoga	Director
T. Mpofu	Director
L. Chikara	Director

MEIKLES GUARD SERVICES

J.A. Mushore	Chairperson
K. Ncube	Managing Director
E. Fuchs	Director
T. Muzvagwandoga	Director
T. Mpofu	Director
L. Chikara	Director

THOMAS MEIKLE PROPERTIES

J.R.T. Moxon	Chairperson
J.A. Mushore	Non-Executive Director
M.J.S. Moxon	Managing Director
T. Muzvagwandoga	Director
T. Mpofu	Director

CORPORATE GOVERNANCE (continued)

COMPLIANCE

The Group complies with all applicable laws and regulations in every jurisdiction of operation. In addition, management takes cognisance of the obligation to comply with both mandatory and voluntary guidelines, standards and regulations governing sectors covering our business. The Group Internal Audit Department carries out audit procedures to help identify instances of non-compliance with laws and regulations that may have a material effect on the operations of the business. During FY2022, the Group complied with provisions of the following instruments:

- The Companies and Other Business Entities Act [Chapter 24:31];
- SI 134 of 2019 Securities and Exchange (Zimbabwe Stock Exchange Listings Requirements) Rules, 2019;
- Public Accountants and Auditors Board Pronouncements;
- International Financial Reporting Standards (IFRS); and
- Other applicable laws and regulations.

During FY2022, the Group did not experience material fines for non-compliance with laws and regulations on social and economic norms.

RISK MANAGEMENT

The Group's Risk Committee is responsible for monitoring and managing risk. The Committee comprises non-executive Directors who meet quarterly with senior management to review the Group's risk management practices. The Group has a Risk Champion responsible for facilitating risk identification, assessment, prioritisation and monitoring, by making use of risk registers to record identified risks and how they have been assessed in terms of impact and likelihood of occurrence. A high impact, high likelihood risk is prioritised and given more attention. In managing risks, the Group considers risk reduction, risk avoidance, risk sharing as well as risk retention.

Financial Risk Management

The Group manages its financial risks through capital management, credit management, liquidity management, market risk management, foreign currency risk management, interest rate risk management, insurance cover, budgeting, internal and external audit reviews, employing qualified finance personnel, and reviews by tax experts. More details on financial risk management are contained in note 34 of the Group financial statements.

Sustainability Risk

Our sustainability strategy rests upon minimising negative impacts while maximising business opportunities from sustainability issues. The Group has systems and procedures for identifying material economic, environmental, and social risks and opportunities for the business and stakeholders. Sustainability risks are included under the Strategy and Planning risk category and cover compliance, climate change, community investment, energy management, alternative sourcing, resource scarcity and waste reduction. The Board is responsible for managing sustainability risks and has adopted the Global Reporting Initiatives (GRI) Standards in disclosing the Group's sustainability performance.

Centenary Room at The Victoria Falls Hotel

CORPORATE SUSTAINABILITY

Corporate sustainability is a business strategy for Meikles Limited that helps us manage and account for our social, economic and environmental impacts in the way we operate and create value for our stakeholders. It allows us to focus on material impacts and where they take place. By adopting corporate sustainability, the Group will continue to recalibrate and build a sustainable business that deliver long term value.

Our sustainability strategy rests upon minimising negative impacts while maximising business opportunities from sustainability issues. The Group has systems and procedures for identifying material economic, environmental and social risks as well as opportunities for the business and our stakeholders. The management of sustainability risks and opportunities is fostered by adhering to best practices. In addition, engagements with internal and external stakeholders enable us to assess our performance leading to the identification of areas of improvement. These values define how management implement the strategy by setting targets and benchmarks that must be achieved.

As part of the Group's corporate sustainability strategy, we operate our business responsibly. This entails above all, compliance with laws and responding to societal expectations expressed through channels other than law. Our responsible business practices are enshrined in various policies implemented across key subsidiaries. These policies may vary depending on the subsidiary's industry and operations.

Responsible Sourcing

Operating responsible supply chains is critical for Meikles Limited. Supply chains present both risks and opportunities for the business. The Group strives to operate inclusive supply chains that incorporate small holder suppliers and producers. We try to ensure negative impact like bad reputation and unsustainable practices do not end up in our supply chain, by screening all suppliers before there are registered on our suppliers list. It is our ambition to ensure our supply chain management is consistent with international standards on responsible sourcing.

Human Rights

Observing human rights is a fundamental value that defines our brands and who we are as a Group. We observe basic human rights as outlined in the United Nations' Universal Declaration of Human Rights and Employee Rights in terms of the Labour Act [Chapter 28:01]. We uphold human rights as part of our labour practices through the Human Resources Policy.

Security Practices

Security Practices are important to Meikles Limited as they involve managing the conduct of security personnel towards third parties, to prevent the risks of using excessive force or human rights violations. The Group operates Meikles Guard Services (MGS) which provides security for the Group and third parties. Security employees are alerted during training on how to conduct themselves, respect others and react where there is force that may threaten others' rights. Additionally, we take disciplinary actions on employees who fail to honor these values. The Group ensures all security practices are consistent with international best practices, and security laws in Zimbabwe. Security compliance checks in branches are available to track management of security practices. Every site has event books that keep track of all incidents, and management reviews them to make sure that actual and potential problems are resolved in a way that respects and complies with human rights regulations.

Anti-Corruption

The Group has zero tolerance for corruption in any form whether bribery, extortion or any inducement to do something. The Group has a Tip-offs Anonymous programme which provides an anonymous reporting channel for unethical behaviour in the workplace. Meikles Limited adopted the anti-bribery and prevention of corruption laws, regulations and policies of Zimbabwe regarding the management of anti-corruption and these include the following:

- The Prevention of Corruption Act [Chapter 9.16]
- The Companies and Other Business Entities Act [Chapter 24.31]
- The Criminal Procedure and Evidence Act [Chapter 9.07]

As a means to curb any corrupt activities within the organisation, the Group refuses to offer, receive or give bribes or improper payments. It will not participate in any kind of corrupt or anti-competitive collusive activity in order to obtain new business, retain existing business or secure any improper advantage, either directly or indirectly through any third party

We have a Code of Ethics Policy applicable mostly to TM Supermarkets. These policies aim to prevent anti-competitive collusion, bribery and corruption in the various jurisdictions where the Group operates. The prevention, detection and reporting of bribery, corruption and conflicts of interest is the responsibility of every employee and associate of the Group. Any unethical or corrupt practices are reported through the internal audit and whistle-blower facility hotlines.

Environmental Stewardship

Meikles Limited has a long history of caring for nature and the environment, which is reflected in our environmental stewardship. To demonstrate our environmental care, we take it upon ourselves to manage environmental aspects of our operations. The Group adheres to several environmental standards, policies, and processes to reduce negative environmental consequences as a result of our corporate value chain activities.

Human Capital Management

The Group makes every effort to provide an environment in which employees feel respected and recognised for their expertise and efforts. Human capital management is significant since it has an impact on employee morale and motivation, as well as productivity. All labour relations and practices must respect the requirements of the Labour Act [Chapter 28:01] and international best practices, according to Group policies.

CORPORATE SUSTAINABILITY (continued)

STAKEHOLDER RELATIONS AND ENGAGEMENTS

Stakeholder engagement is a critical element of our sustainability strategy, enabling us to identify potential risks and opportunities in our business relationships. The Group is always keen to hear from stakeholders as a way of enhancing performance. We recognise that inclusive and meaningful participation of stakeholders enhances transparency, accountability, integrity, effectiveness and sustainability.

Engaging with our stakeholders helps us to translate stakeholder needs into organisational goals and creates the basis of effective strategy development, management of risk, inclusive decisions and ensure meaningful outcomes of investments.

Stakeholder groups

Meikles Limited identifies all the different individuals, groups and organisations who are affected by or may have an influence on our business processes. These are then grouped based on their mutual interests as follows:

- Business Stakeholders – those we do business with, who include customers, suppliers, financial institutions, and business partners.
- Capital Stakeholders – those who provide financial as well as human capital, who include investors, shareholders, and employees.
- Regulators – those who set policies and laws that govern our business environment, who include government and regulators.
- Communities – those who provide a social licence to operate, who include local communities around our business operating environment.

Engaging with stakeholders

Meikles Limited ensures that communication with stakeholders is formal and conducted in a two-way process. We have follow up mechanisms and opportunities for engaging with senior management on matters of concern.

Stakeholder	Material Issues Raised	Mitigation Measures	Communication Channel	Frequency
Customers	• Pricing. • Parking space. • Products and services	• Internal branch transfers and central buying • Ongoing engagements with policy makers	• Flyers, social media, email, newspapers, and direct phone calls	Weekly, monthly and yearly promotions
Suppliers	• Timely payment. • Business ethics • Sustainable business practices • Tax compliance • Ethical business practices	• Supplier audits and supplier screening • Distribution of withholding tax certificates • Supplier training	• Face to face meetings • Emails and telephone calls • Annual declaration forms • Supplier's visits	Monthly reconciliations, adhoc meetings and engagements
Employees	• Employee benefits and awards • Cost of Living Adjustments (COLA) • Accommodation and loans • Skills development. • Health and safety	• Regular review of the COLA • Recruitment of Health and Safety Officers and Formation of Health and Safety Committees • Short term loans considered for emergency issues	• Updates • National Works Council meetings • Face to face meetings • Notice boards	Monthly, Quarterly and Yearly
Shareholders and Investors	• Competitive returns-value on investment	• Engaging investors	• Trading updates, interim reports, annual reports and meetings	Quarterly, half-yearly and yearly
Government and Regulators	• Foreign currency funding • Compliance • Taxation – intermediated money transfer tax (IMT)	• Foreign currency bidding at auction • Full compliance with regulations • Engaging with line Ministries	• Monthly reviews • Annual reports and AGM • Statutory returns • Face to face meetings	Monthly, Quarterly and yearly
Industry	• Pricing • Competitiveness • Labour collective bargaining • Safety, health and the environment • Fair competition	• Competitive procurement • Full time Health and safety Officer • Industry association engagements	• Newspapers, radio, flyers • Visits • Meetings	Quarterly
Local Communities	• Social responsibilities • Employment opportunities	• Donations and promotions • Employing from local communities	• Radio and newspaper adverts • Meetings	Weekly and Monthly

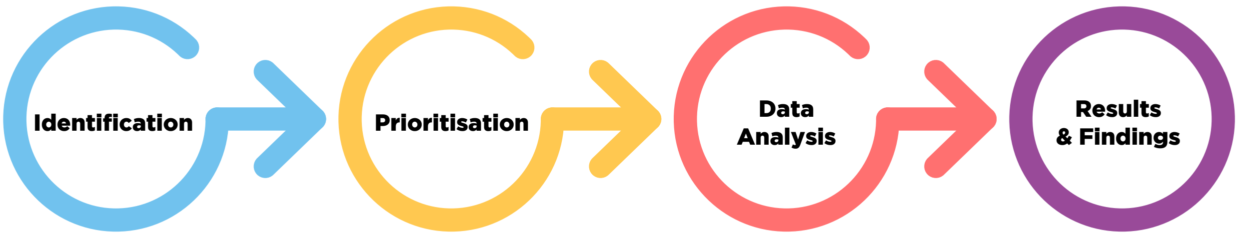
CORPORATE SUSTAINABILITY (continued)

OUR BUSINESS CONTEXT

Meikles Limited believes that the annual report should be consistent with the business operating environment which defines the sustainability context. Understanding the sustainability context helps the Group to identify material issues with both positive and negative effects on the business and stakeholders. Management noted that there was little change in the material topics from prior year. The results below defined the report boundary and topics reported.

Materiality Assessment Process

The materiality assessment is conducted through a questionnaire survey by the Group. Data collected from the survey is processed in phases that includes identification of issues (the business identifies issues relevant to the nature of operations through stakeholder assessment and benchmarking). The survey assessed the perceptions of management on the relative impact or importance of the identified issues to Meikles Limited and their influence on the decisions of stakeholders and human rights. The final assessment presents results and findings.



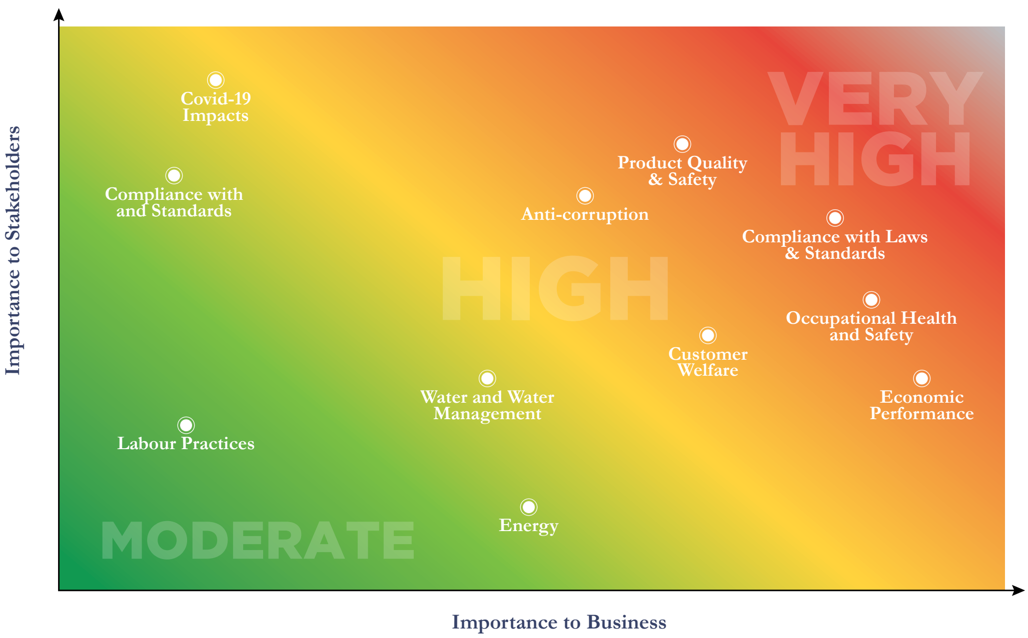
The results were collated and analysed to give a scoring on both the business and stakeholders on issues considered material. The identified issues were then categorised into economic, environmental and social topics as presented below:

- Economic category – topics that cover the flow of capital among different stakeholders, and the main economic impacts of the Group throughout society.
- Social category – topics that relate to impacts on the social systems and human rights in the company's area of operations.
- Environmental category – covers impacts on living and non-living natural systems, including land, air, water, and ecosystems.

Economic Topics	Social Topics	Environmental Topics
• Anti-corruption • Tax payments and strategy • Economic Performance • Supply Chain Management • Business Environment • COVID- 19 Impacts	• Labour practices • Customer Welfare • Training and education • Customer Privacy and Data Security • Compliance with laws and standards • Occupational Health and Safety • Product Quality and Safety • Employee Welfare • Corporate Social Responsibility	• Energy Management • Water Management • Greenhouse Gas emissions and Climate change • Ecological or Biodiversity Impacts

Materiality Matrix

The matrix below illustrates the outcomes of our materiality assessment. It points out the most significant sustainability issues and their relative significance to the business and stakeholders. The material topics ranked as 'very high' reflect material impacts and opportunities for the business and stakeholders, while those regarded as 'high' represent issues with significant impacts and will require ongoing monitoring and management. Those regarded as 'moderate' represent issues which have been managed to reduce impacts.



CORPORATE SUSTAINABILITY (continued)

OUR BUSINESS CONTEXT (continued)

Materiality Matrix (continued)

The assessment shows that compliance with laws and standards, economic performance, product quality and safety, occupational health and safety and anti-corruption were the most significant to both internal and external stakeholders.

Materiality Matrix Index

Ranking	Measure
Very High	Identifies issues with potential risk and require urgent management attention or action.
High	Identify issues which may require improvements to minimise negative impacts from limited existing systems.
Moderate	Indicates issues which may be under management control.

SUSTAINABILITY IMPACTS

Meikles acknowledges that its operations have significant social, economic and environmental impacts, however, the magnitude of the impact is variable. The Group through the materiality assessments monitors the significance of these impacts to the business and stakeholders. This year we focused on customers, products quality and safety, employees, environmental stewardship, corporate social responsibility and economic contributions as our core areas of significant impacts. We continuously evolve our management approaches to ensure we are effectively enhancing positive impacts while reducing negative impacts.

OUR CUSTOMERS

Customers are at the heart of our business. We interact with thousands of customers every day through the subsidiaries. Through each interaction, we seek to make a positive contribution saving customers money while building trust. Putting customers first means that we are continuously reinventing ourselves to understand the wide-ranging needs of customers so we can serve them better. The Group has various platforms for customers to communicate any concerns about our products and services.

CUSTOMER PRIVACY AND DATA SECURITY

Meikles Limited prides itself in the handling and protection of sensitive personal information provided by customers in the course of everyday transactions. Security of sensitive company and external information gives the business an upper hand over competition and avoids lawsuits from third parties. This allows trade partners to be confident in sending confidential information. As an entity with extensive data bases, it is vital that information be protected as data breaches could compromise customers, suppliers, employees and the business.

Management Approach

As part of data security, the subsidiaries ensure:

- Staff awareness on customer privacy and data protection.
- Limited access to critical information is maintained and only specific individuals are tasked with collection and processing.
- Close guarding and correct disposal of customer information so it does not end up in public domain.
- Software is updated frequently to prevent cyber-attacks.
- Password access is required to log in systems.
- Staff security awareness bulletins are shared weekly to the entire network on customer privacy and data protection.
- Policy documents are signed by employees to reduce exposure.
- Ongoing vulnerability tests by external experts.

Various processes are used to track the effectiveness of actions taken to manage customer privacy and data security and related impacts. These processes include internal and external audits and reviews on user access rights periodically. The Group aims to achieve zero tolerance to breaches and to raise the level of staff awareness on data security and privacy. Key performance indicators used to manage customer data privacy and security include reduction of data losses and breaches to information security, constant reviews, updating of procedures and continued safe holding of information. The level of understanding for staff on data protection has improved as themes like password management are socialised.

At TM Supermarkets, progress has been made towards achieving set goals and targets through:

- Weekly bulletins shared every Tuesday.
- Information Security Champion programme, and
- Information security awareness sessions conducted with the units and branches covering data protection themes.

PRODUCT QUALITY AND SAFETY

Product quality and safety is key to Meikles Limited business operations. Product quality and safety management cover health and nutrition promotion, product safety, and product expiry management. Positive impacts associated with product quality and safety management for the Group includes customer loyalty, improved workers morale and increased profitability. By nature, the business has numerous key impact points especially in rooms, food and beverage and associated services in the hospitality subsidiary as well as takeaway, bakery, fruit and vegetables in the retail business. All these areas contribute to products and services which are addressed through quality management procedures.

CORPORATE SUSTAINABILITY (continued)

PRODUCT QUALITY AND SAFETY (continued)

Our Actions

Actions taken by the supermarkets to manage product quality and safety and related impacts include conducting the following:

- ISO 9001- Quality Management System (QMS) lead auditor's course training.
- Customer complaints procedure training.
- Weekly communications.
- Creation of food handling procedures.
- Monthly hygiene monitoring through swab testing.
- Cleanliness check list for daily routine check.
- Internal and external quality audits of processes, suppliers and reviews by the departments and issuance of a service ticket where need arises.
- External health and safety audits through Zimbabwe Laboratories with scientific analysis of health protocols.

Management Approach

Meikles Limited evaluates the effectiveness of actions taken to ensure product quality and safety in the supermarkets and hospitality. These include feedback forms and corrective action forms which are reviewed at a dedicated Quality review meeting every first week of the month. Number of complaints and score cards per branch and products are also monitored. Weekly unannounced 'dawn visits' are carried out independently by management as well as field managers on food quality and safety. To ensure product quality and safety within the business our goals include; participation of workers and their representatives in Safety, Health, Environment and Quality ("SHEQ") and integration of SHE into daily business decisions and processes. We also guarantee the provision of welfare facilities, emergency preparedness, quality inspections, incident/accident investigation and occupational hygiene.

The set target for The Victoria Falls hotel is to achieve a score of 85% and above on all quality inspections. Each segment of the hotel operations has maintained score rankings and where issues have been raised, an action plan has been put in place for correcting key issues raised. Key performance indicators used to evaluate progress in the management of product and service quality include use of approved supplier products such as Standards Association of Zimbabwe, regular monitoring of products to set benchmark. Regular benchmarks involve generator gas emissions check and approval by Environmental Management Agent ("EMA") and ensuring compliance with quality and laws that requires health certificates for employees preparing food. The sale of Standards Association of Zimbabwe certified items, monitoring of and removal of out-of-date products regularly, and the possession of current health regulatory permits all serve as indicators that progress has been made toward set goals and targets in managing product quality and safety. Our policies have been updated to reflect the new health and safety standards that have resulted from adaptation to the new normal and trends.

CUSTOMER GRIEVANCE MANAGEMENT

Grievances regarding our products and services can be reported through our subsidiaries' websites and publicly available telephone lines. The Group has hotlines for contacting any of our subsidiaries on matters of concern or recommendation. Once these grievances have been received, we investigate the root cause so that we can continually improve our operations.

OUR EMPLOYEES

Our employees are the cornerstone that sustains the Meikles Legacy. The Group believes in building shared values that drive long term partnerships for sustainable success. We reward good performance and hold each individual accountable for their contribution to the Group. It is Group policy to ensure all labour relations meet expectations of the Labour Act [Chapter 28:01] and international best practices. All subsidiaries are encouraged to be gender inclusive during recruitment, selection, and promotion as a matter of policy. We offer equal opportunities, salary and training programme without discrimination.

EMPLOYEE WELFARE

Employee welfare is highly valued by Meikles Limited as a motivated workforce performs better and shows commitment to their job, leading to better profitability. We ensure a well-informed workforce in terms of wellness by making sure health facilities are easily accessible. The Group provides medical aid, funeral cover and pensions to permanent employees. Employee welfare ensures high employee retention and reduced employee turnover. The Group is greatly involved in employee welfare impacts as evidenced by how the business ensures that employees have a fair remuneration, necessary Personal Protective Equipment (PPEs) and a good work environment. Fair remuneration is provided in line with National Employment Councils ("NEC") and Collective Bargaining Agreements ("CBA") gazetted salaries and additional recommendations. The Group continued to provide cost of living allowances to cushion employees from inflationary pressures during the reporting period.

Management Approach

Meikles Limited encourages continuous engagement of employee representatives to address employee grievances. Although the hospitality and retail segments have low employee turnover rate and are able to retain important personnel, the security industry has a high employee turnover rate.

The retail and hospitality subsidiaries learnt various lessons which have been incorporated into the Group's operational policies and procedures. These include having wellness programmes and implementing them continuously in line with the employees' needs. The retail business ensures regular engagement of all stakeholders and monthly meetings with both management and staff are now part of the policy. Meetings have become more precise, cordial and productive. Pre-retirement planning is also essential from the engagement day and not only towards retirement time.

CORPORATE SUSTAINABILITY (continued)

OUR EMPLOYEES (continued)

LABOUR PRACTICES

Meikles Limited's labour practices include managing major labour concerns in the retail, hospitality, real estate and security sectors as well as working conditions, hours, labour rights, and minimum pay. These practices have led to a motivated workforce and improved business profitability. The effects of a hyperinflationary economy, however, can also be detrimental because of loss of value to employees' disposable income.

POLICIES AND COMMITMENTS

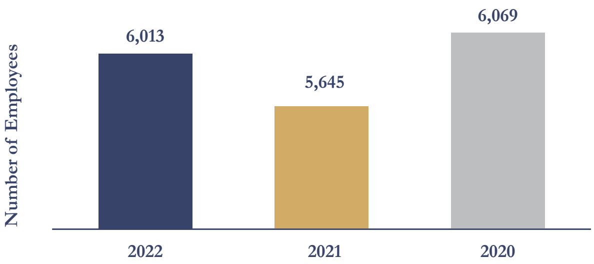
The Group has various policies and commitments regarding the management of labour practices and related impacts. We adhere to National Labour Laws, Labour Act [Chapter 28:01], Collective Bargaining Agreements for commercial, hotel and catering, and security sectors. Additionally, the business is dedicated to encouraging employee participation, holding works council meetings, and guaranteeing general compliance with policies and procedures connected to labour practices management inside the Group.

Management Approach

Meikles Limited seeks to provide a good and fair working environment, with wages that are fair and in line with the minimum wage requirements and in some cases above the National Minimum wage where possible. Fair working hours are also provided per week, with paid overtime for hours beyond normal shift hours and public holidays. Employees are also provided with necessary work clothing and medical assistance.

HUMAN CAPITAL BASE

During FY2022, our total employees were as follows:



Total Employees Per Subsidiary	Supermarkets	Corporate	Hospitality	Security Services	Properties	Totals
2022	5,280	26	126	574	7	**6,013**
2021	4,986	27	61	564	7	**5,645**
2020	5,191	26	272	577	3	**6,069**

Contract Type and Gender	2022		2021		2020	
	Male	Female	Male	Female	Male	Female
Permanent	2,125	702	1,906	573	2,210	601
Contract	1,737	1,420	1,399	1,767	1,923	1,335
Casuals	13	16	-	-	-	-
Totals by gender	**3,875**	**2,138**	**3,305**	**2,340**	**4,133**	**1,936**
Total Employees	**6,013**		**5,645**		**6,069**	

The total number of employees increased by 7% due to an upward surge in business activities following the easing of the COVID-19 pandemic disruptions on society and economic activities.

Our Impacts

Meikles Ltd continues to deliver positive human capital impacts by providing full time/permanent, contract and internship employment opportunities within the Group. The Group believes that employment opportunities provided have been instrumental in improving livelihood, careers and skills development.

CORPORATE SUSTAINABILITY (continued)

HUMAN CAPITAL BASE (continued)

Staff Recruitment and Turnover

During FY2022, employee movement was as below:

Employment Activity	2022	2021	2020
Recruitment	2,369	1,238	2,460
Turnover	2,045	1,662	2,054
Net Impact	**324**	**(424)**	**406**

The increase in recruitment and turnover from the prior year was 91% and 23% respectively. Turnover increased as a result of contract employees who leave on expiry of their contracts.

Staff Recruitment and Turnover by Age

During FY2022, our staff movement by age was as follows:

	2022		2021		2020	
Age Category	Recruitment	Turnover	Recruitment	Turnover	Recruitment	Turnover
Under 30 years	1,718	1,377	995	1,299	1,983	1,527
30-50 years	623	635	233	310	470	505
Over 50 years	28	33	10	53	7	22
Total	**2,369**	**2,045**	**1,238**	**1,662**	**2,460**	**2,054**

Key Skills Base

Our employees subscribe to the following professional bodies:
- Zimbabwe Institute of Management;
- Institute of Chartered Accountants Zimbabwe (ICAZ);
- Association of Chartered Certified Accountants (ACCA);
- Institute of Internal Auditors (IIA) Zimbabwe
- Institute of Directors Zimbabwe (IoDZ)
- Chartered Governance and Accountancy Institute in Zimbabwe;
- Chartered Institute of Purchasing and Supply (CIPS);
- Zimbabwe Institute of Engineers (ZIE) ;
- Engineering Council of Zimbabwe (ECZ);
- Occupational Health and Safety Engineers (OSHE);
- Nurses Council of Zimbabwe;
- Zimbabwe Chefs Association;
- Security Association of Zimbabwe.

OCCUPATIONAL HEALTH AND SAFETY (OHS)

Meikles Limited is committed to ensuring employees' health and safety. The Group noted several benefits of occupational health and safety, including decreased medical costs, increased productivity, and low turnover. Disregard for employee health and safety may result in workplace accidents, employee absenteeism, and bad publicity, all of which harm the Group's reputation.

Management Approach

The Group shows great commitment regarding the management of occupational health and safety. We provide necessary protective clothing, periodic swab tests, 24hr ambulance services, health care in case of injury at the workplace, medical aid cover, and training for some of our employees. Availability of ambulance and clinic services allow easier and quicker response to any emergency services at The Victoria Falls Hotel. Of importance to note, is that, very few workplace accidents have occurred, and when they have, the Group has intervened timely.

The Victoria Falls Hotel uses fire drills, swab tests and food handler's medical exams to identify work-related hazards and assess risks on a routine and non-routine basis. These are done by external service providers qualified in the field and this improves quality while reducing bias. Employees are able to report work related hazards immediately to the Supervisor/Head of Department of the specific departments. Incident reports are also used by the business to investigate work-related incidents, including hazard identification, corrective actions, and improvements in Occupational Health and Safety systems from incidents. Employee participation, consultation, and communication on occupational health and safety is promoted through hygiene training, First Aid training, fire drills, evacuation training and counselling sessions with a health officer. The health of the empolyees is promoted through counselling, clinic accessibility, awareness campaigns and fitness activities.

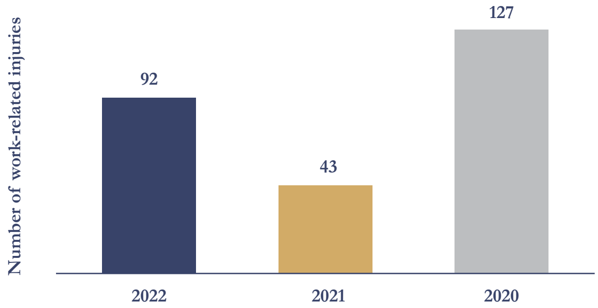
CORPORATE SUSTAINABILITY (continued)

OCCUPATIONAL HEALTH AND SAFETY (OHS) (continued)

Management Approach (continued)

To prevent workplace health and safety problems that are directly related to business relationships, Meikles Limited ensures that work hours are continuously monitored, that employees are given time off to relax and avoid becoming overworked, that environment friendly chemicals are used, that hotel trash is recycled, and that staff housing is fumigated. The Group's key performance measures include frequency of employees absenteeism from work due to illness and customer input on health-related concerns in service areas. The Group will continue to review and enhance tests and checks relating to hygiene.

During FY2022, work related injuries were as follows:



The figures for FY2022 only includes TM Supermarkets where a number of recordable injuries were associated with minor injuries from handling goods. There were no recordable work-related injuries for Meikles Guard Services, Thomas Meikle Properties and Meikles Hospitality.

TRAINING AND EDUCATION

Meikles Limited engages in staff education and training, which paves room for skills rejuvenation, performance augmentation across the different corporate echelons, career progression, work-related mind-set, reputable corporate culture, long-term employee engagement, career plateau management and post-retirement life management. The development of staff starts with identifying at engagement, the ability of a candidate to grow into other roles in the future. A more skilled staff drives the performance and overall image of the business and the individuals.

Management Approach

The Group has several policies and commitments regarding training and education. They are consistent, well-crafted and in sync with educational training needs across the entire Group. Meikles Limited is guided by the Human Resources Policy on minimum competencies when selecting new employees who go for further training to enhance their skills.

The retail business prioritises execution of training programmes and regular workshops. A financial budget is allocated for training activities for the year. In case of unforeseeable eventualities, programme flexibility and re-alignment is made so as not to abandon what has been planned. The supermarkets conduct training for filling roles for succession plan.

Evaluating performance

The Group carries out specific follow-ups to determine whether training and education activities have positively impacted employees and the business. We use monthly reports to identify areas requiring more training and improvements. Further, work evaluation, succession plan, turnover rate, training budget utilisation, and attendance registers have been instrumental in evaluating and tracking our training programmes. Our target is to ensure departmental training takes place monthly and annually.

During FY2022, average training hours per employee by gender were as follows:

Average Training hours per employee	Unit	2022	2021	2020
Male	Hrs	7	13	6
Female	Hrs	5	9	5

FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

The Group's policy is to grant employees the freedom of association and collective bargaining rights as enshrined in the Universal Bill of Rights and the International Labour Organisation (ILO) Standards. As such, employees are allowed to form associations and join trade unions or employment councils following due processes. These associations provide opportunities for collective engagement with our employees within their rights to build a coherent team of management and employees. Our employees are members of the Commercial Workers Union of Zimbabwe, the Security Association of Zimbabwe, and National Employment Council of Security Industry (NESCI) and the Hotel and Catering Industry.

CORPORATE SUSTAINABILITY (continued)

FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING (continued)

During FY2022, employees under collective bargaining agreements by business unit were as follows:

Employees under Collective Bargaining Agreements ("CBA's")	2022	2021	2020
Security Industry	569	559	567
Hotel and Catering Industry	14	13	226
Retail Industry	3,401	3,114	3,493
Total Number Employees under Collective Bargaining Agreements	**3,984**	**3,686**	**4,286**
Percentage of Total employees	**66%**	**65%**	**70%**

The number of employees under the TM Supermarket CBA increased from 3,114 to 3,401 due to the upsurge in business following the easing of COVID-19 restrictions.

POST-EMPLOYMENT WELFARE

The Group contributes to pension to support post-employment welfare of permanent employees under the Meikles Group Pension Fund.

Pension contributions

The business operates pension schemes in terms of the Pension and Provident Funds Act [Chapter 24:09] and current contributions to defined contribution schemes are charged against income as incurred. The Group participates in the National Social Security Authority scheme and the Meikles Group Pension Fund (MGPF). For actual financial contribution, please see note 9 of the Group financial statements.

GENDER DIVERSITY AND EQUAL OPPORTUNITY

Meikles Limited considers gender diversity and equal opportunity as essential to the growth of the Group, by ensuring a balanced gender working environment. TM Supermarkets plans to increase female managers by 10% by February 2023.

Management Approach

The supermarkets have a Recruitment and Promotion Policy, together with the Discipline and Grievance procedure regarding the management of gender diversity and equal opportunity impacts. Job advertisements by the business are gender sensitive as they do not discriminate. Positions are open for all who qualify based on qualification and experience. There is also a deliberate selection of the marginalised gender in some instances, to create a gender balance or equilibrium. The supermarket provides a feedback mechanism on matters relating to gender diversity and inclusion through works councils and open-door policy where issues are raised.

We aim to retain employees through commitment to gender diversity and equal opportunities and ensure gender representation in all departments, including managerial positions. All hotel departments have female representation. A combination of women and men have advanced through the ranks of the company to fill managerial positions. The current male-to-female ratio is at 64:36 respectively.

COVID-19 RESPONSE

The business remains committed to the management of COVID-19 impacts. This is made evident by the pandemic management system and policies, high level emergency preparedness plan, employee health awareness programme and the Service level agreements with emergency service providers. i.e., medical institutions and ambulances.

Impacts of COVID-19

COVID-19 led to the following challenges:

- Employees getting infected by the virus hence the increase in off sick days.
- Increase in cost of doing business i.e., buying sanitisers and Personal Protective Equipment ("PPE"), including the cost related to covid-19 testing.
- Hospitalisations
- Supply and logistical delays.
- Job losses.
- Downstream and value chain support removed or reduced in the economy.

Mitigation Measures

The Group had measures to manage COVID-19 impacts and these included the following:

- Ensured compliance with Ministry of Health and Child Welfare (MOHCW) and World Health Organisation (WHO) COVID-19 protocols on both staff and customers.
- Worked with health authorities by allowing vaccination of staff and the public to be done in our premises.
- Limited the number of customers entering the shops at a given time and ensured social distancing.
- Implemented "No mask no entry" policy and issued free masks to customers without masks.
- Conducted temperature checks and hand sanitisation of customers.
- Cleaned and disinfected the affected premises.

CORPORATE SUSTAINABILITY (continued)

COVID-19 RESPONSE (continued)

	2022	2021
Total Tests conducted	1,372	4,077
Positive Cases	378	401
Negatives Cases	994	3,676
Deaths due to COVID-19	-	3
Vaccinated Employees	5,819	364
% of Vaccinated Employees	97%	6%

In total, 97% of the employees were vaccinated by the end of the financial year.

Evaluating Performance

Meikles Limited conducted various processes to track the effectiveness of the actions taken to manage COVID-19. Our processes include monitoring the number of employees testing positive for COVID-19, evaluating employee turnover statistics, checking monthly vaccination statistics, inspection measurements by Ministry of Health and conducting COVID-19 store inspections. Initial protocols were either improved or adjusted as the pandemic evolved. The effectiveness of actions taken by the Group to manage COVID-19 was evidenced by the few cases of employees who fell critically ill. Store coverage was at 100% on COVID-19 vaccination awareness. Confidence in measures to stop the spread of COVID-19 translates to guest and customer comfort, that there is health and safety protocols in effect.

RESPONSIBLE OPERATIONS

Meikles Limited is committed to operate the business in a responsible manner. The Group has policies and procedures to ensure that our management of energy, water, waste, emissions, security practices, supply chain and property management does not result in negative impacts on the economy, environment and people including their human rights. Our sustainability strategy is to ensure the business operations continue to evolve by adopting best practices for sustainable business value chains.

ENERGY

The Group uses generators and electricity as its sources of power. Gas fryers are also used by the company for food preparation. The main sources of direct energy use include heating, lighting, air conditioning, ventilation, cooking (including baking), and refrigeration. In order to provide backup power during extended power outages, the Group was forced to rely on diesel generators which produce pollutants. Procurement in other regions which require extensive travel to the properties, contributes to emissions during transportation.

Management Approach

The Group is committed to continuously seek alternative energy sources and means of reducing consumption. Reduced use of high consumption devices and equipment leads to less demand for energy. The Group has taken various actions to manage energy and related impacts, and these include the following:

- Awareness campaigns to save energy across all business locations.
- Securing staff support for participation in energy efficiency.
- Building plinths and secure housing for generators at the branches to avoid oil leakage that may pollute water sources.
- Appointing energy and water champions per branch.
- Adhering to regulations and paying subscriptions to EMA.
- Branches switch on gadgets only when they are ready to use them.

Meikles Limited seeks to migrate to renewable energy by relying less on conventional energy sources. The supermarkets use energy usage analysis and audits to monitor energy management efforts. The Group's goals include lowering consumption of electricity and avoiding EMA fines and penalties by following rules and regulations. The Group subsidiaries verify electricity consumption monthly and use the information to evaluate and monitor actions, objectives, and benchmarks.

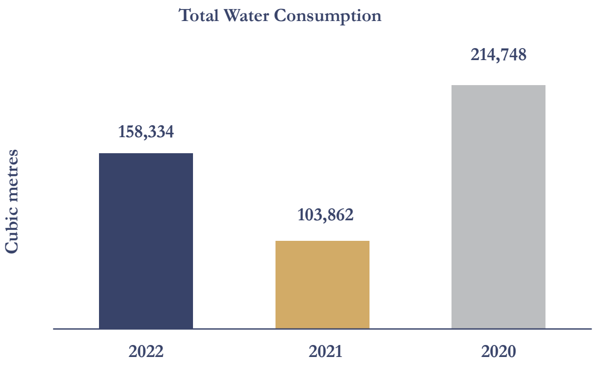
Energy and water saving campaigns started in 2021 and have been ongoing since then. Meikles Limited is currently putting in place a system to measure energy consumption accurately by all subsidiaries. We considered ongoing peer learning by engaging businesses that have made strides in clean energy integration into their business.

CORPORATE SUSTAINABILITY(continued)

RESPONSIBLE OPERATIONS (continued)

WATER MANAGEMENT

Water management is essential to Meikles Limited as it impacts the functioning of the ecosystem in numerous ways. Our business operations rely on municipal and ground water from boreholes. The Group is working on water saving initiatives that includes education of employees on efficient water use and conservation. The Group will continue to explore ways of improving water efficiency with supermarket operations.



Water Source	2022 (m3)	2021 (m3)	2020 (m3)
Borehole	1,288	2,919	-
Municipal Water	157,046	100,943	214,748
Total	**158,334**	**103,862**	**214,748**

Data: TM Supermarket

WASTE

Meikles Limited is involved in attempts to reuse, recycle, and safely dispose of garbage and manage hazardous and non-hazardous waste products. Recyclable waste is sold for reuse. We encourage visitors to our operations to refrain from leaving trash and litter in undesignated locations.

Management Approach

Our policies and commitments are to operate in a sustainable manner which promotes environmental conservation and redefines the carbon footprint. Meikles Limited is compliant with the laws and regulations under the Environmental Management Agency on prevention of pollution and environmental degradation and the Urban Councils Act [Chapter 29:15] on waste and effluent discharge. The Victoria Falls Hotel created a green garden initiative where all waste from the hotel operations is managed and graded according to classes for composting.

Actions

As part of our values, we take accountability for our actions regarding waste management. These actions include mandatory use of grease traps in service areas, collection of all non-sellable waste by designated waste collectors, disposal of all non-sellable waste to designated dumping sites, ensuring all sellable waste is properly stored before being sold and regular checks of grease traps to ensure they are working. The Group tracked the effectiveness of the actions it took to manage waste through the revenue generated from our activities, such as from our Green Garden, by selling the waste to recycling companies. The amount of litter and garbage from The Victoria Falls Hotel decreased due to producing as little waste as possible. As Meikles Limited, we learnt that segregating waste based on its grade reduce waste to landfills. We also encourage our staff to pick up rubbish or litter and take it to the nearest waste collection point. Our goal is to lower and remove the trash harmful to the environment and human health, to promote economic growth and improve quality of life.

PACKAGING MATERIALS

Meikles Limited prioritises packaging of customer products to aid distribution, identification, storage, promotion, and usage. The supermarkets recognised the need for sustainability and discontinued use of kaylite packaging and adopted use of recycled carrier bags to reduce litter and negative environmental impacts. Recycling and waste separation programmes are part of the processes being done by the Group for the non-biodegradable products. Level of carbon friendly packaging has grown along with sustainable procurement across the hotel. The Victoria Falls Hotel switched from using plastic water bottles to reusable glass water bottles.

Management Approach

We are committed to migrating to sustainable and climate friendly products, packaged with the environment in mind. TM Supermarkets provides waste bins outside all shops to reduce littering in all the areas that it operates. Employees are trained on disposal of plastics, boxes, and bottles. Engagements are also done with stakeholders to migrate or make use of biodegradable products and packaging, and this has been fruitful for several suppliers in bringing environment friendly packaging for fast foods. The supermarkets also provided a sample for new paper bags and performed a poll to see how many consumers use paper bags, which revealed a low uptake rate.

Audits are carried out by the Safety Health Environment (SHE) Manager and feedback is given to executives, to ensure tracking of the effectiveness of actions taken to manage packaging. We aim to eliminate use of plastic carrier bags made from virgin plastic and replace them with reusable carrier bags by end of the year 2022. The Group participates in national clean up campaigns, raising awareness among communities on responsible disposal of waste.

CORPORATE SUSTAINABILITY (continued)

RESPONSIBLE OPERATIONS (continued)

EMISSIONS

Our operations depend on the use of fossil fuels to power facilities, generators, refrigeration units and transport systems. This significantly increases our contribution to air pollution and climate change. The Group recognises these impacts and seeks to ensure their minimisation. This is being managed by conducting quarterly surveys in all operations, installation of solar power, replacement of refrigeration equipment that use refrigerants such as chlorofluorocarbons (CFCs) and hydrofluorocarbons (HFCs) with those that use cleaner technology.

SUPPLY CHAIN MANAGEMENT

Procurement is a strategic function in Meikles Limited's supply chain management. Effective procurement adds value to the business, improves profitability and manages risks. When selecting all suppliers, we assess the ability of the supplier to provide quality goods and services at fair prices. TM Supermarkets supports small holder farmers and entrepreneurs.

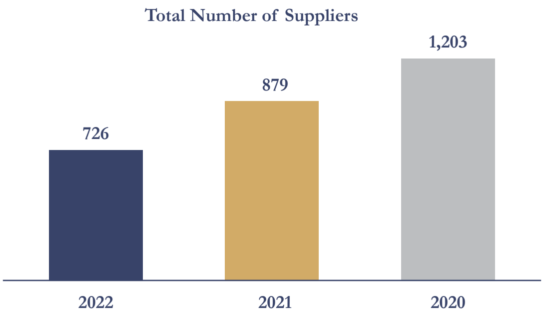
Management Approach

The Group has procurement procedures which are periodically reviewed. The procurement teams throughout the Group invite company profiles, and product profiles from prospective and existing suppliers. A Senior Manager is responsible for monitoring the procurement policies. Additionally, the supermarkets support smaller-holder suppliers and farmers by affording them an opportunity to be part of the supply chain. On an ongoing basis, reviews are conducted on the Approved Supplier List, which includes the marginalised, women and small to medium enterprises after carrying out the necessary due diligence including supplier visits. We maintain continuous engagement through supplier evaluations and monitoring.

Supplier Screening

The Group conducts due diligence to prevent, mitigate, and address actual and potential negative supply chain impacts on the business and brands. The Group's due diligence process evaluates potential and existing suppliers on their ability to provide reliable supplies at competitive prices. The process incorporates evaluating suppliers on their environmental and social practices. Where a supplier falls short of our requirements, we make effort to educate and allow mitigation measures to be taken to address the deficiency.

During FY2022, our suppliers were:



Data: TM Supermarkets

The decrease by 17% in the number of suppliers is due to mostly the smaller sized suppliers that were affected by the COVID-19 pandemic and did not return to business after the lockdowns.

Action

The Group continues to support local suppliers as opposed to import and procure directly from the source. We have a 'Best Buy' policy which considers cash preservation, quality and availability. Various actions were taken to prevent or mitigate potential negative impacts associated with managing our supply chain within the business and these include the following:

- Monitoring outsourced activities on whether they continuously meet the required quality of service.
- Working closely with local suppliers.
- Training local communities on sustainable agriculture to meet quality and needs in the case of The Victoria Falls Hotel and TM Supermarkets.
- Periodically reviewing supply chain and availability. Negotiating and always using the three- quote system for leverage and compliance.
- Procuring only from listed suppliers.
- Conducting site visits for suppliers to verify locations and facilities
- Carrying out monthly management performance review meetings.

The Group actively manages the supply chain by setting budgets and targets. We strive to ensure we have multiple supplier options for any product and reduce our transportation footprint.

CORPORATE SUSTAINABILITY (continued)

RESPONSIBLE OPERATIONS (continued)

SUPPLY CHAIN MANAGEMENT (continued)

	Historical Cost		
	2022 ZWL '000'	2021 ZWL '000'	2020 ZWL '000'
Spending on local Suppliers	45,584,323	21,192,634	3,616,377
Spending on foreign Suppliers	15,807	2,869	9,581
Total Procurement Spend	**45,600,130**	**21,195,503**	**3,625,958**

Data: TM Supermarket

The increase in foreign supplier spending was attributed to imported equipment for stores upgrade and the increase on spending on local suppliers was attributed to increase in inflation.

GREEN AND ECO-FRIENDLY PROPERTY MANAGEMENT

Meikles Limited is engaged in green and eco-friendly property management which is the management of environmentally sustainable structures in sync with nature. Through this management, the Group managed to increase customer retention. Additionally, Green and Eco-friendly Property Management ensures resource conservation, cost efficiency, human health improvement, reduced environmental degradation, reduced waste pollution and improved employee productivity.

The Group seeks to migrate to eco-friendly practices as evidenced by the changeover in lighting to energy savers and recycling programmes being conducted in our properties. We follow the Model building bylaws of 1977 on resource conservation, cost efficiency and design for human adaption. Meikles Limited also gives reference to the Environmental Management Act [Chapter 20:27] on prevention of pollution and environmental degradation, the Urban Councils Act [Chapter 29:15] on waste and effluent discharge and the Zimbabwe Energy Regulatory Authority (ZERA) law on use of energy saving lights. There are actions that are being taken by the Group to manage green and eco-friendly properties and related impacts and these include grease trapping systems in service areas, use of solar and gas power, use of power stabilizer to save power and use of heat reflective roof on shops. Meikles Limited aim to adopt sustainable practices in waste disposal, procurement, and day to day operations. The Group used a 3-tier system that include monitoring by local authorities, timely renewal of trade waste discharge licenses and trend analysis of electricity units consumed by each branch for the month.

In addition to the above, key performance indicators used to evaluate progress in the management of green and eco-friendly properties include valid occupational licenses (trading licenses) from local authorities, valid trade waste discharge licenses and energy consumption. Synergies have also been built that are yielding results and there is sharing of ideas and resources with the communities impacted by our operations.

CLIMATE ACTION

Climate Change presents a major risk for businesses hence the need for proactive initiatives. The Group operates subsidiaries in retail and hospitality which are exposed to climate change effects. However, Meikles Limited's commitment to environmental protection inspires our subsidiaries to be proactive. The use of renewable energy, reduction of emissions and biodegradable materials form part but not all the key areas of opportunity for the business to mitigate against climate change. Use of solar systems and gas have helped in reducing our contributions to global warming.

Management Approach

The Group adheres to the Environmental Management Act [Chapter 20:27] which alludes to the prevention of pollution and environmental degradation. We are committed to being a leader in sustainability practices and use our position to train communities around us. TM Supermarkets has an environmental plan which involves tree planting activities to maintain a positive carbon footprint. Sustainable agricultural projects are conducted, and training facilities are provided by the hotel. The garden project at The Victoria Falls Hotel has done well in creating awareness on how to look after the land better. The Group will continue to partner and work with the Ministry of Environment, Climate, Tourism and Hospitality and Climate friendly organisations in advancing climate actions.

Environmental Initiatives:

During the year, we were involved in the following environmental initiatives in response to climate change imperatives:

- Tree planting initiative.
- Use of recyclable carrier bags and paper bags.
- Environmental clean-up exercises.

CORPORATE SUSTAINABILITY (continued)

CLIMATE ACTION (continued)

Ecological and Biodiversity

Our hospitality operations directly affect a wide variety of plant and animal species. The business recognises the significance of biodiversity and takes reasonable care to manage its impacts on flora and fauna around The Victoria Falls Hotel which is located in the following internationally recognised high biodiversity area. The hotel contributes to biodiversity management at the site below:

Details	Sites
Geographical location	Victoria Falls
Heritage considered under biodiversity	12Ha
Biodiversity value characterised by the listing of protected status (such as IUCN Protected, Area Management Categories, Ramsar Convention, national legislation)	The Victoria Falls and National Park Heritage Site

ECONOMIC CONTRIBUTIONS

Economic Performance analysis ensures Meikles Limited is in the right direction in terms of continuous economic value addition. High net profits, high employee rewards, real value of goods and services and ability of the Group to meet all tax obligations are associated with good economic performance.

The Group monitors economic performance through monthly management accounts and quarterly board meetings where financial reports are analysed. The Group constantly keeps abreast and adjusts business models to prevent material loss. We respond and mitigate economic dynamics quickly and anticipate these in advance.

Meikles Limited aims to have healthy financial ratios and be consistently profitable. Budget targets are done per operational department and branch. Financial ratios are used as key performance indicators in the management of economic performance within the business. Performance of the business has been stable and steadily improving, with all supermarket branches achieving the shrinkage targets during the financial year 2022. Internal audit report follow ups have also been very effective in managing economic performance.

There is need for engagements and exchanging of information to remain abreast with economic factors that directly or indirectly affect the business performance. This is done through involvement in various arms and associations that operate within our environment. Negotiating and sharing of information has resulted in best buy and response to market forces.

TAX PAYMENTS AND STRATEGY

Payment of taxes is key to Meikles Limited as it defines how we balance tax compliance with business activities and ethical, societal, and sustainable development-related expectations. Meikles' tax strategy seeks to adhere to all tax laws and pay relevant taxes in line with prevailing tax legislation. It aims to capitalise on the available legislation by claiming the maximum possible allowances while ensuring it pays what is due to the tax authorities.

Stakeholder Engagement on Tax Matters

Various stakeholders to the Group have raised concerns about tax payments and these include the following:

- Customers are mainly concerned with fiscal tax invoices in the currency of transaction and whether the organisation is adhering to tax law to avoid future closure due to non-compliance with tax laws which in turn affects future supply.
- Regulators are concerned with timeous and correct payment of taxes.
- Shareholders are concerned with correct and timeous payments of taxes to avoid fines and penalties from authorities, withdrawal of trading licenses and protecting the image of the company.
- Employees are concerned with the business's capacity to fulfil its tax duty because this always denotes a capacity to fulfil all other responsibilities and ensures its continuity, guaranteeing that they will receive their earnings and salaries.

Management Approach

The Board through the Finance Director is accountable for compliance with the tax strategy. Every year, the finance management formally reviews and approves the tax plan through numerous engagements with our tax consultants. The Group regularly engages tax consultants to carry out tax health checks to determine whether there are incidences of non-compliance with tax regulations.

Employees assigned tax compliance duties attend tax training and updates seminars from third parties, and some are arranged by the parent company. As a Group, we uphold our values of honesty and integrity to ensure that we pay what is required to the authorities for the growth of the economy. Our tax strategy translates to responsible business practices. Regular communications with the branches and responsible people throughout the Group are conducted to ensure controls and measures put in place are being adhered to. Reconciliations against Zimbabwe Revenue Authority (ZIMRA) ledgers are carried out monthly, to determine the taxes payable to the authorities, thus in so doing any deviations from the norm are identified early. Concerns about legal or illegal tax-related behaviour should be reported both internally to the Finance Director and outside to the ZIMRA Liaison Officer.

Meikles Limited used questionnaires during the process of collecting and considering the views of stakeholders including external stakeholders on tax. Our goals are to timely pay taxes that are due and file related returns by the due dates established by the revenue authorities. Meeting deadlines for tax remittance and return submission are among the key performance indicators used to gauge our practices. Engagement with authorities has kept us up to date with the ever-changing environment in the legislation and legal framework driven by the current inflationary environment.

CORPORATE SUSTAINABILITY (continued)

INVESTING IN OUR COMMUNITY

Supporting communities is an integral component of building shared vision and values for Meikles Limited which bring good publicity for the business. Meikles Limited Corporate Social Responsibility ("CSR") activities are primarily done through TM Supermarkets and Meikles Foundation which target areas are community, education, the vulnerable, disabled and public institutions. Our corporate responsibility is about being a good corporate citizen. This is often done by identifying and supporting the less privileged members of society. The Group seeks to support as many people as possible through donations and other initiatives. We recognise that the success of Meikles Limited is dependent on the wellbeing of the communities. Therefore, we contribute towards transforming people's lives in ways that promote business continuity and sustainable development.

The business is involved in positive community impacts in the following ways:

- Assisting the vulnerable in our communities through the Food, Blanket Drive, Christmas Wish and Christmas box for Charity.
- Assisting schools in struggling communities with stationery through the Stationery Drive.
- Working closely with community leaders and influencers to identify and find solutions to the problems and challenges facing communities.
- Sponsorship of some students to create employable pool.
- Carrying out various charity donations.
- Supporting initiatives to protect wildlife.

During the year under review, the highlight of the activities carried out by the Meikles Foundation and its partners was the construction of the first phase of Rainbow Children's Village ("RCV") at a cost of US$441,300 of which US$300,000 was donated by Meikles Limited. RCV is a partnership between Meikles Foundation, Roundtable JV Zimbabwe and more recently KidzCan Zimbabwe. The total budget for the project is US$1,57 million. Initiated in 2017, RCV was created to answer a dire need for treatment of children with cancer. The main purpose of RCV is to provide a clean and safe home environment for children suffering from cancer before and after their prescribed cancer treatment. With donations from Roundtable JV Zimbabwe (donated the land); Meikles Limited; KidzCan; TM Supermarkets (funds raised through golf tournaments); Meikles Guard Services and together with several other donors, Phase one of the project is almost complete.

The Group uses various indicators to track the impacts of our initiatives. These include monthly and quarterly reviews, budgets of planned activities, internal audit checks and follow ups on completed projects. We aim to complete one major self-sustaining project annually and carry out monthly community development.

The Rainbow Children's Village

CORPORATE SUSTAINABILITY (continued)

INVESTING IN OUR COMMUNITY (continued)

During FY2022, the Group was involved in the following initiatives: [Historical cost].

Thematic Need	Purpose	Material/Support	(ZWL) '000'
Education	Enabling access to education and learning.	Platters, Stationery, Groceries, TM Gift vouchers, green projects.	2,281
Health	Supporting and improving the health system and access by society.	Wheelchair, Walker, Disposable Gowns, Latex Gloves, Hairnets, Nan, Blankets, Brita Anti-Bacterial, Groceries, Humpers and cash, Tiles for children's Ward-Victoria Falls Hospital, Cancer Trust High Tea Fundraising and donation to cover building materials, and TM Pick 'n' Pay Gift vouchers for various goods.	5,490
Old People's Homes	Supporting the elderly.	Cash, Blankets and groceries and LP Gas.	2,038
Orphanages	Assisting the vulnerable and orphaned.	Blankets and groceries	7, 437
Sports	Support sporting activities and social cohesion.	Blankets, groceries, and cash.	921
Community Development	Improving social development in local communities.	Groceries and cash	810
Animal, Parks and Wildlife	Support animal parks and wildlife.	Groceries, cash, and Fuel.	413
Public Institutions	Supporting and strengthening public institutions.		169
		Total	**19,559**

Our contribution toward community investment decreased by 39% to ZWL19,6 million from ZWL31,9 million in prior year. Prior year amount includes Meikles Limited's US$300 000 donation towards the construction of RCV. The Group will continue to uplift the lives of the communities we do business with who are both customers and business partners.

The Rainbow Children's Village

TM PicknPay donation for Rainbow Children's Village

National Tree Planting Day at Mambo High School, Gweru

National Tree planting day at Shungu High School, Kwekwe

CORPORATE SUSTAINABILITY (continued)

CONTRIBUTION TO SUSTAINABLE DEVELOPMENT GOALS (SDGs)

The Sustainable Development Goals (SDGs) launched by the United Nations are a critical pillar to how business ought to thrive in healthy societies and sustainable economies. In this regard, Meikles Limited believes that it has a role to play.
During the year, our business actions contributed to the following SDGs:

OUR ACTIONS:

Meikles Limited created economic opportunities for 726 small-holder suppliers and growers. The Group invested over ZWL19.5 million uplifting the lives of local communities

OUR ACTIONS:

The Group invested ZWL5.5 million in supporting health initiatives.

OUR ACTIONS:

The Group contributed towards the education of the local community children and helping those living with disabilities amounting to ZWL9.7 million.

OUR ACTIONS:

The Group prioritise employing people from local communities near our operations. The Group provides diversity and equal opportunities for all. Our staff complement is composed of 36% Female and 64% Male, and we continue to make progress towards gender equity.

OUR ACTIONS:

The Group employed 6,013 in FY2022. 66% of our employees are covered under collective bargaining agreements. We provide fair labour practices, a conducive working environment and competitive remuneration.

OUR ACTIONS:

We contributed an amount of ZWL3.8 million towards community development, sports and old people's homes.

OUR ACTIONS:

The Group was involved in environmental clean-ups, tree planting and reducing emissions.

OUR ACTIONS:

The Group supported wildlife parks with an amount of ZWL0.4 million.

OUR ACTIONS:

Public institutions are critical for the functions of our society and sustainable development. The Group support state institution and local authorities with goods and Mayor's Christmas Cheers fund equivalent to ZWL0.1 million.

REPORT OF THE DIRECTORS

Your Directors have pleasure in presenting their report and the audited financial statements of the Group for the year ended 31 March 2022.

Principal activities
The main activities of the Group are those of supermarkets, hotels, property and security guard services. The Group unbundled the agriculture segment, Tanganda Tea Company Limited through a dividend-in-specie to shareholders of the Company on 1 February 2022, resulting in the separate re-listing of Tanganda Tea Company Limited on the Zimbabwe Stock Exchange on 3 February 2022. Refer to note 14 for further details.

Financial results
The results for the year ended 31 March 2022 are set out in the attached inflation adjusted consolidated financial statements.

Going concern
The Directors have adopted the going concern basis in preparing these financial statements after assessing the principal risks arising from an unstable economic environment and having considered the impact of COVID-19 pandemic to the Group's operations. Management prepared budgets assuming COVID-19's impact to the Group's operations will not exceed the impact it had to financial results for the financial year ended 31 March 2021 and 31 March 2022. The Directors reviewed these budgets. The Group is forecast to generate profits and positive cash flows in the year ending 31 March 2023 and beyond. Whilst both the economic environment and COVID-19 continue to evolve making planning difficult, the Group has significant liquidity headroom as at the reporting date and sufficient cash reserves to enable the Group to meet its obligations as they fall due for a period of at least twelve months from the date of signing of these financial statements.

Share capital
Details of the authorised and issued share capital are set out in note 25.1 to the financial statements.

Directors and their interests
The names of the Directors of the Company during the year are set out under the Corporate Governance section.

As provided by the Companies and Other Business Entities Act [Chapter 24:31] and the Zimbabwe Stock Exchange Listings Requirements, the Directors are bound to declare at any time during the year, in writing, whether they have any interest in any contract of significance with the Company or any of its subsidiaries or joint ventures. No Director confirmed having, during or at the end of the year, any material interest in any contract of significance in relation to the Group's businesses except as disclosed in note 30. Executive Directors have employment contracts with the Company or its subsidiaries.

The direct and indirect beneficial interests of the Directors in the shares of the Company are given in note 25.2 to the financial statements.

Substantial shareholdings
According to information received by the Directors, the following were the top ten shareholders of the Company as at 31 March 2022:

Top ten shareholders

At 31 March 2022	No. of shares	%
Meikles Consolidated Holdings (Private) Limited	126,301,590	48.38
Mega Market (Private) Limited	25,450,780	9.75
Old Mutual Life Assurance Company Zimbabwe Limited	21,226,848	8.13
Stanbic Nominees (Private) Limited – account 140043470003	8,338,797	3.19
LHG Malta Holdings Limited	5,049,707	1.93
Old Mutual Zimbabwe Limited	2,896,272	1.11
Meikles Pension Fund – ABC	2,861,210	1.10
Stanbic Nominees (Private) Limited – NNR account 140043470002	2,749,628	1.05
Mundell Family Trust	2,466,231	0.94
Public Service Commission Pension Fund – ABC	1,884,685	0.73
Total for top ten shareholders	**199,225,748**	**76.31**
Other	61,838,842	23.69
Total	**261,064,590**	**100.00**

Dividend
The Directors declared two interim dividends totalling ZWL 180 cents per share and a final dividend of ZWL 100 cents and US$ 0.1725 cents bringing the total dividend to ZWL 280 cents and US$ 0.1725 cents for the financial year.

Independent auditors
Messrs. Deloitte & Touche, who had been auditors of the Company and the Group for more than 10 years, have stepped down as the Auditors of the Company in view of the requirements of Section 69 (6) of the ZSE Listings Requirements. Shareholders will be asked to appoint Messrs Ernst and Young as the Auditors of the Company and Group for the ensuing financial year.

J.R.T. Moxon
Chairman
31 August 2022

DIRECTORS' RESPONSIBILITY FOR FINANCIAL REPORTING

The Directors of the Company are responsible for the maintenance of adequate accounting records, and the preparation of financial statements for each financial year, that give a true and fair view of the state of affairs of the Company and the Group at the end of the financial year, and of the operating results and cash flows for that year. They are also required to select appropriate accounting policies, to safeguard the assets of the Company and the Group and to make reasonable and prudent judgements and estimates.

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and interpretations issued by the IFRS interpretations Committee. Accounting policies accompanying the financial statements have been consistently applied from prior years. Since the March 2020 year end, the primary financial statements of the Group are the inflation adjusted financial statements, this was following guidance issued by the Public Accountants and Auditors Board ("PAAB") in 2019. The historical financial statements have been presented for supplementary information purpose only and the auditors have not expressed an opinion on them.

The Directors are also responsible for the systems of internal control. These are designed to provide reasonable, but not absolute, assurance as to the reliability of the financial statements, and to safeguard, verify and maintain accountability of assets, and to prevent and detect material misstatements and losses. The systems are implemented and monitored by suitably trained personnel with an appropriate segregation of authority and duties. Nothing has come to the attention of the Directors to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the year under review.

The Directors have reviewed the Group's budgets and cash flow forecasts for the period to 31 August 2023 and, in light of this review and the current financial position, they are satisfied that the Group will have access to adequate resources to continue in operational existence for the foreseeable future. However, the Directors believe that under the current economic environment a continuous assessment of the ability of the Group to continue to operate as a going concern will need to be performed. Further details are included in note 5.

Preparer of financial statements
These consolidated financial results were prepared under the supervision of Thempson Muzvagwandoga CA (Z), the Finance Director of the Company.

T. Muzvagwandoga CA (Z)
Registered Public Accountant number 2724

J.R.T. Moxon
Chairman
Harare, 31 August 2022

R. Chidembo
Non-executive Director
Harare, 31 August 2022

Deloitte.

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Independent Auditor's Report

To the Shareholders of Meikles Limited

Report on the Audit of the Inflation Adjusted Consolidated Financial Statements

Opinion

We have audited the inflation adjusted consolidated financial statements of Meikles Limited and its subsidiaries ("the Group"), set out on pages 41 to 88, which comprise the inflation adjusted consolidated statement of financial position as at 31 March 2022, and the inflation adjusted consolidated statement of profit or loss and other comprehensive income, the inflation adjusted consolidated statement of changes in equity and the inflation adjusted consolidated statement of cash flows for the year then ended, and the notes to the inflation adjusted consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the inflation adjusted consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 March 2022, and its consolidated financial performance and consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) and in the manner required by the Companies and Other Business Entities Act (Chapter 24:31).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Inflation Adjusted Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of financial statements in Zimbabwe. We have fulfilled our ethical responsibilities in accordance with these requirements and the IESBA code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

MAKING AN IMPACT THAT MATTERS since 1845

Independent Auditor's Report

To the Shareholders of Meikles Limited

Report on the Audit of the Inflation Adjusted Consolidated Financial Statements (continued)

Key Audit Matters (continued)

<table>
<tr><th>Key Audit Matter</th><th>How the matter was addressed in the audit</th></tr>
<tr><td colspan="2">Appropriate accounting treatment for the distribution of Tanganda Tea Company</td></tr>
<tr><td>As disclosed in note 14 of the inflation adjusted consolidated financial statements, the Group unbundled its agricultural subsidiary, Tanganda Tea Company ("Tanganda") through a dividend in specie.

For the year ended 31 March 2021, the subsidiary had been classified as a non-current asset held for distribution in the consolidated financial statements and valued at the lower of carrying amount and fair value. At disposal, the fair value of Tanganda for purposes of the distribution of the dividend in specie was determined to be ZW$ 7,1 billion in inflation adjusted terms. In determining the fair value, the Directors assessed two valuation methods and made assumptions that were based on economic and market conditions prevailing at the date of disposal.

The accounting treatment of the distribution was considered a key audit matter due to the following:

– The quantitative and qualitative significance of the distribution and the extent of audit work involved in reviewing the transaction; and

– The complexity involved in the determination of the fair value at the date of disposal.

– The significant judgements and assumptions made by the Directors in determining the fair value included:

– The average Enterprise Value proxy multiple which was an unobservable level 3 input into the valuation; and

– The discount factor applied in the Discounted Cash Flows valuation.

The related disclosures are included in note 14 of the inflation adjusted consolidated financial statements.</td><td>We performed a number of procedures including the following:
– Obtained an understanding of the process followed by management in disposing of the subsidiary from Meikles Limited;

– Evaluated and tested the key controls over the process;

– Performed an assessment as to whether the disposal of the subsidiary has been appropriately accounted for in accordance with IFRS 10 "Consolidated Financial Statements";

– Performed an assessment as to whether the dividend in specie has been appropriately accounted for in accordance with IFRIC 17 "Distributions of Non-cash Assets to Owners";

– Performed detailed tests on the statement of profit and loss and other comprehensive income for Tanganda for the 10-month period ended 31 January 2022 and the statement of financial position as at that date;

– Reviewed the accuracy, completeness and validity of journals posted in relation to the unbundling of the subsidiary and the dividend in specie;

– Engaged tax specialists to assist in the review of the capital gains tax implications of the transaction;

– Reviewed the valuation of Tanganda at the date of disposal by performing the following procedures:

i. Evaluated the Director's independent external valuer's competence, capabilities, and objectivity.

ii. Performed detailed testing on a sample of the input data provided by management to the external valuer for accuracy and completeness;

iii. Using our own internal specialists, performed the following:
• A detailed examination of the valuation methodologies and models adopted by management and assessed the appropriateness of these against
• Assessed whether the inputs and assumptions used fall within an acceptable range based on relevant knowledge and experience of the market;
• Performed an independent valuation and compared with the Director's valuation.

– Engaged Deloitte Technical Accounting experts to assist with assessment of the appropriateness of the accounting treatment; and
– Reviewed the financial statements for adequate disclosures in relation to the transaction.

We assessed the valuation methodologies applied to be appropriate. The valuation of Tanganda at the date of disposal was determined to be within an acceptable range.</td></tr>
</table>

Independent Auditor's Report

To the Shareholders of Meikles Limited

Report on the Audit of the Inflation Adjusted Consolidated Financial Statements (continued)

Key Audit Matters (continued)

Key Audit Matter	How the matter was addressed in the audit
Appropriate accounting treatment for the disposal of Mentor Africa (Pty) Limited	
As disclosed in note 20 of the inflation adjusted consolidated financial statements, the Group disposed of its 35% investment in Mentor Africa (Pty) Limited ("Mentor"). The investment was previously accounted for at fair value through other comprehensive income. The investment was disposed of for an amount of US$ 19 million. This has been determined to be a key audit matter due to the quantitative and qualitative significance of the disposal and the extent of audit work involved in reviewing the transaction. The disclosures relating to the accounting policy and key sources of estimation are included in note 4.2.5 of the inflation adjusted consolidated financial statements and the details of the disposal are disclosed in note 20.	In responding to the identified matter, our procedures included the following: – Reviewed all documentation in relation to the transaction and assessed whether the requirements for derecognition of the investment have been met prior to year-end. – Performed an assessment as to whether all necessary regulatory approvals had been complied with. – Performed an assessment as to whether the derecognition of the financial asset had been appropriately accounted for in accordance with IFRS 9 – "Financial Instruments"; – Reviewed the accuracy, completeness and validity of journals posted in relation to the derecognition of the asset. – Engaged tax specialists to assist in the review of the tax implications of the transaction; – Engaged Deloitte Technical Accounting experts to assist with assessment of the appropriateness of the accounting treatment; and – Reviewed the financial statements for adequate disclosures in relation to the transaction. The accounting treatment of the disposal was determined to be appropriate.

Other Information

The directors are responsible for the other information. The other information comprises the Group Structure, Chairman's Statement, Report of the Directors, Directors' Responsibility for Financial Reporting, the historical cost consolidated financial information, the separate Company financial information, Key Performance Measures, Shareholder Information and Corporate information which we obtained prior to the date of this auditor's report and the Annual Report, which is expected to be made available to us after that date. The other information does not include the inflation adjusted consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the inflation adjusted consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the inflation adjusted consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Inflation Adjusted Consolidated Financial Statements

The directors are responsible for the preparation and fair presentation of the inflation adjusted consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) and the requirements of the Companies and Other Business Entities Act (Chapter 24:31), and for such internal control as the directors determine is necessary to enable the preparation of inflation adjusted consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Inflation Adjusted Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the inflation adjusted consolidated financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement

Independent Auditor's Report

To the Shareholders of Meikles Limited

Report on the Audit of the Inflation Adjusted Consolidated Financial Statements (continued)

Auditor's Responsibilities for the Audit of the Inflation Adjusted Consolidated Financial Statements (continued)

when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these inflation adjusted consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the inflation adjusted consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the inflation adjusted consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the inflation adjusted consolidated financial statements, including the disclosures, and whether the inflation adjusted consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the inflation adjusted consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

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

Report on Other Legal and Regulatory Requirements

In fulfilment of the requirements of Section 193 of the Companies and Other Business Entities Act (Chapter 24:31) ("the Act"), we report to the shareholders as follows:

<u>Section 193 (1) (a)</u>
The financial statements of the Group are properly drawn up in accordance with this Act so as to give a true and fair view of the state of the Group's affairs at the date of the financial statements for the financial year ended 31 March 2022.

<u>Section 193 (2)</u>
We have no matters to report in respect of section 193 (2) requirements of the Act.

Deloitte & Touche

Deloitte & Touche
Chartered Accountants (Zimbabwe)
Per: Charity Mtwazi
Partner
Registered Auditor
PAAB Certificate Number: 0585

31 August 2022

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2022

		INFLATION ADJUSTED		HISTORICAL COST*	
	Notes	31 Mar 2022 ZWL 000	31 Mar 2021 ZWL 000	31 Mar 2022 ZWL 000	31 Mar 2021 ZWL 000
CONTINUING OPERATIONS					
Revenue	6.1	**65,983,846**	49,106,234	**50,666,982**	21,948,926
Cost of sales#		**(49,538,991)**	(37,688,830)	**(36,559,717)**	(15,513,610)
Net operating costs	7	**(14,207,128)**	(9,900,447)	**(9,854,985)**	(4,059,162)
Operating profit		**2,237,727**	1,516,957	**4,252,280**	2,376,154
Investment income	12.1	**1,245,387**	8,299	**874,082**	4,265
Finance costs	12.2	**(242,457)**	(387,814)	**(149,046)**	(180,016)
Net exchange gains		**865,253**	2,527,277	**770,992**	911,163
Profit on distribution of subsidiary equity to shareholders	14.3	**61,569**	-	**3,894,624**	-
Net monetary gain / (loss)		**830,916**	(1,298,415)	**-**	-
Profit before tax		**4,998,395**	2,366,304	**9,642,932**	3,111,566
Income tax expense	13.1	**(1,577,583)**	(1,767,699)	**(1,194,709)**	(851,833)
Profit for the year from continuing operations		**3,420,812**	598,605	**8,448,223**	2,259,733
DISCONTINUED OPERATIONS					
(Loss) / profit for the year from discontinued operations	14	**(582,648)**	397,811	**427,390**	1,315,942
PROFIT FOR THE YEAR		**2,838,164**	996,416	**8,875,613**	3,575,675
Other comprehensive income / (loss), net of tax					
Items that will not be reclassified subsequently to profit or loss:					
Fair value gain / (loss) on investments in equity instruments designated as at FVTOCI	20	**1,902,169**	(203,184)	**1,902,169**	(203,184)
Items that may be reclassified subsequently to profit or loss:					
Exchange rate adjustments on translation of foreign operations		**1,060,770**	1,046,086	**1,060,770**	1,046,086
Other comprehensive income for the year, net of tax		**2,962,939**	842,902	**2,962,939**	842,902
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**5,801,103**	1,839,318	**11,838,552**	4,418,577
Profit for the year attributable to:					
Owners of the parent		**1,598,677**	435,089	**7,193,701**	2,746,135
Non-controlling interests		**1,239,487**	561,327	**1,681,912**	829,540
		2,838,164	996,416	**8,875,613**	3,575,675
Total comprehensive income attributable to:					
Owners of the parent		**4,561,616**	1,277,991	**10,156,640**	3,589,037
Non-controlling interests		**1,239,487**	561,327	**1,681,912**	829,540
		5,801,103	1,839,318	**11,838,552**	4,418,577
Earnings / (loss) per share in cents					
Basic and diluted earnings per share	16	**612.37**	166.66	**2,755.53**	1,051.90
From continuing operations	16	**835.55**	14.28	**2,591.81**	547.83
From discontinued operations	16	**(223.18)**	152.38	**163.72**	504.07

**Historical cost financial results are provided only as supplementary information. The primary financial statements are the inflation adjusted results. The auditor's opinion relates only to the inflation adjusted financial results.*

#In the current year, the cost of sales has been presented separately to comply with the presentation requirement of IFRSs. The reclassifications have no impact on the overall reported losses or profits.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2022

		INFLATION ADJUSTED		HISTORICAL COST*	
	Notes	31 Mar 2022 ZWL 000	31 Mar 2021 ZWL 000	31 Mar 2022 ZWL 000	31 Mar 2021 ZWL 000
ASSETS					
Non-current assets					
Property, plant and equipment	17	8,939,605	8,538,588	2,508,572	827,446
Investment property	18	16,642	17,026	221	226
Right of use assets	19	3,807,184	3,053,135	947,664	420,074
Investment in Mentor Africa (Pty) Limited	20	-	376,859	-	376,859
Other financial assets	21	1,622,653	939,829	1,622,653	919,524
Deferred tax	13.2	2,872	1,547	194,105	32,742
Total non-current assets		14,388,956	12,926,984	5,273,215	2,576,871
Current assets					
Inventories	22	6,217,903	4,249,522	5,848,875	2,406,009
Trade and other receivables	23	1,467,550	2,653,526	1,411,562	1,532,074
Other financial assets	21	45,651	26,970	45,651	15,140
Cash and bank balances	24	4,874,509	1,352,174	4,874,509	787,717
Total current assets		12,605,613	8,282,192	12,180,597	4,740,940
Assets held for sale and distribution	14	-	8,950,113	-	2,613,009
Total assets		26,994,569	30,159,289	17,453,812	9,930,820
EQUITY AND LIABILITIES					
Capital and reserves					
Share capital	25.1	193,219	193,219	2,611	2,611
Share premium		241,112	241,112	3,925	3,925
Other reserves	26	2,908,304	(12,164)	4,201,040	1,238,673
Retained earnings		7,939,068	14,233,677	3,468,750	3,524,902
Equity attributable to equity holders of the parent		11,281,703	14,655,844	7,676,326	4,770,111
Non-controlling interests	21.2	5,627,195	4,851,261	2,032,541	800,576
Total equity		16,908,898	19,507,105	9,708,867	5,570,687
Non-current liabilities					
Deferred tax	13.2	2,420,533	2,755,698	79,807	207,334
Lease liabilities	28	1,006,660	921,694	1,006,660	507,060
Total non-current liabilities		3,427,193	3,677,392	1,086,467	714,394
Current liabilities					
Trade and other payables	29	6,430,729	5,046,129	6,430,729	2,921,761
Borrowings	27	123,591	109,397	123,591	63,347
Lease liabilities	28	104,158	37,341	104,158	21,622
Total current liabilities		6,658,478	5,192,867	6,658,478	3,006,730
Liabilities relating to assets classified as held for distribution	14	-	1,781,925	-	639,009
Total liabilities		10,085,671	10,652,184	7,744,945	4,360,133
Total equity and liabilities		26,994,569	30,159,289	17,453,812	9,930,820

**Historical cost financial results are provided only as supplementary information. The primary financial statements are the inflation adjusted results. The auditor's opinion relates only to the inflation adjusted financial results.*

J.R.T. Moxon
31 August 2022

R. Chidembo
31 August 2022

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2022

INFLATION ADJUSTED

	Share capital ZWL 000	Share premium ZWL 000	Other reserves ZWL 000	Retained earnings ZWL 000	Attributable to owners of parent ZWL 000	Non-controlling interests ZWL 000	Total ZWL 000
2022							
Balance at 1 April 2021	**193,219**	**241,112**	**(12,164)**	**14,233,677**	**14,655,844**	**4,851,261**	**19,507,105**
Profit for the year	**-**	**-**	**-**	**1,598,677**	**1,598,677**	**1,239,487**	**2,838,164**
Transfer from non-distributable reserves	**-**	**-**	**(42,471)**	**42,471**	**-**	**-**	**-**
Other comprehensive income for the year	**-**	**-**	**2,962,939**	**-**	**2,962,939**	**-**	**2,962,939**
Dividend paid – ordinary shareholders	**-**	**-**	**-**	**(845,113)**	**(845,113)**	**-**	**(845,113)**
Dividend in specie – ordinary shareholders	**-**	**-**	**-**	**(7,090,644)**	**(7,090,644)**	**-**	**(7,090,644)**
Dividend paid – non-controlling interests	**-**	**-**	**-**	**-**	**-**	**(553,154)**	**(553,154)**
Non-controlling interests arising from Mopani Property Development (Private) Limited	**-**	**-**	**-**	**-**	**-**	**89,601**	**89,601**
Balance at 31 March 2022	**193,219**	**241,112**	**2,908,304**	**7,939,068**	**11,281,703**	**5,627,195**	**16,908,898**
2021							
Balance at 1 April 2020	193,219	241,112	(855,903)	14,325,685	13,904,113	4,653,907	18,558,020
Profit for the year	-	-	-	435,089	435,089	561,327	996,416
Other movements in reserves	-	-	837	-	837	-	837
Other comprehensive income for the year	-	-	842,902	-	842,902	-	842,902
Dividend paid – ordinary shareholders	-	-	-	(527,097)	(527,097)	-	(527,097)
Dividend paid – non-controlling interests	-	-	-	-	-	(366,055)	(366,055)
Non-controlling interests arising from Mopani Property Development (Private) Limited	-	-	-	-	-	2,082	2,082
Balance at 31 March 2021	193,219	241,112	(12,164)	14,233,677	14,655,844	4,851,261	19,507,105

HISTORICAL COST*

	Share capital ZWL 000	Share premium ZWL 000	Other reserves ZWL 000	Retained earnings ZWL 000	Attributable to owners of parent ZWL 000	Non-controlling interests ZWL 000	Total ZWL 000
2022							
Balance at 1 April 2021	**2,611**	**3,925**	**1,238,673**	**3,524,902**	**4,770,111**	**800,576**	**5,570,687**
Profit for the year	**-**	**-**	**-**	**7,193,701**	**7,193,701**	**1,681,912**	**8,875,613**
Transfer from non-distributable reserves	**-**	**-**	**(572)**	**572**	**-**	**-**	**-**
Other comprehensive income for the year	**-**	**-**	**2,962,939**	**-**	**2,962,939**	**-**	**2,962,939**
Dividend paid – ordinary shareholders	**-**	**-**	**-**	**(580,869)**	**(580,869)**	**-**	**(580,869)**
Dividend in specie – ordinary shareholders	**-**	**-**	**-**	**(6,669,556)**	**(6,669,556)**	**-**	**(6,669,556)**
Dividend paid – non-controlling interests	**-**	**-**	**-**	**-**	**-**	**(511,301)**	**(511,301)**
Non-controlling interests arising from Mopani Property Development (Private) Limited	**-**	**-**	**-**	**-**	**-**	**61,354**	**61,354**
Balance at 31 March 2022	**2,611**	**3,925**	**4,201,040**	**3,468,750**	**7,676,326**	**2,032,541**	**9,708,867**
2021							
Balance at 1 April 2020	2,611	3,925	395,603	1,020,252	1,422,391	177,063	1,599,454
Profit for the year	-	-	-	2,746,135	2,746,135	829,540	3,575,675
Other movements in reserves	-	-	168	-	168	-	168
Other comprehensive income for the year	-	-	842,902	-	842,902	-	842,902
Dividend paid – ordinary shareholders	-	-	-	(241,485)	(241,485)	-	(241,485)
Dividend paid – non-controlling interests	-	-	-	-	-	(206,658)	(206,658)
Non-controlling interests arising from Mopani Property Development (Private) Limited	-	-	-	-	-	631	631
Balance at 31 March 2021	2,611	3,925	1,238,673	3,524,902	4,770,111	800,576	5,570,687

**Historical cost financial results are provided only as supplementary information. The primary financial statements are the inflation adjusted results. The auditor's opinion relates only to the inflation adjusted financial results.*

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022

		INFLATION ADJUSTED		HISTORICAL COST*	
	Notes	31 Mar 2022 ZWL 000	31 Mar 2021 ZWL 000	31 Mar 2022 ZWL 000	31 Mar 2021 ZWL 000
Net cash generated from operating activities	15	**2,586,141**	3,436,531	**2,811,316**	1,985,194
Cash flows from investing activities					
Payment for property, plant and equipment – continuing operations	17	**(2,173,187)**	(940,849)	**(1,861,145)**	(605,804)
Payment for property, plant and equipment – discontinued operations		**(331,523)**	(920,234)	**(283,843)**	(433,288)
Proceeds from disposal of property, plant and equipment – continuing operations		**375,725**	154,625	**133,354**	87,663
Proceeds from disposal of property, plant and equipment – discontinued operations		**3,821**	5,601	**2,394**	2,748
Proceeds from disposal of Mentor Africa (Pty) Limited		**2,483,339**	-	**2,483,339**	-
Net movement in service assets	17	**(436)**	120	**(435)**	60
Net movement in other investments – continuing operations		**(125,770)**	(108,648)	**(118,680)**	(62,913)
Net movement in other investments – discontinued operations		**-**	(1,248)	**-**	(603)
Net movement on biological assets – discontinued operations		**466,302**	(257,253)	**(13,950)**	(169,880)
Investment income – continuing operations		**1,219,265**	1,739	**847,960**	467
Investment income – discontinued operations	14.1	**2**	210	**1**	84
Net cash generated from / (used in) investing activities		**1,917,538**	(2,065,937)	**1,188,995**	(1,181,466)
Cash flows from financing activities					
Net (decrease) / increase in interest bearing borrowings – continuing operations		**(1,450)**	(27,646)	**104**	(3,191)
Net (decrease) / increase in interest bearing borrowings – discontinued operations		**(24,193)**	66,642	**110,057**	170,348
Non-controlling interests arising from Mopani Property Development (Private) Limited	21.2	**89,601**	2,082	**61,354**	631
Finance costs – continuing operations		**36,302**	(65,370)	**23,140**	(192)
Finance costs – discontinued operations	14.1	**(98,420)**	(157,374)	**(67,803)**	(74,691)
Lease payments – continuing operations		**(331,966)**	(235,013)	**(182,907)**	(136,086)
Dividend paid – ordinary shareholders		**(844,739)**	(487,873)	**(580,495)**	(218,772)
Dividend paid – non-controlling interests	21.2	**(135,020)**	(37,236)	**(93,167)**	(16,254)
Net cash used in financing activities		**(1,309,885)**	(941,788)	**(729,717)**	(278,207)
Net increase / (decrease) in cash and bank balances		**3,193,794**	428,806	**3,270,594**	525,521
Cash and bank balances at the beginning of the year		**1,441,236**	1,525,289	**839,289**	262,469
Cash and bank balances distributed to shareholders	14.3	**(171,980)**	-	**(151,191)**	-
Translation of foreign entity		**244,284**	10,748	**244,284**	10,748
Net effect of exchange rate changes on cash and bank balances		**774,680**	129,786	**671,533**	40,551
Effects of inflation adjustments		**(607,505)**	(653,393)	**-**	-
Cash and bank balances at the end of the year		**4,874,509**	1,441,236	**4,874,509**	839,289
Comprising:					
Cash and bank balances from continuing operations	24	**4,874,509**	1,352,174	**4,874,509**	787,717
Cash and bank balances from discontinued operations	14.4.1	**-**	89,062	**-**	51,572
Total cash and bank balances at the end of the year		**4,874,509**	1,441,236	**4,874,509**	839,289

**Historical cost financial results are provided only as supplementary information. The primary financial statements are the inflation adjusted results. The auditor's opinion relates only to the inflation adjusted financial results.*

NOTES TO THE FINANCIAL STATEMENTS

1. General information

Meikles Limited, (the Company), is a limited liability company incorporated in Zimbabwe and is listed on the Zimbabwe and London Stock Exchanges. The address of the Company's registered office and principal place of business is disclosed on page 98. The principal activity of the Company is investments holding and the principal activities of its subsidiaries are disclosed in note 21.1.

These inflation adjusted financial statements are presented in Zimbabwe Dollar ("ZWL"), which is the presentation currency of the Group. Foreign operations are included in accordance with the policies set out in note 3.

2. Adoption of new and revised International Financial Reporting Standards (IFRSs)

2.1 New and revised IFRSs in issue but not yet effective

Amendments to IFRS 10 *Consolidated Financial Statements* and IAS 28 *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*
The amendments to IFRS 10 and IAS 28 deal with situations where there is a sale or contribution of assets between an investor and its associate or joint venture. Specifically, the amendments state that gains or losses resulting from the loss of control of a subsidiary that does not contain a business in a transaction with an associate or a joint venture that is accounted for using the equity method, are recognised in the parent's profit or loss only to the extent of the unrelated investors' interests in that associate or joint venture. Similarly, gains and losses resulting from the remeasurement of investments retained in any former subsidiary (that has become an associate or a joint venture that is accounted for using the equity method) to fair value are recognised in the former parent's profit or loss only to the extent of the unrelated investors' interests in the new associate or joint venture.

The effective date of the amendments has yet to be set by the IASB; however, earlier application of the amendments is permitted. The Directors do not anticipate that the application of the amendments in the future will have an impact on the Group's consolidated financial statements.

Amendments to IAS 1 – *Classification of Liabilities as Current or Non-current*
The amendments to IAS 1 affect only the presentation of liabilities as current or non-current in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items.

The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

The amendments are applied retrospectively for annual periods beginning on or after 1 January 2023, with early application permitted. The Directors do not anticipate that implementation of these amendments will have a material impact on the Group's consolidated financial statements.

Amendments to IFRS 3 – *Reference to the Conceptual Framework*
The amendments update IFRS 3 so that it refers to the 2018 Conceptual Framework instead of the 1989 Framework. The amendment also adds to IFRS 3 a requirement that, for obligations within the scope of IAS 37, an acquirer applies IAS 37 to determine whether at the acquisition date a present obligation exists as a result of past events. For a levy that would be within the scope of IFRIC 21 Levies, the acquirer applies IFRIC 21 to determine whether the obligating event that gives rise to a liability to pay the levy has occurred by the acquisition date.

Finally, the amendments add an explicit statement that an acquirer does not recognise contingent assets acquired in a business combination.

The amendments are effective for business combinations for which the date of acquisition is on or after the beginning of the first annual period beginning on or after 1 January 2022. Early application is permitted if an entity also applies all other updated references (published together with the updated Conceptual Framework) at the same time or earlier.

Amendments to IAS 16 – *Property, Plant and Equipment—Proceeds before Intended Use*
The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced before that asset is available for use, i.e. proceeds while bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Consequently, an entity recognises such sales proceeds and related costs in profit or loss. The entity measures the cost of those items in accordance with IAS 2 *Inventories*.

The amendments also clarify the meaning of 'testing whether an asset is functioning properly'. IAS 16 now specifies this as assessing whether the technical and physical performance of the asset is such that it is capable of being used in the production or supply of goods or services, for rental to others, or for administrative purposes. If not presented separately in the statement of comprehensive income, the financial statements shall disclose the amounts of proceeds and cost included in profit or loss that relate to items produced that are not an output of the entity's ordinary activities, and which line item(s) in the statement of comprehensive income include(s) such proceeds and cost.

The amendments are applied retrospectively, but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments.

The amendments are effective for annual periods beginning on or after 1 January 2022, with early application permitted.

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. Adoption of new and revised International Financial Reporting Standards (IFRSs) (continued)

2.1 New and revised IFRSs in issue but not yet effective (continued)

Amendments to IAS 37 – *Onerous Contracts—Cost of Fulfilling a Contract*
The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract consist of both the incremental costs of fulfilling that contract (examples would be direct labour or materials) and an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

The amendments apply to contracts for which the entity has not yet fulfilled all its obligations at the beginning of the annual reporting period in which the entity first applies the amendments. Comparatives are not restated. Instead, the entity shall recognise the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate, at the date of initial application. The amendments are effective for annual periods beginning on or after 1 January 2022, with early application permitted.

Annual Improvements to IFRS Standards 2018–2020
The Annual Improvements include amendments to four Standards.

IFRS 1 *First-time Adoption of International Financial Reporting Standards*
The amendment provides additional relief to a subsidiary which becomes a first-time adopter later than its parent in respect of accounting for cumulative translation differences. As a result of the amendment, a subsidiary that uses the exemption in IFRS 1:D16(a) can now also elect to measure cumulative translation differences for all foreign operations at the carrying amount that would be included in the parent's consolidated financial statements, based on the parent's date of transition to IFRS Standards, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary. A similar election is available to an associate or joint venture that uses the exemption in IFRS 1: D16(a).

The amendment is effective for annual periods beginning on or after 1 January 2022, with early application permitted.

IFRS 9 *Financial Instruments*
The amendment clarifies that in applying the '10 per cent' test to assess whether to derecognise a financial liability, an entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.

The amendment is applied prospectively to modifications and exchanges that occur on or after the date the entity first applies the amendment. The amendment is effective for annual periods beginning on or after 1 January 2022, with early application permitted.

IFRS 16 *Leases*
The amendment removes the illustration of the reimbursement of leasehold improvements. As the amendment to IFRS 16 only regards an illustrative example, no effective date is stated.

IAS 41 *Agriculture*
The amendment removes the requirement in IAS 41 for entities to exclude cash flows for taxation when measuring fair value. This aligns the fair value measurement in IAS 41 with the requirements of IFRS 13 Fair Value Measurement to use internally consistent cash flows and discount rates and enables preparers to determine whether to use pre-tax or post-tax cash flows and discount rates for the most appropriate fair value measurement. The amendment is applied prospectively, i.e. for fair value measurements on or after the date an entity initially applies the amendment. The amendment is effective for annual periods beginning on or after 1 January 2022, with early application permitted.

Amendments to IAS 1 *Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements – Disclosure of Accounting Policies*
The amendments change the requirements in IAS 1 with regard to the disclosure of accounting policies. The amendments replace all instances of the term 'significant accounting policies' with 'material accounting policy information'. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of the financial statements make on the basis of those financial statements. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material.

These amendments to IAS 1 are effective for annual periods beginning on or after 1 January 2023, with prospective earlier application permitted.

Amendments to IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates*
The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are 'monetary amounts in financial statements that are subject to measurement uncertainty'. The definition of a change in accounting estimates was deleted. However, the Board retained the concept of changes in accounting estimates in the Standard with the following clarifications:

- A change in an accounting estimate that results from new information or new developments is not the correction of an error.
- The effects of a change in an input or a measurement technique used to develop an accounting estimate are changes in accounting estimates if they do not result from the correction of prior period errors.

The amendments are effective for annual periods beginning on or after 1 January 2023 to changes in accounting policies and changes in accounting estimates that occur on or after the beginning of that period, with earlier application permitted.

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. Adoption of new and revised International Financial Reporting Standards (IFRSs) (continued)

2.1 New and revised IFRSs in issue but not yet effective (continued)

Amendments to IAS 12 ***Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction***
Under the new amendments, an entity does not apply the initial recognition exemption for transactions that give rise to equal taxable and deductible temporary differences. Equal taxable and deductible temporary differences may arise on initial recognition of an asset and liability in a transaction that is not a business combination and affects neither accounting nor taxable profit. An entity is required to recognise the related deferred tax asset and liability, with the recognition of any deferred tax asset being subject to the recoverability criteria of IAS 12.

The amendments are effective for annual reporting periods beginning on or after 1 January 2023, with earlier application permitted.

3. Significant accounting policies

3.1 Statement of compliance
These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and interpretations issued by the IFRS interpretations Committee. In addition, the consolidated financial statements have also been prepared in accordance with the requirements of the Companies and Other Business Entities Act [Chapter 24:31] and Zimbabwe Stock Exchange Listings Requirements.

3.2 Basis of accounting
The financial statements are prepared from statutory records that are maintained under the historical cost basis except for certain financial instruments which are measured at fair value as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for assets.

On 11 October 2019, the Public Accountants and Auditors Board ("PAAB") issued a pronouncement on the application of IAS 29. The pronouncement requires that entities operating in Zimbabwe with financial periods ending on or after 1 July 2019, prepare and present financial statements in line with the requirements of IAS 29.

The Directors have made appropriate adjustments to reflect the changes in the general purchasing power on the ZWL and for the purposes of fair presentation in accordance with IAS 29, these changes have been made on the historical cost financial information. Various assumptions have been made, with the significant assumption being the use of the consumer price indices ("CPI"), for the various years. Accordingly, the inflation adjusted financial statements represent the primary financial statements of the Group. The historical cost financial statements are provided as supplementary information and as a result the auditors have not expressed an opinion on them.

The source of the price indices used was the Reserve Bank of Zimbabwe website. Below are the indices and adjustment factors used up to 31 March 2022:

	Indices	Adjustment Factor
CPI as at 31 March 2022	**4,766.10**	**1.00**
CPI as at 31 March 2021	**2,759.83**	**1.73**
CPI as at 1 October 2018 (for opening balances)	**64.06**	**74.40**
Average CPI 2022	**3,582.86**	
Average CPI 2021	**2,083.51**	
	382.91	

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of IFRS 2, leasing transactions that are within the scope of IFRS 16, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 or value in use in IAS 36.

In addition, for financial reporting purposes and in accordance with the guidance provided by IFRS 13, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described in detail on note 3.20.5.

The consolidated financial statements for the year ended 31 March 2022 were prepared under the supervision of Thempson Muzvagwandoga CA(Z), MBL (UNISA), the Finance Director of Meikles Limited.

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. Significant accounting policies (continued)

3.3 Basis of consolidation
The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company. Control is achieved when the Company:
- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:
- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation. Intragroup transactions with discontinued operations are eliminated under continuing operations.

3.3.1 Changes in the Group's ownership interests in existing subsidiaries
Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non- controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable IFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

3.4 Business combinations
Acquisitions of businesses are accounted for using the acquisition method, including acquisitions of joint operations that constitute a business as defined in IFRS 3. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with IAS 12 and IAS 19 respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with IFRS 2 at the acquisition date; and
- assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 are measured in accordance with that Standard.

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. Significant accounting policies (continued)

3.4 Business combinations (continued)
Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another IFRS.

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates in accordance with IAS 39, or IAS 37 as appropriate, with the corresponding gain or loss being recognised in profit or loss.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

3.5 Goodwill
Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business (see note 3.4 above) less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal. The Group's policy for goodwill arising on the acquisition of an associate is described at note 3.6 below.

3.6 Investments in associates and joint ventures
An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results, assets and liabilities of associates or joint ventures are accounted for using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with IFRS 5. Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture.

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. Significant accounting policies (continued)

3.6 Investments in associates and joint ventures (continued)
When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The requirements of IAS 36 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate or a joint venture. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture, or when the investment is classified as held for sale. When the Group retains an interest in the former associate or joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with IFRS 9. The difference between the carrying amount of the associate or joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate or joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture.

In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate or joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate or joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no re-measurement to fair value upon such changes in ownership interests.

When the Group reduces its ownership interest in an associate or a joint venture, but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When a group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

3.7 Interests in joint operations
A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

When a group entity undertakes its activities under joint operations, the Group as a joint operator recognises in relation to its interest in a joint operation:

- Its assets, including its share of any assets held jointly.
- Its liabilities, including its share of any liabilities incurred jointly.
- Its revenue from the sale of its share of the output arising from the joint operation.
- Its share of the revenue from the sale of the output by the joint operation.
- Its expenses, including its share of any expenses incurred jointly.

The Group accounts for the assets, liabilities, revenues and expenses relating to its interest in a joint operation in accordance with the IFRSs applicable to the particular assets, liabilities, revenues and expenses.

When a group entity transacts with a joint operation in which a group entity is a joint operator (such as a sale or contribution of assets), the Group is considered to be conducting the transaction with the other parties to the joint operation, and gains and losses resulting from the transactions are recognised in the Group's consolidated financial statements only to the extent of other parties' interests in the joint operation.

When a group entity transacts with a joint operation in which a group entity is a joint operator (such as a purchase of assets), the Group does not recognise its share of the gains and losses until it resells those assets to a third party.

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. Significant accounting policies (continued)

3.8 Non-current assets held for sale or distribution to owners
Non-current assets and disposal groups are classified as held for sale or distribution to owners if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met, regardless of whether the Group will retain a non-controlling interest in its former subsidiary after the sale.

When the Group is committed to a sale plan involving disposal of an investment, or a portion of an investment, in an associate or joint venture, the investment or the portion of the investment that will be disposed of is classified as held for sale when the criteria described above are met, and the Group discontinues the use of the equity method in relation to the portion that is classified as held for sale. Any retained portion of an investment in an associate or a joint venture that has not been classified as held for sale continues to be accounted for using the equity method. The Group discontinues the use of the equity method at the time of disposal when the disposal results in the Group losing significant influence over the associate or joint venture.

When an asset (or disposal group) is reclassified from held for sale to held for distribution to owners (or vice versa), such a change is considered as a continuation of the original plan of disposal and hence the requirements in IFRS 5 regarding change of sale plan are not applied.

After the disposal takes place, the Group accounts for any retained interest in the associate or joint venture in accordance with IFRS 9 unless the retained interest continues to be an associate or a joint venture, in which case the Group uses the equity method (see the accounting policy regarding investments in associates or joint ventures in note 3.6 above).

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell.

3.9 Revenue recognition
The Group recognises revenue from the following major sources:
- Sale of goods;
- Accommodation and venue hiring services;
- Security guard services; and
- Rental income.

Revenue is measured based on the consideration to which the Group expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control of a product or service to a customer.

3.9.1 Sale of goods
The Group's sale of goods includes supermarket merchandise, hotel food, beverages and other merchandise.

For sales of supermarket merchandise, revenue is recognised when control of the goods has transferred, being at the point the customer purchases the goods at the retail outlet. Payment of the transaction price is due immediately at the point the customer purchases the goods.

The Group operates a brand loyalty programme for a limited time period through which retail customers accumulate points on purchases of retail goods that entitle them to free pots, pans and / or knives. These points provide a discount to customers that they would not receive without purchasing the retail goods (i.e., a material right). The promise to provide the discount to the customer is therefore a separate performance obligation.

The transaction price is allocated between the product, and the points on a relative stand-alone selling price basis. The stand-alone selling price per point is estimated based on the discount to be given when the points are redeemed by the customer and the likelihood of redemption, as evidenced by the Group's historical experience. A contract liability is recognised for revenue relating to the loyalty points at the time of the initial sales transaction. Revenue from the loyalty points is recognised when the points are redeemed by the customer. Revenue for points that are not expected to be redeemed is recognised in proportion to the pattern of rights exercised by customers.

For food and beverages sales, revenue is recognised when control of the goods has transferred to the customer, being at the point the food or beverage is served to the customer. When the booking contract for food and accommodation services is combined from a single customer, the Group recognises the revenue separately. For other hotel merchandise revenue is recognized when control of the goods has been transferred to the customer.

3.9.2 Accommodation and venue hiring services
The Group provides accommodation and venue hiring services to various customers through its hospitality business operations. Such services are recognised as a performance obligation satisfied over the customer's duration of stay. Revenue is recognised for these services based on the stage of completion of the booking contract. The Directors have assessed that the stage of completion determined as the proportion of the total duration of stay expected that has elapsed at the end of the reporting period is an appropriate measure of progress towards complete satisfaction of these performance obligations under IFRS 15. Payment for the accommodation and hiring services is not due from the customer until the services are complete and therefore a trade receivable is recognised over the period in which the services are performed representing the entity's right to consideration for the services performed to date. Where deposit payment is received in respect of accommodation and venue hiring services not yet rendered, the receipt is recognised as a deferred income under other payables in the Group's consolidated statement of financial position.

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. Significant accounting policies (continued)

3.9 Revenue recognition (continued)

3.9.3 Security guard services
The Group provides security guard services to customers both within the Group and external customers. The security guard contract is monthly based, and the Group recognises revenue from external customers on the stage of completion basis over the duration of the monthly contract. Billing is done at the beginning of the month, but payment is due from the customer when the service has been rendered to the satisfaction of the customer. Revenue to fellow Group companies is recognised only in the separate financial statements of the security guard entity, but is eliminated in arriving at Group revenue.

3.9.4 Right of return
IFRS 15 requires that revenue from expected returns should not be recognised until it is certain that no returns will be made. Thus, this qualifies as a sale with a right of return, as the customer has the right to return the goods and in return receive a full refund of the consideration paid.

The Group recognises a refund liability at the end of each reporting date and updates the measurement of this liability with changes in expectations about the amount of refunds. The corresponding adjustments are recognised as revenue or reductions of revenue. The Group recognises an asset for its right to recover products from a customer on settling a refund liability and its measured by reference to the former carrying amount of the product less any expected costs to recover those products. The asset is updated at the end of each year with changes in expectations about products to be returned.

3.10 Leases

The Group as lessor
Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

The Group as lessee
The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (those leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as operating expenses on a straight-line basis over the term of the lease.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the Group's incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:
- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate;
- The amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease liability is presented as a separate line in the consolidated statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset.

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. Significant accounting policies (continued)

3.10 Leases (continued)

The right-of-use assets are presented as a separate line in the consolidated statement of financial position.

The Group tests the right-of-use asset for impairment at each reporting date and accounts for any identified impairment loss as described in note 3.17 below.

Variable rents that do not depend on an index or rate are not included in the measurement the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in profit or loss.

3.11 Foreign currencies
In preparing the financial statements of each individual group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date.

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on transactions entered into in order to hedge certain foreign currency risks; and
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

For the purposes of presenting these consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into ZWL using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (and attributed to non-controlling interests as appropriate).

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation are reclassified to profit or loss.

In addition, in relation to a partial disposal of a subsidiary that includes a foreign operation that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of associates or joint arrangements that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

Goodwill and fair value adjustments to identifiable assets acquired and liabilities assumed through acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in other comprehensive income.

3.12 Retirement benefit costs
The Group operates a Defined Contribution Plan for all eligible employees. The scheme is funded by payments from employees and from Group Companies, and the assets are held in various funds under the authority of the Trustees. The Group also participates in the National Social Security Authority Scheme (NSSA). Payments made to NSSA are dealt with as payments to defined contribution plans where the Group's obligations under the plans are equivalent to those arising in a defined contribution retirement benefit plan.

Contributions to the defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

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

<u>3.13.1 Current tax</u>
The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the consolidated statement of profit or loss and other comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. Significant accounting policies (continued)

3.13 Taxation (continued)

3.13.2 Deferred tax
Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

For the purposes of measuring deferred tax liabilities and deferred tax assets for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale.

The Directors reviewed the Group's investment property portfolios and concluded that the Group's investment properties are held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time, rather than through sale. Therefore, the Directors have determined that the 'sale' presumption set out in the amendments to IAS 12 is rebutted. As a result, there has been no change in the way that the Group recognises deferred taxes on investment properties.

3.13.3 Current and deferred tax for the year
Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

3.14 Property, plant and equipment
Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Leased assets under a finance lease are initially measured at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to the asset.

Bearer plants are included as part of property, plant and equipment. Before maturity, bearer plants are measured at their accumulated cost. After maturity bearer plants are measured at cost less accumulated depreciation and any recognised impairment losses.

Service assets comprising cutlery, crockery, glassware and kitchen utensils are expensed in full on the date of issue, whilst linen is depreciated on a straight-line basis over two years from date of issue. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment. Where parts of an item of property or equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment.

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. Significant accounting policies (continued)

3.14 Property, plant and equipment (continued)
Land and capital work in progress are not depreciated. Depreciation on other assets is calculated on a straight-line basis so as to write off the assets less their anticipated residual values, over their estimated useful lives as follows:

Buildings	50 - 60 years
Leasehold improvements	shorter of the useful life and the lease period
Furniture and equipment	3 - 15 years
Motor vehicles	3 -10 years

The estimated useful lives, residual values and depreciation methods are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

3.15 Investment property
Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured at cost, including transaction costs, less accumulated depreciation and accumulated impairment losses.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised. Investment property freehold buildings are depreciated on a straight-line basis over the estimated economic useful life of 60 years. Land is not depreciated and is deemed to have an indefinite useful life.

3.16 Intangible assets

3.16.1 Intangible assets acquired separately
These comprise of trademarks, which are valued at historical cost less accumulated impairment losses. Trademarks have an indefinite useful life and are therefore not amortised. Events and circumstances are evaluated at the end of each reporting period to determine whether an indefinite useful life is supported.

3.16.2 Internally-generated intangible assets - research and development expenditure
Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:
- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred. Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

3.16.3 Intangible assets acquired in a business combination
Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost). Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

3.16.4 Derecognition of intangible assets
An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

3.17 Impairment of tangible and intangible assets other than goodwill
At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs.

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. Significant accounting policies (continued)

3.17 Impairment of tangible and intangible assets other than goodwill (continued)

Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. 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 asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

3.18 Inventories
Inventories are stated at the lower of cost and net realisable value. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Costs of inventories are determined as follows:
- Retail merchandise is valued on a weighted average basis. The inventories are then assessed for impairment based on the net realisable value.
- Consumables are valued at the lower of cost and net realisable value on a first-in-first-out basis.
- Goods in transit are valued at actual cost.
- The cost of manufactured goods for resale includes the cost of raw materials (as disclosed above, in the case of tea), the cost of packaging materials, direct labour and an appropriate proportion of factory overhead expenses.

3.19 Provisions
Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

<u>3.19.1 Restructurings</u>
A restructuring provision is recognised when the Group has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring provision includes only the direct expenditures arising from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with the ongoing activities of the entity.

<u>3.19.2 Contingent liabilities acquired in a business combination</u>
Contingent liabilities acquired in a business combination are initially measured at fair value at the acquisition date. At the end of subsequent reporting periods, such contingent liabilities are measured at the higher of the amount that would be recognised in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets and the amount initially recognised less cumulative amortisation recognised in accordance with IFRS 15.

3.20 Financial instruments

<u>3.20.1 Initial recognition</u>
Financial assets and financial liabilities are recognised in the Group's consolidated statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Recognised financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. Significant accounting policies (continued)

3.20 Financial instruments (continued)

3.20.1 Initial recognition (continued)
If the transaction price differs from fair value at initial recognition, the Group will account for such difference as follows:

- If fair value is evidenced by a quoted price in an active market for an identical asset or liability or based on a valuation technique that uses only data from observable markets, then the difference is recognised in profit or loss on initial recognition (i.e. day 1 profit or loss);
- In all other cases, the fair value will be adjusted to bring it in line with the transaction price (i.e. day one profit or loss will be deferred by including it in the initial carrying amount of the asset or liability).

After initial recognition, the deferred gain or loss will be released to profit or loss on a rational basis, only to the extent that it arises from a change in a factor (including time) that market participants would consider when pricing the asset or liability.

3.20.2 Classification of financial assets and financial liabilities
The Group classifies its financial instruments in the following categories:
- At fair value through profit and loss (“FVTPL”),
- At fair value through other comprehensive income (“FVTOCI”) or
- At amortised cost.

The Group determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the business model for managing the financial assets and their contractual cash flow characteristics.

Equity instruments that are held for trading are classified as FVTPL, for other equity instruments, the Group can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI.

Financial liabilities are measured at amortised cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Group has opted to measure them at FVTPL.

3.20.3 Measurement

3.20.3.1 Financial assets at FVTOCI
Elected investments in equity instruments at FVTOCI are initially recognised at fair value plus transaction costs. Subsequently they are measured at fair value, with gains and losses arising from changes in fair value recognised in other comprehensive income or loss.

3.20.3.2 Financial assets and liabilities at amortised cost
Financial assets and liabilities at amortised cost are initially recognised at fair value, and subsequently carried at amortised cost less any impairments.

3.20.3.3 Financial assets and liabilities at FVTPL
Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in profit or loss. Realised and unrealised gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in profit or loss in the period in which they arise. Where management has opted to recognise a financial liability at FVTPL, any changes associated with the SED’s own credit risk will be recognised in other comprehensive (loss) income.

3.20.3.4 Impairment of financial assets at amortised cost
The Group recognises a loss allowance for expected credit losses on financial assets that are measured at amortised cost. At each reporting date, the Group measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the credit risk has not increased significantly since initial recognition, the Group measures the loss allowance for the financial asset at an amount equal to twelve month expected credit losses.

The Group assesses all information available, including on a forward-looking basis, the expected credit losses associated with its assets carried at amortised cost. Forward looking information considered at arriving at the impairment amount includes but not limited to, inflation rates, interest rates, and exchange rates. The impairment methodology applied depends on whether there has been a significant increase in credit risk. To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition based on all information available, and reasonable and supportive forward-looking information.

For trade receivables, the Group applies the simplified approach as permitted by IFRS 9 which requires expected lifetime losses to be recognised from initial recognition of receivables. Impairment losses on financial assets carried at amortised cost are reversed in subsequent periods if the amount of the loss decreases and the decrease can be objectively related to an event occurring after the impairment was recognised.

3.20.3.5 Definition of default
Critical to the determination of ECL is the definition of default. The definition of default is used in measuring the amount of ECL and in the determination of whether the loss allowance is based on 12-month or lifetime ECL, as default is a component of the probability of default (PD) which affects both the measurement of ECLs and the identification of a significant increase in credit risk.

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. Significant accounting policies (continued)

3.20 Financial instruments (continued)

3.20.3.5 Definition of default (continued)
The Group considers the following as constituting an event of default:
- The financial asset is 120 days past due on any material credit obligation to the Group; or
- The financial asset is unlikely to pay its credit obligations to the Group in full.

The definition of default is appropriately tailored to reflect different characteristics of different types of assets. When assessing if the borrower is unlikely to pay its credit obligation, the Group considers both qualitative and quantitative indicators. The information assessed depends on the type of the asset and sources of information to assess default which are either developed internally or obtained from external sources.

3.20.3.6 Significant increase in credit risk
The Group monitors all financial assets, 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 Group will measure the loss allowance based on lifetime rather than 12-month ECL. The Group'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 Group 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 recognised. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort, based on the entity's historical experience and expert credit assessment 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.

3.20.3.7 Write-off
Financial assets are written off when the Group has no reasonable expectations of recovering the financial asset (either in its entirety or a portion of it). This is the case when the Group determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. A write-off constitutes a derecognition event.

3.20.3.8 Presentation of allowance for ECL in the statement of financial position
Loss allowances for ECL are presented in the statement of financial position for financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets.

3.20.4 Derecognition

3.20.4.1 Financial assets
The Group derecognises financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognised in the consolidated statement of comprehensive income. Upon derecognition of financial assets, gains and losses accumulated in other comprehensive income are reclassified to profit or loss, except for investments in equity instruments classified at FVTOCI. For equity instruments classified as FVOCI, gains and losses included in profit or loss are calculated as the difference between the sale proceeds and fair value as at the date of derecognition.

3.20.4.2 Financial liabilities
The Group derecognises financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in the consolidated statement of profit or loss and other comprehensive income.

3.20.5 Fair values
Fair values are determined for measurement and/or disclosure purposes based on the fair value hierarchy below.

The Group characterises inputs used in determining fair value using a hierarchy that prioritises inputs depending on the degree to which they are observable. The three levels of the fair value hierarchy are as follows:

- Level 1: fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;

- Level 2: fair value measurements are those derived from inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

- Level 3: fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. Significant accounting policies (continued)

3.20 Financial instruments (continued)

3.20.5 Fair values (continued)
The carrying values of cash and cash equivalents, accounts receivable, and accounts payable and accrued liabilities approximate their fair values because of the short-term nature of these financial instruments.

3.20.6.1 Investment income
Interest income for all financial instruments except for those designated as at FVTPL are recognised as 'Investment income' in the profit or loss account using the effective interest method. Interest on financial instruments measured as at FVTPL is included within the fair value movement during the period.

The effective interest rate (EIR) is the rate that exactly discounts estimated future cash flows of the financial instrument through the expected life of the financial instrument or, where appropriate, a shorter period, to the net carrying amount of the financial asset or financial liability. The future cash flows are estimated considering all the contractual terms of the instrument. The calculation of the EIR includes all fees and points paid or received between parties to the contract that are incremental and directly attributable to the specific lending arrangement, transaction costs, and all other premiums or discounts. For financial assets at FVTPL transaction costs are recognised in profit or loss at initial recognition.

The interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (i.e. at the amortised cost of the financial asset before adjusting for any expected credit loss allowance), or to the amortised cost of financial liabilities. For credit-impaired financial assets the interest income is calculated by applying the EIR to the amortised cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for expected credit losses (ECLs)). For financial assets originated or purchased credit-impaired (POCI) the EIR reflects the ECLs in determining the future cash flows expected to be received from the financial asset.

3.20.6.2 Income from financial instruments at FVTPL
Income from financial instruments at FVTPL includes all gains and losses from changes in the fair value of financial assets and financial liabilities at FVTPL. The Group has elected to present the full fair value movement of assets and liabilities at FVTPL, including the related interest income, expense and dividends.

3.21 Cash and cash equivalents
Cash and cash equivalents include cash in hand, deposits held on call with banks and other short term highly liquid investments. Bank overdrafts are shown with borrowings.

4. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, which are described in note 3, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. While the estimates are based on the most reliable data available, actual results, in the near term, could differ significantly from those estimates depending upon certain events and uncertainties.

The timing and extent of losses the Group incurs as a result of future failures of:
- entities that are closed;
- the ability to recover receivables based on the trends;
- expectations of the liquidation of entities; and
- the probability of recovery through successful lawsuits as appropriate against relevant parties.

4.1 Critical judgements in applying accounting policies
The following are the critical judgements, apart from those involving estimation, that the Directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

4.1.1 Deferred taxation on investment properties
In determining the Group's deferred taxation on investment properties, the Directors have reviewed the Group's investment properties and concluded that the Group's investment properties are held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time, rather than through sale. Therefore, in determining the Group's deferred taxation on investment properties, the Directors have determined that the 'sale' presumption set out in the amendments to IAS 12 is rebutted. As a result, there has been no change in the way that the Group recognises deferred taxes on investment properties.

NOTES TO THE FINANCIAL STATEMENTS (continued)

4. Critical accounting judgements and key sources of estimation uncertainty (continued)

4.1 Critical judgements in applying accounting policies (continued)

4.1.2 Business model assessment
Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Group determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed. The Group monitors financial assets measured at amortised cost or FVTOCI that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Group's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

4.1.3 Credit risk assessment
In measurement of financial assets, the Group measures ECL as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL assets for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. IFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased the Group considers qualitative and quantitative reasonable and supportable forward-looking information.

4.1.4 Establishing groups of assets with similar credit risk characteristics
When ECLs are measured on a collective basis, financial instruments are grouped on the basis of shared risk characteristics. The Group monitors the appropriateness of the credit risk characteristics on an ongoing basis to assess whether they continue to be similar. This is required in order to ensure that should credit risk characteristics change there is appropriate re-segmentation of the assets. This may result in new portfolios being created or assets moving to an existing portfolio that better reflects the similar credit risk characteristics of that group of assets. Re-segmentation of portfolios and movement between portfolios is more common when there is a significant increase in credit risk (or when that significant increase reverses) and so assets move from 12-month to lifetime ECLs, or vice versa, but it can also occur within portfolios that continue to be measured on the same basis of 12-month or lifetime ECLs but the amount of ECL changes because the credit risk of the portfolios differ.

4.1.5 Models and assumptions used in measuring fair value of financial assets
The Group uses various models and assumptions in measuring fair value of financial assets as well as in estimating ECL. Judgement is applied in identifying the most appropriate model for each type of asset, as well as for determining the assumptions used in these models, including assumptions that relate to key drivers of credit risk.

4.1.6 Barkpest Investments (Private) Limited and Liftbrok Investments (Private) Limited
Barkpest Investments (Private) Limited and Liftbrok Investments (Private) Limited were executive share purchase scheme vehicles whose shareholders were former Directors of the Company and former key executives. The Company granted loans to these two entities for the purchase of the Company's shares. At the time the former Directors and executives left the employ of the Group, the recoverability of loans became subject of certain disputes. During the year ended 31 March 2019, the disputes between the Group and former executives were resolved. Processes to recover the amount due to the Group from the share purchase vehicles are currently underway through dividend income accruing to the share purchase vehicles. The collateral held of 1,500,000 shares in the Company is more than sufficient to cover the Group's maximum exposure. The Group has no intention of controlling the two entities after recovery of the amounts owed. The Directors are satisfied that there is no control of these share purchase schemes and resultantly, their financial statements have not been consolidated.

4.1.7 Determination of spot exchange rates
The Group uses the Zimbabwe Dollar ("ZWL") as its presentation currency. The ZWL is also the functional currency of the Company and its subsidiaries, with the exception of the operations of Cape Grace Investments Limited, which is domiciled in the British Virgin Islands. All foreign currency denominated transactions and balances are translated to the ZWL in accordance with IAS 21- "The Effects of Changes in Foreign Exchange Rates" at the auction rate prevailing on the transaction dates. The auction rates are determined once a week through a Reserve Bank of Zimbabwe controlled auction system, and the rate set each week is valid for the entire week.

During the current and prior years, there was prevalence of multiple exchange rates in the Zimbabwe economy, with a combination of both official and unofficial exchange rates. The bulk of the Group's trading transactions are at its supermarkets segment, which is required by law to abide by set regulations regarding compliance with official exchange rates, and under strict monitoring and surveillance. Whilst there is country wide evidence of lack of exchangeability of foreign currency at the prevailing official exchange rates, the Directors believes this is a market wide economic situation and as such exchange rates must be set at the level of the economy and not entity specific. During the period under review the Group had adequate foreign currency to finance its operations. Use of the auction rate as spot rate is a management judgement and the Directors are satisfied that it is appropriate for use as a spot rate.

4.1.8 The Meikles Employee Share Ownership Trust ("the Trust" or "MESOT")
The Directors have made an assessment of the requirements of IFRS 10 as to whether or not the Group has control over the Trust. The Directors concluded that Meikles Limited has had no control over the Trust since its inception. The Trust was set up primarily as an empowerment vehicle as then required by the Indigenisation and Economic Empowerment Act (Cap 14:33). The structure of the Trust Deed had to comply with the requirements of the legislation for Meikles' indigenisation compliance application to be approved by the Government of Zimbabwe.

NOTES TO THE FINANCIAL STATEMENTS (continued)

4. Critical accounting judgements and key sources of estimation uncertainty (continued)

4.1 Critical judgements in applying accounting policies (continued)

4.1.8 The Meikles Employee Share Ownership Trust ("the Trust" or "MESOT") (continued)
In order for an investor to control an investee, the investor must have power over the investee, exposure or rights to returns from exercising that power and the ability to use that power to affect the returns of the investee. All three of these have to be met in order to conclude that an investor controls an investee. For each of the above conditions, the Directors have considered the following:

- Meikles does not have power over MESOT as they can only appoint 40% of the trustees and the other 60% are appointed by the participants, and the Trust's decisions are based on a majority vote of the trustees.
- Even though Meikles set up the Trust and put limitations on the activities of the Trust/trustees, this does not equate to controlling power as the rights afforded to Meikles are merely protective rights and not controlling rights.
- Meikles is not exposed to returns that are quantifiable in monetary terms as it does not benefit from receiving any income from MESOT. Though the benefit from the Trust is in motivated employees, this benefit itself is not quantifiable in monetary terms. The Conceptual Framework for IFRSs requires elements of financial statements to be measured reliably for inclusion in financial statements.
- Meikles does not have the ability to exercise any power to affect the returns of MESOT.

Since the Directors are satisfied that there is no control of MESOT, the MESOT financial statements have not been consolidated into these Group financial statements.

4.2 Key sources of estimation uncertainty

4.2.1 Funds due from Gondor Capital Limited ("Gondor")
Gondor Capital Limited, a shareholder entity, currently holds funds for the Group. The funds are denominated in US$ and are non-interest bearing. The funds are due and repayable to the Group on 30 June 2025. A provision for credit losses has been made based on the lifetime ECL model to comply with the standard (Refer to note 21). When measuring expected credit losses on the funds due from Gondor, the Group uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other. For the current year, Gondor confirmed that funds amounting to US$11,737,013 are owed to Cape Grace Investments Limited (BVI), a wholly owned foreign subsidiary of the Group.

4.2.2 Useful lives and residual values of property, plant and equipment
As described in note 3.14 above, the Group reviews the estimated useful lives and residual values of property, plant and equipment at the end of each reporting period. The remaining useful lives and residual values are reassessed based on business trends, technological developments, asset conditions and management's future plans. The useful lives and residual values so determined involved the exercise of significant levels of judgement based on data that is not readily observable.

4.2.3 Fair value measurements and valuation processes
Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group uses Level 2 inputs to perform the valuation. Refer to note 3.2 for descriptions of Level 1 and 2 inputs. Where appropriate, the Group works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in notes 20, 21, 23 and 34.

4.2.4 Deferred tax asset
The Group has recognised a deferred tax asset arising from assessed losses on some of its subsidiaries. The Group estimates the probability of a subsidiary to generate sufficient future taxable income for recovering the carrying amounts of recognised deferred tax assets. Where there is no or limited probability of sufficient future taxable income, the Group impairs the deferred tax asset. The process of determining the availability of future taxable profit involves an element of judgement since the financial projections used are sensitive to future economic conditions. For the current year, the Directors have evaluated the forecasts and strategic business plans of the affected subsidiaries and have concluded that sufficient future taxable income will be generated by these subsidiaries to utilise the deferred tax asset arising from the assessed losses.

4.2.5 Investment in Mentor Africa (Pty) Limited ("Mentor")
The Group had a 35% investment in Mentor Africa (Pty) Limited until it was disposed of in March 2022. The investment was carried at FVTOCI and was not held for trading. Dividend income was recognised in profit or loss. The investment was unlisted and there was no active market for similar or identical investments. In the absence of market activity and access to more observable level 1 or 2 inputs, the Group utilised level 3 inputs to determine its fair value. At each reporting date, valuations were performed by an independent expert valuer. In preparing such valuation, assumptions were made relating to future events and financial performance. As at the disposal date, the selling price of the asset was assessed to be its fair value as the transaction was an orderly sale of a financial asset between two willing market participants. The determination of the fair value of Mentor involves judgement. Actual results may not correspond with the assumptions used. The Group has had no representation on the board of Mentor throughout the life of the investment and consequently had no access to information regarding Mentor operations except for that to which it has statutory rights as a shareholder.

NOTES TO THE FINANCIAL STATEMENTS (continued)

5. Going concern

The Directors assess the ability of the Group to continue in operational existence in the foreseeable future on a continuous basis and at each reporting date. As at 31 March 2022, and subsequently, the Directors assessed the Group's ability to continue operating as a going concern and believe that the preparation of these consolidated financial statements on a going concern basis is appropriate.

In making the assessment for the financial statements for the year ended 31 March 2022, the Directors conducted a comprehensive review of the Group's affairs including but not limited to:

- The Group's financial performance for the year ended 31 March 2022;
- The Group's financial position at 31 March 2022;
- The Group's forecasts for the period up to 31 August 2023; and
- The impact to the Group operations of COVID-19.

In comparison with the previous year, the Group's operations were less affected by the effects of COVID-19 in the current year. The Group's supermarkets, security services and properties traded throughout the period. Supermarkets and security services were designated as "essential services" in terms of the Government of Zimbabwe's COVID-19 measures and were allowed to trade during lockdowns at the beginning of the financial period. By the end of the financial year, the supermarkets segment had returned to normal trading hours of the pre-pandemic levels.

Unlike in the previous year, the hospitality segment traded throughout the year. However, during the first half of the year, international arrivals were still subdued owing to travel restrictions from major source markets around the world. This improved significantly by the end of the year owing to successful vaccinations campaigns throughout the world and in the Victoria Falls town where The Victoria Falls Hotel is based. Business levels were yet to fully recover by the end of the financial year, but the Directors are optimistic about the outlook period as major source markets such as the United Kingdom have fully lifted all COVID-19 related travel restrictions. Despite the pervasive uncertainty still being posed by the COVID-19 pandemic and any future variants, the Group is maintaining a long-term strategic course on the segment and is continuing to support the refurbishment of the hotel in preparation for a full return to international travel and tourism.

The Group had considerable cash and cash equivalent resources at its disposal at the reporting date that are sufficient to support the Group's operating capital expenditure plans for the period to 30 June 2023. This is further evidenced by the fact that the Group has declared and paid 7 cash dividends to its shareholders since the COVID-19 pandemic started. As such, the Directors are satisfied that the Group has adequate resources to continue to operate for at least twelve months from the date of approval of these financial statements.

6. Segment information

For purposes of resource allocation and assessment of segment performance, the Group is organised into segments based on their operational activities and geographical location. The operating segments comprise supermarkets, hotels, properties and security guard operations. Security guard operations and properties, whose revenues are predominantly internal, are immaterial to warrant separate disclosure. The agriculture segment has been classified under discontinued operations in the current year as it was distributed to owners through a dividend in specie. Refer to note 14 for further details. As with prior years, mining operations are still on hold following the withdrawals of the Group's partners from the ventures. The Group is organised into two geographical segments, Zimbabwe and non-Zimbabwe.

6.1 Segment financial performance

	INFLATION ADJUSTED			
CONTINUING OPERATIONS	**Supermarkets**	**Hotels**	**Corporate***	**Group**
31 March 2022	**ZWL 000**	**ZWL 000**	**ZWL 000**	**ZWL 000**
Sale of goods	**66,018,679**	**125,892**	**(293,082)**	**65,851,489**
Sale of services	**-**	**132,357**	**-**	**132,357**
Total revenue	**66,018,679**	**258,249**	**(293,082)**	**65,983,846**
Operating profit / (loss)	**2,844,294**	**(37,444)**	**(569,123)**	**2,237,727**
Investment income	**758**	**522**		**1,245,387**
Finance costs	**(262,858)**	**(1,542)**	**21,943**	**(242,457)**
Profit on distribution of subsidiary equity to shareholders	**-**	**-**	**61,569**	**61,569**
Net exchange gains	**26,468**	**323,785**	**515,000**	**865,253**
Net monetary adjustment	**1,530,861**	**(308,116)**	**(391,829)**	**830,916**
Income tax (expense) / credit	**(1,684,821)**	**218,547**	**(111,309)**	**(1,577,583)**
Adjusted profit for the year◊	**2,454,702**	**195,752**	**770,358**	**3,420,812**
31 March 2021				
Sale of goods	48,379,497	874,305	(163,360)	49,090,442
Sale of services	-	15,792	-	15,792
Total revenue	48,379,497	890,097	(163,360)	49,106,234
Operating profit / (loss)	1,852,897	88,858	(424,798)	1,516,957
Investment income	5,676	503	2,120	8,299
Finance costs	(419,314)	(680)	32,180	(387,814)
Net exchange (losses) / gains	(52,399)	2,668,951	(89,275)	2,527,277
Net monetary adjustment	1,227,551	(2,775,997)	250,031	(1,298,415)
Income tax expense	(1,522,157)	(193,446)	(52,096)	(1,767,699)
Adjusted profit / (loss) for the year◊	1,092,254	(211,811)	(281,838)	598,605

NOTES TO THE FINANCIAL STATEMENTS (continued)

6. Segment information (continued)

6.1 Segment financial performance (continued)

HISTORICAL COST

CONTINUING OPERATIONS

31 March 2022	Supermarkets ZWL 000	Hotels ZWL 000	Corporate* ZWL 000	Group ZWL 000
Sale of goods	50,681,063	92,056	(206,389)	50,566,730
Sale of services	-	100,252	-	100,252
Total revenue	50,681,063	192,308	(206,389)	50,666,982
Operating profit / (loss)	4,704,786	(28,620)	(423,886)	4,252,280
Investment income	409	422	873,251	874,082
Finance costs	(163,348)	(1,521)	15,823	(149,046)
Profit on distribution of subsidiary to shareholders	-	-	3,894,624	3,894,624
Net exchange gains	25,490	284,835	460,667	770,992
Income tax (expense) / credit	(1,197,228)	135,151	(132,632)	(1,194,709)
Adjusted profit / (loss) for the year◊	3,370,109	390,267	4,687,847	8,448,223
31 March 2021				
Sale of goods	21,702,553	311,247	(73,239)	21,940,561
Sale of services	-	8,365	-	8,365
Total revenue	21,702,553	319,612	(73,239)	21,948,926
Operating profit/ (loss)	2,502,035	3,119	(129,000)	2,376,154
Investment income	3,019	253	993	4,265
Finance costs	(196,086)	(190)	16,260	(180,016)
Net exchange (losses) / gains	32,223	910,652	(31,712)	911,163
Income tax expense	(666,589)	(189,106)	3,862	(851,833)
Adjusted profit / (loss) for the year◊	1,674,602	724,728	(139,597)	2,259,733

Intercompany transactions have been eliminated in the corporate amounts. Corporate also includes other operating segments that are immaterial to warrant separate disclosure.

*Included in the corporate revenue amount is an adjustment of ZWL 575 million (2021: ZWL 366.3 million) against revenue in respect of inter-segment sales.

◊Profit for the year for the reportable segments is before Group management fees.

6.2 Segment assets and liabilities

INFLATION ADJUSTED

31 March 2022	Supermarkets ZWL 000	Hotels ZWL 000	Corporate* ZWL 000	Group ZWL 000
Segment assets	20,111,738	1,844,874	5,037,957	26,994,569
Segment liabilities	(9,413,095)	(483,603)	(188,973)	(10,085,671)
Capital expenditure	1,821,421	225,343	126,423	2,173,187
Depreciation and impairment	(1,531,120)	(603)	(184,742)	(1,716,465)

31 March 2021	Supermarkets ZWL 000	Hotels ZWL 000	Agriculture ZWL 000	Corporate* ZWL 000	Group ZWL 000
Segment assets	16,468,068	2,637,516	8,950,082	2,103,623	30,159,289
Segment liabilities	(7,283,498)	(865,435)	(1,781,924)	(721,327)	(10,652,184)
Capital expenditure	876,844	5,211	920,234	58,794	1,861,083
Depreciation and impairment	(1,258,946)	(1,797)	(243,252)	(51,218)	(1,555,213)

NOTES TO THE FINANCIAL STATEMENTS (continued)

6. Segment information (continued)

6.2 Segment assets and liabilities (continued)

HISTORICAL COST

31 March 2022	Supermarkets ZWL 000	Hotels ZWL 000	Corporate* ZWL 000	Group ZWL 000
Segment assets	**11,615,989**	**860,808**	**4,977,015**	**17,453,812**
Segment liabilities	**(7,552,578)**	**(381,582)**	**189,215**	**(7,744,945)**
Capital expenditure	**1,569,093**	**172,711**	**119,341**	**1,861,145**
Depreciation and impairment	**(248,952)**	**(948)**	**241**	**(249,659)**

31 March 2021	Supermarkets ZWL 000	Hotels ZWL 000	Agriculture ZWL 000	Corporate* ZWL 000	Group ZWL 000
Segment assets	4,703,833	1,016,158	2,613,009	1,597,820	9,930,820
Segment liabilities	(3,092,032)	(480,827)	(639,009)	(148,265)	(4,360,133)
Capital expenditure	578,527	2,365	433,289	24,911	1,039,092
Depreciation and impairment	(126,502)	(414)	(6,160)	5,386	(127,690)

*Inter-company balances have been eliminated in the corporate amounts. Corporate also includes other operating segments that are immaterial to warrant separate disclosure.

The accounting policies of the reportable segments are the same as the Group's accounting policies disclosed under significant accounting policies.

6.3 Geographical segments

INFLATION ADJUSTED

CONTINUING OPERATIONS	31 March 2022 Zimbabwe ZWL 000	31 March 2022 Non-Zimbabwe ZWL 000	31 March 2021 Zimbabwe ZWL 000	31 March 2021 Non-Zimbabwe ZWL 000
Revenue	**65,983,846**	**-**	49,106,234	-
Operating profit / (loss)	**2,239,456**	**(1,729)**	1,517,182	(225)
Segment assets	**22,750,033**	**4,244,536**	28,876,153	1,283,136
Segment liabilities	**(10,085,671)**	**-**	(10,652,184)	-

HISTORICAL COST

	31 March 2022 Zimbabwe ZWL 000	31 March 2022 Non-Zimbabwe ZWL 000	31 March 2021 Zimbabwe ZWL 000	31 March 2021 Non-Zimbabwe ZWL 000
Revenue	**50,666,982**	**-**	21,948,926	-
Operating profit / (loss)	**4,254,009**	**(1,729)**	2,376,379	(225)
Segment assets	**13,209,276**	**4,244,536**	8,647,684	1,283,136
Segment liabilities	**(7,744,945)**	**-**	(4,360,133)	-

CONTINUING OPERATIONS	Notes	INFLATION ADJUSTED 31 March 2022 ZWL 000	INFLATION ADJUSTED 31 March 2021 ZWL 000	HISTORICAL COST 31 March 2022 ZWL 000	HISTORICAL COST 31 March 2021 ZWL 000
7. Net operating costs					
Net operating costs are arrived at after (charging) / crediting:					
Other income	8	**536,685**	387,284	**386,131**	222,139
Employee costs	9	**(7,178,268)**	(5,176,712)	**(5,470,717)**	(2,419,939)
Occupancy costs	10	**(2,739,962)**	(2,015,032)	**(2,102,770)**	(845,852)
Other operating costs	11	**(4,825,583)**	(3,095,987)	**(2,667,629)**	(1,015,510)
		(14,207,128)	(9,900,447)	**(9,854,985)**	(4,059,162)

NOTES TO THE FINANCIAL STATEMENTS (continued)

	INFLATION ADJUSTED		HISTORICAL COST	
	31 March 2022	31 March 2021	**31 March 2022**	31 March 2021
CONTINUING OPERATIONS	**ZWL 000**	ZWL 000	**ZWL 000**	ZWL 000
8. Other income				
Trading income				
Rental income	**233,835**	242,871	**177,963**	112,783
Hotels ancillary services	**2,306**	(5)	**1,702**	(2)
Commission income	**19,908**	18,002	**12,002**	7,725
	256,049	260,868	**191,667**	120,506
Non trading income				
Profit on disposal of property, plant and equipment	**205,095**	95,512	**131,071**	86,862
Sundry income	**75,541**	30,904	**63,393**	14,771
	536,685	387,284	**386,131**	222,139
9. Employee costs				
Wages and salaries	**(5,907,790)**	(4,460,215)	**(4,498,274)**	(2,099,138)
Social security costs	**(420,722)**	(226,510)	**(326,537)**	(103,262)
Retirement benefits – defined contribution plan	**(637,454)**	(462,540)	**(484,843)**	(204,549)
Directors' remuneration:				
- fees for services as Directors	**(54,441)**	(16,612)	**(42,392)**	(8,253)
- remuneration for other services	**(157,861)**	(10,835)	**(118,671)**	(4,737)
	(7,178,268)	(5,176,712)	**(5,470,717)**	(2,419,939)
10. Occupancy costs				
Included in occupancy costs are the following:				
Operating lease rentals for property	**(720,376)**	(420,073)	**(577,947)**	(187,322)
Depreciation of right of use assets and property	**(114,173)**	(303,249)	**(71,534)**	(68,671)
Electricity and water	**(892,260)**	(619,549)	**(675,258)**	(282,702)
Cleaning and fumigation	**(477,855)**	(347,050)	**(367,974)**	(155,091)
Rates	**(252,661)**	(171,238)	**(189,913)**	(80,995)
Premises repairs and maintenance	**(278,396)**	(149,792)	**(216,901)**	(69,226)
Other	**(4,241)**	(4,081)	**(3,243)**	(1,845)
	(2,739,962)	(2,015,032)	**(2,102,770)**	(845,852)
11. Other operating costs				
Included in other operating costs are the following:				
Depreciation of plant and equipment	**(1,592,661)**	(1,005,492)	**(170,297)**	(49,958)
2% IMT Tax	**(1,147,638)**	(501,996)	**(883,132)**	(237,795)
Repairs and maintenance – other assets	**(434,342)**	(315,188)	**(335,667)**	(146,909)
Bank charges	**(228,748)**	(180,770)	**(174,653)**	(81,370)
Transport, motor vehicle and communication costs	**(176,443)**	(105,135)	**(136,019)**	(48,252)
Information and technology	**(171,283)**	(151,818)	**(128,067)**	(70,959)
Legal and professional fees	**(151,266)**	(99,517)	**(123,890)**	(42,657)
Printing and stationery	**(138,309)**	(152,360)	**(106,702)**	(61,610)
Insurance	**(124,404)**	(124,446)	**(93,328)**	(56,087)
Auditors' remuneration and expenses	**(90,683)**	(113,353)	**(69,265)**	(53,962)
Marketing and advertising	**(83,227)**	(56,910)	**(62,699)**	(26,628)
Debt collection commission	**(51,966)**	-	**(34,729)**	-
Licenses	**(46,905)**	(23,240)	**(36,374)**	(11,507)
Security	**(46,193)**	(25,298)	**(35,939)**	(11,723)
Packaging and wrapping	**(39,624)**	(12,965)	**(30,080)**	(4,889)
Travel expenses	**(34,162)**	(28,995)	**(26,265)**	(14,969)
Secretarial and listing fees	**(32,210)**	(33,502)	**(24,947)**	(16,262)
Provision for expected credit losses	**(8,159)**	(21,853)	**(6,674)**	(6,001)
Guest supplies and entertainment	**(5,141)**	(3,870)	**(3,972)**	(1,852)
Donations	**(1,428)**	(46,769)	**(1,098)**	(26,737)
Impairment of property, plant, and equipment	**(28)**	-	**(916)**	(1,273)
Other*	**(220,763)**	(92,510)	**(182,916)**	(44,110)
	(4,825,583)	(3,095,987)	**(2,667,629)**	(1,015,510)

*Due to the nature of the Group's diversified operations in multiple industries, other expenses include several line items that are not material enough to be reasonably aggregated.

NOTES TO THE FINANCIAL STATEMENTS (continued)

	INFLATION ADJUSTED		HISTORICAL COST	
	31 March 2022 ZWL 000	31 March 2021 ZWL 000	**31 March 2022 ZWL 000**	31 March 2021 ZWL 000
12. Investment income / finance costs				
12.1 Investment income				
Interest on bank deposits	**1,238,890**	394	**868,811**	264
Interest on receivables	**1,165**	764	**414**	244
Interest on short term loans	**4,956**	1,375	**4,177**	515
Interest on staff loans and other	**376**	5,766	**680**	3,242
	1,245,387	8,299	**874,082**	4,265
12.2 Finance costs				
Comprising interest payable on:				
Lease liability	**(242,195)**	(336,444)	**(148,848)**	(153,776)
Overdrafts and short-term borrowings	**(141)**	(763)	**(104)**	(198)
Other finance costs	**(121)**	(50,607)	**(94)**	(26,042)
	(242,457)	(387,814)	**(149,046)**	(180,016)

The weighted average capitalisation rate on funds borrowed was 16.84% per annum (2021: 15.74% per annum).

	INFLATION ADJUSTED		HISTORICAL COST	
CONTINUING OPERATIONS	**31 March 2022 ZWL 000**	31 March 2021 ZWL 000	**31 March 2022 ZWL 000**	31 March 2021 ZWL 000
13. Income taxes				
13.1 Income tax recognised in profit for the year				
Tax expense comprising the following:				
Current tax expense in respect of the current year	**(1,780,493)**	(1,669,050)	**(1,362,769)**	(697,081)
Deferred tax expense relating to the origination and reversal of temporary differences	**336,490**	(92,039)	**288,890**	(150,929)
Capital gains tax	**(133,523)**	(6,559)	**(120,788)**	(3,799)
Withholding tax on investment revenue	**(57)**	(51)	**(42)**	(24)
Total tax expense	**(1,577,583)**	(1,767,699)	**(1,194,709)**	(851,833)
The income tax expense for the year can be reconciled to the accounting profit as follows:				
Profit before tax	**4,998,395**	2,366,304	**9,642,932**	3,111,566
Income tax calculated at 24.72%	**(1,235,603)**	(584,950)	**(2,383,733)**	(769,179)
Effect of revenue that is exempt from income tax	**661,302**	178,787	**1,275,788**	235,096
Effect of expenses that are not deductible in determining taxable profit*	**(1,000,506)**	(1,343,316)	**(81,411)**	(293,792)
Effect of expired and unrecognised tax losses	**(2,786)**	(18,224)	**(5,373)**	(23,963)
Effect of tax on interest calculated at different rates	**10**	4	**20**	5
Income tax expense recognised in profit for the year	**(1,577,583)**	(1,767,699)	**(1,194,709)**	(851,833)

*Expenses that are not deductible in determining taxable profit includes mostly accounting provisions that are not recognised as deductible expenses by the tax legislation.

The income tax rate used for the reconciliation above, is the corporate tax rate of 24.72% (2021: 24.72%), payable by corporate entities in Zimbabwe. The deferred tax rate used is the corporate tax rate of 24.72% (2021: 24.72%).

NOTES TO THE FINANCIAL STATEMENTS (continued)

13. Income taxes (continued)

13.2 Deferred tax balances

	INFLATION ADJUSTED				
Group	**Beginning of the year ZWL 000**	**Recognised in profit or loss ZWL 000**	**Discontinued operations ZWL 000**	**Classified as held for distribution ZWL 000**	**End of the year ZWL 000**
The deferred tax balance is attributable to the following items:					
At 31 March 2022					
Assessed losses	**(26,299)**	**9,132**	**-**	**-**	**(17,167)**
Property, plant and equipment	**1,693,785**	**(290,683)**	**-**	**-**	**1,403,102**
Exchange differences	**360,193**	**(279,119)**	**-**	**-**	**81,074**
Provisions	**(31,161)**	**(2,649)**	**-**	**-**	**(33,810)**
Receivables and prepayments	**481**	**8,956**	**-**	**-**	**9,437**
Inventory	**23,018**	**68,145**	**-**	**-**	**91,163**
Lease liability	**562,155**	**145,860**	**-**	**-**	**708,015**
Other	**3,707**	**260**	**-**	**-**	**3,967**
Deferred capital gains tax on land	**163,079**	**(857)**	**-**	**-**	**162,222**
Tax rate adjustment	**5,193**	**4,465**	**-**	**-**	**9,658**
	2,754,151	**(336,490)**	**-**	**-**	**2,417,661**
At 31 March 2021					
Assessed losses	(58,718)	32,419	-	-	(26,299)
Property, plant and equipment	2,436,535	17,318	(122,986)	(637,082)	1,693,785
Biological assets	17,935	-	1,238	(19,173)	-
Exchange differences	180,205	190,991	(8,303)	(2,700)	360,193
Provisions	(70,974)	8,415	341	31,057	(31,161)
Receivables and prepayments	3,170	289	(3,302)	324	481
Inventory	490,404	(243,267)	(22,253)	(201,866)	23,018
Lease liability	472,063	90,092	-	-	562,155
Other	3,624	277	272	(466)	3,707
Deferred capital gains tax on land	167,574	(4,495)	-	-	163,079
Tax rate adjustment	5,193	-	-	-	5,193
	3,647,011	92,039	(154,993)	(829,906)	2,754,151

NOTES TO THE FINANCIAL STATEMENTS (continued)

13. Income taxes (continued)

13.2 Deferred tax balances

	HISTORICAL COST				
Group	**Beginning of the year ZWL 000**	**Recognised in profit or loss ZWL 000**	**Discontinued operations ZWL 000**	**Classified as held for distribution ZWL 000**	**End of the year ZWL 000**
The deferred tax balance is attributable to the following items:					
At 31 March 2022					
Assessed losses	**(15,228)**	**(2,094)**	**-**	**-**	**(17,322)**
Property, plant and equipment	**27,919**	**(136,710)**	**-**	**-**	**(108,791)**
Exchange differences	**208,428**	**(122,772)**	**-**	**-**	**85,656**
Provisions	**(15,558)**	**(10,673)**	**-**	**-**	**(26,231)**
Receivables and prepayments	**69**	**-**	**-**	**-**	**69**
Inventory	**2**	**(2)**	**-**	**-**	**-**
Lease liability	**(25,393)**	**(22,775)**	**-**	**-**	**(48,168)**
Other	**(8,898)**	**6,145**	**-**	**-**	**(2,753)**
Deferred capital gains tax on land	**3,137**	**(9)**	**-**	**-**	**3,128**
Tax rate adjustment	**114**	**-**	**-**	**-**	**114**
	174,592	**(288,890)**	**-**	-	**(114,298)**
At 31 March 2021					
Assessed losses	(9,984)	(5,244)	-	-	(15,228)
Property, plant and equipment	18,392	20,385	(53,254)	42,396	27,919
Biological assets	3,563	-	30,638	(34,201)	-
Exchange differences	30,641	179,658	(307)	(1,564)	208,428
Provisions	(8,207)	(12,712)	(12,645)	18,006	(15,558)
Receivables and prepayments	128	12	205	(276)	69
Inventory	32,722	-	79,380	(112,100)	2
Lease liability	-	(25,393)	-	-	(25,393)
Other	(3,121)	(5,777)	-	-	(8,898)
Deferred capital gains tax on land	3,137	-	-	-	3,137
Tax rate adjustment	114	-	-	-	114
	67,385	150,929	44,017	(87,739)	174,592

	INFLATION ADJUSTED		HISTORICAL COST	
	Group	Group	**Group**	Group
	31 March 2022	31 March 2021	**31 March 2022**	31 March 2021
Comprising:	**ZWL 000**	ZWL 000	**ZWL 000**	ZWL 000
Deferred tax asset	**(2,872)**	(1,547)	**(194,105)**	(32,742)
Deferred tax liability	**2,420,533**	2,755,698	**79,807**	207,334
Deferred tax liability / (asset)	**2,417,661**	2,754,151	**(114,298)**	174,592

14. Discontinued operations

Tanganda Tea Company ("Tanganda")

The Group unbundled its agricultural subsidiary, Tanganda Tea Company Limited on 1 February 2022, which was successfully re-listed separately on the Zimbabwe Stock Exchange on the 3 February 2022. The transaction resulted in the distribution of Tanganda Tea Company Limited's entire issued share capital to Meikles Limited shareholders through a dividend in specie. The financial results of Tanganda Tea Company Limited for the 10 months to 31 Janaury 2022 have been disclosed as discontinued operations in these financial statements, with details included below.

Greatermans Stores

The Group exited the departmental stores segment and the results are disclosed as discontinued operations. The summary of the profit / (loss) position from the discontinued operation and details of assets and liabilities disposed of are as set out below.

NOTES TO THE FINANCIAL STATEMENTS (continued)

14. Discontinued operations (continued)

	INFLATION ADJUSTED		HISTORICAL COST	
	31 March 2022 ZWL 000	31 March 2021 ZWL 000	**31 March 2022 ZWL 000**	31 March 2021 ZWL 000
14.1 (Loss) / profit for the year from discontinued operations				
Revenue	**3,379,901**	4,080,437	**2,366,545**	1,839,635
Net operating costs	**(3,272,470)**	(3,728,474)	**(1,942,862)**	(917,019)
Other operating income	**(67,452)**	80,808	**46,613**	39,824
Operating profit	**39,979**	432,771	**470,296**	962,440
Investment income	**2**	210	**1**	84
Interest expense	**(98,420)**	(157,374)	**(67,803)**	(74,691)
Exchange gains	**220,718**	654,630	**171,345**	212,983
Profit / (loss) on disposal of property, plant and equipment	**3,084**	(339,735)	**2,288**	(1,872)
Fair value adjustments on biological assets	**(111,769)**	(120,773)	**(111,381)**	413,237
Net monetary adjustment	**(610,630)**	123,956	**-**	-
(Loss) / profit before tax	**(557,036)**	593,685	**464,746**	1,512,181
Taxation	**(25,612)**	(195,874)	**(37,356)**	(196,239)
(Loss) / profit for the year from discontinued operations	**(582,648)**	397,811	**427,390**	1,315,942
14.2 Cash flows from discontinued operations				
Net cash flows from operating activities	**(259,006)**	(314,330)	**(254,023)**	(39,500)
Net cash flows from investing activities	**(266,189)**	(738,906)	**(235,630)**	(429,017)
Net cash flows from financing activities	**329,918**	245,960	**368,345**	245,144
Net cash flows from discontinued operations	**(195,277)**	(807,276)	**(121,308)**	(223,373)

	INFLATION ADJUSTED		HISTORICAL COST	
	31 March 2022 ZWL 000	31 March 2021 ZWL 000	**31 March 2022 ZWL 000**	31 March 2021 ZWL 000
14.3 Analysis of assets and liabilities distributed to shareholders				
Assets				
Cash and bank balances	**(171,980)**	-	**(151,191)**	-
Trade and other receivables	**(740,321)**	-	**(646,801)**	-
Inventories	**(1,400,981)**	-	**(1,200,405)**	-
Other financial assets	**(788)**	-	**(692)**	-
Intangible	**(9,232)**	-	**(124)**	-
Biological assets	**(790,838)**	-	**(695,241)**	-
Property, plant and equipment	**(5,468,408)**	-	**(817,727)**	-
Total assets	**(8,582,548)**	-	**(3,512,181)**	-
Liabilities				
Trade and other payables	**470,906**	-	**413,983**	-
Borrowings	**243,231**	-	**213,829**	-
Deferred tax	**839,336**	-	**109,437**	-
Total liabilities	**1,553,473**	-	**737,249**	-
Net assets distributed to shareholders	**(7,029,075)**	-	**(2,774,932)**	-
Net consideration on distribution - dividend in specie*	**7,090,644**	-	**6,669,556**	-
Profit on discontinuance	**61,569**	-	**3,894,624**	-

*For the purpose of the Tanganda unbundling transaction, the Directors obtained a valuation report from an independent valuer not connected with the Group. The valuer prepared a business valuation of Tanganda, using valuation approaches and models consistent with generally accepted valuation techniques for determining the fair value of a business. The valuation amount was a weighted average of two valuation methodologies: the Discounted Cash Flows ("DCFs") and Enterprise value multiples ("EV").

For the EV valuation method, the significant unobservable level 3 input used in this valuation was the average EV proxy multiple obtained from comparable agricultural entities listed on the Zimbabwe Stock Exchange, Johannesburg Stock Exchange, and the Nairobi Stock Exchange. A 20% non-trading discount was applied to the proxy multiples to reflect the non-tradability of the Tanganda shares as they are not listed on a stock exchange at the time.

NOTES TO THE FINANCIAL STATEMENTS (continued)

14. Discontinued operations (continued)

14.3 Analysis of assets and liabilities distributed to shareholders (continued)

For the DCF valuation method, the discount factor was the significant unobservable input. The discount factor was calculated as the weighted average cost of capital, combining the cost of equity and cost of debt. For the cost of equity the Capital Asset Pricing Model was used, whilst for the cost of debt Tanganda's internal interest rates of similar long term borrowings was used.

14.4 Analysis of assets classified as held for sale and distribution

14.4.1 Analysis of assets classified as held for distribution

	INFLATION ADJUSTED		HISTORICAL COST	
	31 March 2022 ZWL 000	31 March 2021 ZWL 000	**31 March 2022 ZWL 000**	31 March 2021 ZWL 000
Assets				
Cash and bank balances	-	89,062	-	51,572
Trade and other receivables	-	765,818	-	440,392
Inventories	-	1,381,635	-	776,839
Other financial assets	-	7,239	-	692
Intangible	-	9,232	-	124
Biological assets	-	1,368,907	-	792,672
Property, plant and equipment	-	5,328,190	-	550,718
Total assets	-	8,950,083	-	2,613,009
Liabilities				
Trade and other payables	-	(668,950)	-	(387,359)
Borrowings	-	(283,068)	-	(163,912)
Deferred tax	-	(829,907)	-	(87,738)
Total liabilities relating to assets classified as held for distribution	-	(1,781,925)	-	(639,009)
Net assets classified as held for distribution	-	7,168,158	-	1,974,000
14.4.2 Analysis of assets classified as held for sale				
Non-current assets				
Property, plant and equipment	-	30	-	-
Net assets to be disposed of	-	30	-	-
Total net assets classified as held for sale and distribution	-	7,168,188	-	1,974,000
Summarised:				
Total non-current assets held for sale and distribution	-	8,950,113	-	2,613,009
Total liabilities relating to assets classified as held for distribution	-	(1,781,925)	-	(639,009)
Total net assets classified as held for sale and distribution	-	7,168,188	-	1,974,000

NOTES TO THE FINANCIAL STATEMENTS (continued)

15. Net cash generated from operating activities

		INFLATION ADJUSTED		HISTORICAL COST	
	Notes	**31 March 2022 ZWL 000**	31 March 2021 ZWL 000	**31 March 2022 ZWL 000**	31 March 2021 ZWL 000
Cash flows from operating activities					
Profit before tax – continuing operations		**4,998,395**	2,366,304	**9,642,932**	3,111,566
(Loss) / profit before tax – discontinued operations	**14.1**	**(557,036)**	593,685	**464,746**	1,512,181
		4,441,359	2,959,989	**10,107,678**	4,623,747
Adjustments for:					
- Depreciation and impairment of property, plant and equipment; investment property and right-of-use assets – continuing operations		**1,716,465**	1,311,961	**249,659**	121,530
- Depreciation and impairment of property, plant and equipment – discontinued operations		**190,568**	243,252	**16,730**	6,160
- Net interest – continuing operations		**(1,002,930)**	379,515	**(725,036)**	175,751
- Net interest – discontinued operations		**98,418**	157,164	**67,802**	74,607
- Net exchange gains – continuing operations		**(865,253)**	(2,527,277)	**(770,992)**	(911,163)
- Net exchange gains – discontinued operations	**14.1**	**(220,718)**	(654,630)	**(171,345)**	(212,983)
-Profit on distribution of subsidiary equity to shareholders	**14.3**	**(61,569)**	-	**(3,894,624)**	-
- Fair value adjustments on biological assets – discontinued operations	**14.1**	**111,769**	120,773	**111,381**	(413,237)
- Profit on disposal of property, plant and equipment – continuing operations		**(205,095)**	(95,512)	**(131,071)**	(86,862)
- (Profit) / loss on disposal of property, plant and equipment – discontinued operations	**14.1**	**(3,084)**	339,735	**(2,288)**	1,872
- Other non-cash movements		**13,389**	837	**17,121**	168
Operating cash flow before working capital changes		**4,213,319**	2,235,807	**4,875,015**	3,379,590
Increase in inventories – continuing operations		**(1,968,381)**	(686,010)	**(3,442,866)**	(1,983,276)
Increase in inventories – discontinued operations		**(19,347)**	(385,503)	**(423,567)**	(634,564)
Decrease / (increase) in trade and other receivables – continuing operations		**843,614**	2,816,449	**4,166**	(150,328)
Decrease / (increase) in trade and other receivables – discontinued operations		**125,399**	639,336	**(127,166)**	(122,919)
Increase in trade and other payables – continuing operations		**1,960,922**	635,254	**3,559,833**	1,867,943
Increase in trade and other payables – discontinued operations		**(249,590)**	(12,749)	**(21,741)**	255,007
Cash generated from operations		**4,905,936**	5,242,584	**4,423,674**	2,611,453
Income taxes paid – continuing operations		**(2,099,814)**	(1,111,066)	**(1,478,386)**	(553,620)
Income taxes paid – discontinued operations		**(219,981)**	(694,987)	**(133,972)**	(72,639)
Net cash generated from operating activities		**2,586,141**	3,436,531	**2,811,316**	1,985,194

16. Earnings per share

The earnings / (loss) and weighted average number of ordinary shares used in the calculation of earnings per share are as follows:

	INFLATION ADJUSTED		HISTORICAL COST	
	Group	Group	**Group**	Group
	31 March 2022 ZWL 000	31 March 2021 ZWL 000	**31 March 2022 ZWL 000**	31 March 2021 ZWL 000
Profit for the year attributable to owners of the parent used in the calculation of total basic earnings per share from continuing operations	**2,181,325**	37,278	**6,766,311**	1,430,193
Add: (Loss) / profit for the year from discontinued operations	**(582,648)**	397,811	**427,390**	1,315,942
	1,598,677	435,089	**7,193,701**	2,746,135
Weighted average number of ordinary shares for the purposes of basic earnings per share	**261,064,590**	261,064,590	**261,064,590**	261,064,590
Basic and diluted earnings per share (cents)	**612.37**	166.66	**2,755.53**	1,051.90
From continuing operations	**835.55**	14.28	**2,591.81**	547.83
From discontinued operations	**(223.18)**	152.38	**163.72**	504.07

NOTES TO THE FINANCIAL STATEMENTS (continued)

17. Property, plant and equipment

INFLATION ADJUSTED

At 31 March 2022	Land and buildings ZWL 000	Leasehold improvements ZWL 000	Furniture and equipment ZWL 000	Motor vehicles ZWL 000	Work in progress ZWL 000	Total ZWL 000
Opening carrying value	**3,139,275**	**2,639,313**	**2,404,514**	**100,587**	**254,899**	**8,538,588**
Additions	**44,973**	**835,003**	**715,478**	**29,963**	**547,770**	**2,173,187**
Net movement in service assets	**-**	**-**	**436**	**-**	**-**	**436**
Disposals – cost	**(231,070)**	**(5,981)**	**(153,407)**	**(5,250)**	**-**	**(395,708)**
Disposals – accumulated depreciation	**60,779**	**5,981**	**153,068**	**5,250**	**-**	**225,078**
Impairment	**-**	**-**	**(28)**	**-**	**-**	**(28)**
Depreciation	**(87,355)**	**(736,391)**	**(743,264)**	**(34,938)**	**-**	**(1,601,948)**
Closing carrying value	**2,926,602**	**2,737,925**	**2,376,797**	**95,612**	**802,669**	**8,939,605**
At cost	**3,848,271**	**5,828,972**	**5,690,062**	**224,085**	**802,669**	**16,394,059**
Accumulated depreciation	**(821,419)**	**(3,091,047)**	**(3,313,207)**	**(128,473)**	**-**	**(7,354,146)**
Accumulated impairment	**(100,250)**	**-**	**(58)**	**-**	**-**	**(100,308)**
Carrying value at 31 March 2022	**2,926,602**	**2,737,925**	**2,376,797**	**95,612**	**802,669**	**8,939,605**

At 31 March 2021	Land and buildings ZWL 000	Leasehold improvements ZWL 000	Furniture and equipment ZWL 000	Motor vehicles ZWL 000	Bearer Plants ZWL 000	Work in progress ZWL 000	Total ZWL 000
Opening carrying value	4,128,449	2,424,610	2,933,323	190,922	3,172,765	812,090	13,662,159
Additions	360,147	585,227	580,195	54,636	137,840	143,038	1,861,083
Net movement in service assets	-	-	(120)	-	-	-	(120)
Disposals – cost	(68,530)	-	(50,182)	(23,124)	(341,217)	(530)	(483,583)
Disposals – accumulated depreciation	9,814	-	48,944	12,400	7,975	-	79,133
Impairment	-	-	-	-	-	-	-
Depreciation	(118,191)	(366,920)	(600,938)	(45,667)	(120,148)	-	(1,251,864)
Classified as held for distribution (note 14)	(1,172,414)	(3,604)	(506,708)	(88,580)	(2,857,215)	(699,699)	(5,328,220)
Closing carrying value	3,139,275	2,639,313	2,404,514	100,587	-	254,899	8,538,588
At cost	4,034,369	4,999,964	5,127,524	199,372	-	254,899	14,616,128
Accumulated depreciation	(794,844)	(2,360,651)	(2,723,010)	(98,785)	-	-	(5,977,290)
Accumulated impairment	(100,250)	-	-	-	-	-	(100,250)
Carrying value at 31 March 2021	3,139,275	2,639,313	2,404,514	100,587	-	254,899	8,538,588

NOTES TO THE FINANCIAL STATEMENTS (continued)

17. Property, plant and equipment (continued)

HISTORICAL COST

At 31 March 2022	Land and buildings ZWL 000	Leasehold improvements ZWL 000	Furniture and equipment ZWL 000	Motor vehicles ZWL 000	Work in progress ZWL 000	Total ZWL 000
Opening carrying value	85,496	343,813	322,007	20,745	55,385	827,446
Additions	44,835	631,224	546,949	20,721	617,416	1,861,145
Net movement in service assets	-	-	435	-	-	435
Disposals – cost	(3,107)	(123)	(2,337)	(71)	-	(5,638)
Disposals – accumulated depreciation	829	123	2,331	71	-	3,354
Impairment	-	(477)	(439)	-	-	(916)
Depreciation	(1,992)	(72,566)	(95,453)	(7,243)	-	(177,254)
Closing carrying value	126,061	901,994	773,493	34,223	672,801	2,508,572
At cost	139,815	1,014,699	928,196	43,077	672,801	2,798,588
Accumulated depreciation	(12,001)	(110,977)	(149,623)	(8,850)	-	(281,451)
Accumulated impairment	(1,753)	(1,728)	(5,080)	(4)	-	(8,565)
Carrying value at 31 March 2022	126,061	901,994	773,493	34,223	672,801	2,508,572

At 31 March 2021	Land and buildings ZWL 000	Leasehold improvements ZWL 000	Furniture and equipment ZWL 000	Motor vehicles ZWL 000	Bearer Plants ZWL 000	Work in progress ZWL 000	Total ZWL 000
Opening carrying value	92,864	71,280	96,782	6,103	53,717	82,871	403,617
Additions	128,329	293,568	294,565	27,461	59,441	235,728	1,039,092
Net movement in service assets	-	-	(60)	-	-	-	(60)
Disposals – cost	(921)	-	(743)	(317)	(4,586)	(7)	(6,574)
Disposals – accumulated depreciation	132	-	727	195	107	-	1,161
Impairment	-	(675)	(598)	-	-	-	(1,273)
Depreciation	(2,554)	(20,312)	(30,471)	(2,973)	(1,489)	-	(57,799)
Classified as held for distribution (note 14)	(132,354)	(48)	(38,195)	(9,724)	(107,190)	(263,207)	(550,718)
Closing carrying value	85,496	343,813	322,007	20,745	-	55,385	827,446
At cost	98,086	383,599	383,150	22,427	-	55,385	942,647
Accumulated depreciation	(10,837)	(38,535)	(56,502)	(1,678)	-	-	(107,552)
Accumulated impairment	(1,753)	(1,251)	(4,641)	(4)	-	-	(7,649)
Carrying value at 31 March 2021	85,496	343,813	322,007	20,745	-	55,385	827,446

Assets pledged as security

No freehold land and buildings have been pledged to secure loans of the Group under mortgages.

18.Investment property

	INFLATION ADJUSTED		HISTORICAL COST	
	Group	Group	Group	Group
	31 March 2022 ZWL 000	31 March 2021 ZWL 000	31 March 2022 ZWL 000	31 March 2021 ZWL 000
Opening carrying value	17,026	17,275	226	231
Depreciation	(384)	(249)	(5)	(5)
Closing carrying value	16,642	17,026	221	226
Comprising:				
Land and buildings – cost	23,065	23,065	310	310
Accumulated depreciation	(3,547)	(3,163)	(51)	(46)
Accumulated impairment	(2,876)	(2,876)	(38)	(38)
	16,642	17,026	221	226

NOTES TO THE FINANCIAL STATEMENTS (continued)

18. Investment property (continued)

The carrying value of investment properties was assessed for impairment at 31 March 2022 and no impairment was identified. The Group owns the investment properties through a subsidiary, TM Supermarkets (Private) Limited, as follows:

- Stand number 32, Main Street, Chipinge at a carrying amount of ZWL 2.6million (2021: ZWL 2.7million).
- Stand number 8965, Machipisa, Highfield, Harare at a carrying amount of ZWL 16.6million (2021: ZWL 17million).

19. Right of use Assets

	INFLATION ADJUSTED		HISTORICAL COST	
	31 March 2022	31 March 2021	**31 March 2022**	31 March 2021
	ZWL 000	ZWL 000	**ZWL 000**	ZWL 000
Opening carrying value	**3,053,135**	2,349,008	**420,074**	75,885
Additions	**868,154**	1,007,227	**599,074**	412,802
Depreciation	**(114,105)**	(303,100)	**(71,484)**	(68,613)
Closing carrying value	**3,807,184**	3,053,135	**947,664**	420,074
Comprising:				
Cost	**4,369,344**	3,501,190	**1,098,860**	499,786
Accumulated depreciation	**(562,160)**	(448,055)	**(151,196)**	(79,712)
	3,807,184	3,053,135	**947,664**	420,074

The Group's leases include leases of offices, retail stores and residential property in Zimbabwe. The corresponding operating lease liability for the above right of use assets is disclosed on note 28.

20. Investment in Mentor Africa (Pty) Limited

The Group disposed of its 35% investment in Mentor Africa (Pty) Limited on 16 March 2022, through its BVI foreign subsidiary, Cape Grace Investments Limited. Proceeds from the sale amounted to US$19 million.

As in prior years, the value of Mentor at the date of disposal predominantly comprised of its wholly owned subsidiary, Cape Grace Hotel (Pty) Limited. Mentor also owned twenty percent (20%) of the issued shares of Harrified Investments (Pty) Limited ("Harrified"), a stockbroking firm. The 20% investment in Harrified, South Arican Rand ("ZAR") 18 million cash and certain liabilities totalling ZAR 17.6 million; were excluded from the sale and transferred from Mentor to another entity, Newbridge Holdings (Pty) Limited ("Newbridge"). Mentor transferred the shares in Harrified for a consideration of one ZAR. In addition, Cape Grace Hotel (Pty) Limited, transferred to Newbridge, the right to receive the proceeds from a business interruption claim. The amount that the insurer will pay for the business interruption claim is uncertain. The Group's residual interest for assets and liabilities transferred to Newbridge has been impaired to nil.

The Group has had no representation on the board of directors of Mentor and had no operational responsibilities. The Group also had no access to any information regarding the company except for that to which it has statutory rights as a shareholder. As such, the investment was classified at level 3 fair value measurements and had been accounted for as a financial asset at FVTOCI.

Since the investment has always been carried at fair value in line with IFRSs, a fair value assessment had to be performed as at the date of derecognition. As the transaction represented the sale of a financial asset in an orderly fashion between two willing participants, the selling price was deemed to be the fair representation of the fair value as at the disposal date. The investment was previously carried at a fair value of US$4.5 million determined as at 31 March 2021, the date of the last financial year end. The uplift from the US$ 4.5 million to the fair value as at the date of derecognition was recorded as a fair value gain through other comprehensive income. Since there was no difference between the selling price and fair value at derecognition, no gain or loss was recorded to profit or loss on the disposal date.

The movement in the carrying value of the Group's investment in Mentor is analysed below:

	INFLATION ADJUSTED		HISTORICAL COST	
	Group	Group	**Group**	Group
	31 March 2022	31 March 2021	**31 March 2022**	31 March 2021
	ZWL 000	ZWL 000	**ZWL 000**	ZWL 000
Opening carrying value	**376,859**	171,813	**376,859**	171,813
Fair value adjustments	**1,720,085**	(203,184)	**1,720,085**	(203,184)
Exchange rate movements	**204,311**	408,230	**204,311**	408,230
Disposal	**(2,301,255)**	-	**(2,301,255)**	-
Closing carrying value	**-**	376,859	**-**	376,859

NOTES TO THE FINANCIAL STATEMENTS (continued)

21. Other financial assets

	INFLATION ADJUSTED		HISTORICAL COST	
	Group	Group	Group	Group
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
	ZWL 000	ZWL 000	ZWL 000	ZWL 000
Opening carrying value (short term and long-term portions)	**966,799**	290,178	**934,664**	266,983
Interest accrual	**26,122**	6,560	**26,122**	3,798
Additions	**130,812**	113,852	**123,722**	65,806
Exchange rate gain on foreign translations	**612,175**	625,952	**612,175**	625,952
Movement in provision for credit losses – Gondor Capital Limited	**-**	1,157	**-**	1,157
Disposals and repayments	**(5,041)**	(3,956)	**(5,041)**	(2,291)
Impairment provision – staff loans[4]	**(30,428)**	(44,987)	**(23,338)**	(26,049)
Monetary adjustment	**(32,135)**	(14,718)	**-**	-
Classified as held for distribution	**-**	(7,239)	**-**	(692)
	1,668,304	966,799	**1,668,304**	934,664
Less: Short term portion in current assets	**(45,651)**	(26,970)	**(45,651)**	(15,140)
Non-current closing carrying value	**1,622,653**	939,829	**1,622,653**	919,524
Comprising:				
Carried at amortised cost:				
Funds due from Gondor Capital Limited[1]	**1,671,637**	990,610	**1,671,637**	990,610
Staff loans[4]	**163,008**	72,202	**163,008**	41,809
Short term loans[2]	**2,661**	4,138	**2,661**	2,396
Provision for credit losses	**(169,002)**	(100,151)	**(169,002)**	(100,151)
	1,668,304	966,799	**1,668,304**	934,664
Movement in provision for credit losses:				
Opening balance	**(100,151)**	(30,076)	**(100,151)**	(30,076)
Provision for credit losses on funds due from Gondor Capital Limited[3]	**-**	1,157	**-**	1,157
Exchange rate adjustment – provision for credit losses on funds due from Gondor Capital Limited[3]	**(68,851)**	(71,232)	**(68,851)**	(71,232)
	(169,002)	(100,151)	**(169,002)**	(100,151)

[1] Refer to note 4.2.1 for further details.

[2] In the current financial year, short term loans are represented by Barkpest Investments (Private) Limited ("Barkpest") and Liftbrok Investments (Private) Limited ("Liftbrok"), collectively the "share purchase vehicles". The share purchase vehicles hold shares in the Company under the name Barkpest. The loans are payable on demand.

[3] Management recognised a provision for credit losses on funds due from Gondor Capital Limited based on the lifetime expected credit losses model in-line with the requirements of IFRS 9. In determining the provision for credit losses, management considered the security on this balance and was satisfied that it adequately covers the amount receivable to the Group. This balance is denominated in US$ and hence the provision amount is subject to exchange rate adjustments at each reporting date.

[4] Staff loans relate to amounts advanced to employees for the purchase of motor vehicles at a discounted interest rate. The loans have been discounted to present value using market interest rates, resulting in the recognition of an impairment provision. The loans are secured against the vehicles.

21.1 Holdings in subsidiaries

Entity	Holding	Business	Country of incorporation
Meikles Hospitality (Private) Limited	100%	Hotels	Zimbabwe
Greatermans Stores (1979) (Private) Limited	100%	Retail	Zimbabwe
Thomas Meikle Properties (Private) Limited	100%	Property owning	Zimbabwe
Ninety Speke (Private) Limited	100%	Property owning	Zimbabwe
Meikles Guard Services (Private) Limited	100%	Security services	Zimbabwe
TM Supermarkets (Private) Limited	51%	Retail	Zimbabwe
Meikles Centar Mining (Private) Limited	51%	Mining	Zimbabwe

Details of other subsidiary companies are disclosed in the Group structure on page 5.

NOTES TO THE FINANCIAL STATEMENTS (continued)

21. Other financial assets

21.2 Details of partially owned subsidiaries that have material non-controlling interests

INFLATION ADJUSTED	TM Supermarkets (Private) Limited		Individually immaterial subsidiaries with non-controlling interests		TOTAL	
	31 March 2022	31 March 2021	**31 March 2022**	31 March 2021	**31 March 2022**	31 March 2021
Proportion of ownership interests and voting rights held by non-controlling interests	**49%**	49%	**Various**	Various		
	ZWL 000	ZWL 000	**ZWL 000**	ZWL 000	**ZWL 000**	ZWL 000
Opening accumulated non-controlling interests	**4,853,587**	4,661,388	**(2,326)**	(7,481)	**4,851,261**	4,653,907
Profit/(loss) allocated to non-controlling interests	**1,238,590**	556,172	**897**	5,155	**1,239,487**	561,327
Dividend paid	**(553,154)**	(366,055)	**-**	-	**(553,154)**	(366,055)
Non-controlling interests arising from Mopani Property Development (Private) Limited	**89,601**	2,082	**-**	-	**89,601**	2,082
Closing accumulated non-controlling interests	**5,628,624**	4,853,587	**(1,429)**	(2,326)	**5,627,195**	4,851,261
Summarised financial information:						
(Before intra-group eliminations)						
Current assets	**8,592,943**	6,013,908	**-**	-	**8,592,943**	6,013,908
Non-current assets	**11,518,795**	10,454,160	**-**	-	**11,518,795**	10,454,160
Current liabilities	**(6,509,628)**	(4,356,315)	**(2,796)**	(4,627)	**(6,512,424)**	(4,360,942)
Non-current liabilities	**(2,903,468)**	(2,927,183)	**-**	-	**(2,903,468)**	(2,927,183)
Equity attributable to owners of the parent	**5,070,018**	4,330,983	**(1,367)**	(2,301)	**5,068,651**	4,328,682
Non-controlling interests	**5,628,624**	4,853,587	**(1,429)**	(2,326)	**5,627,195**	4,851,261
Revenue	**66,279,792**	48,622,543	**-**	-	**66,279,792**	48,622,543
Expenses	**(63,866,966)**	(47,538,198)	**1,831**	10,519	**(63,865,135)**	(47,527,679)
Profit for the year	**2,412,826**	1,084,345	**1,831**	10,519	**2,414,657**	1,094,864
Profit attributable to owners of the parent	**1,174,236**	528,173	**934**	5,364	**1,175,170**	533,537
Profit attributable to non-controlling interests	**1,238,590**	556,172	**897**	5,155	**1,239,487**	561,327
Profit for the year	**2,412,826**	1,084,345	**1,831**	10,519	**2,414,657**	1,094,864
Net cash flow from operating activities	**3,576,381**	2,497,549	**-**	-	**3,576,381**	2,497,549
Net cash flow from investing activities	**(2,454,178)**	(1,614,387)	**-**	-	**(2,454,178)**	(1,614,387)
Net cash flow from financing activities	**(1,044,698)**	(384,181)	**-**	-	**(1,044,698)**	(384,181)
Net cash flow	**77,505**	498,981	**-**	-	**77,505**	498,981

NOTES TO THE FINANCIAL STATEMENTS (continued)

21. Other financial assets

21.2 Details of partially owned subsidiaries that have material non-controlling interests (continued)

HISTORICAL COST

	TM Supermarkets (Private) Limited		Individually immaterial subsidiaries with non-controlling interests		TOTAL	
	31 March 2022	31 March 2021	**31 March 2022**	31 March 2021	**31 March 2022**	31 March 2021
Proportion of ownership interests and voting rights held by non-controlling interests	**49% ZWL 000**	49% ZWL 000	**Various ZWL 000**	Various ZWL 000	**ZWL 000**	ZWL 000
Opening accumulated non-controlling interests	**801,889**	178,325	**(1,313)**	(1,262)	**800,576**	177,063
Profit/(loss) allocated to non-controlling interests	**1,681,969**	829,591	**(57)**	(51)	**1,681,912**	829,540
Dividend paid	**(511,301)**	(206,658)	**-**	-	**(511,301)**	(206,658)
Non-controlling interests arising from Mopani Property Development (Private) Limited	**61,354**	631	**-**	-	**61,354**	631
Closing accumulated non-controlling interests	**2,033,911**	801,889	**(1,370)**	(1,313)	**2,032,541**	800,576
Summarised financial information:						
(Before intra-group eliminations)						
Current assets	**8,206,206**	3,422,344	**-**	-	**8,206,206**	3,422,344
Non-current assets	**3,409,783**	1,281,489	**-**	-	**3,409,783**	1,281,489
Current liabilities	**(6,509,628)**	(2,522,546)	**(2,796)**	(2,679)	**(6,512,424)**	(2,525,225)
Non-current liabilities	**(1,042,950)**	(569,486)	**-**	-	**(1,042,950)**	(569,486)
Equity attributable to owners of the parent	**2,029,500**	809,912	**(1,426)**	(1,366)	**2,028,074**	808,546
Non-controlling interests	**2,033,911**	801,889	**(1,370)**	(1,313)	**2,032,541**	800,576
Revenue	**50,880,492**	21,816,348	**-**	-	**50,880,492**	21,816,348
Expenses	**(47,510,383)**	(20,141,746)	**(117)**	(104)	**(47,510,500)**	(20,141,850)
Profit / (loss) for the year	**3,370,109**	1,674,602	**(117)**	(104)	**3,369,992**	1,674,498
Profit / (loss) attributable to owners of the parent	**1,688,140**	845,011	**(60)**	(53)	**1,688,080**	844,958
Profit / (loss) attributable to non-controlling interests	**1,681,969**	829,591	**(57)**	(51)	**1,681,912**	829,540
Profit / (loss) for the year	**3,370,109**	1,674,602	**(117)**	(104)	**3,369,992**	1,674,498
Net cash flow from operating activities	**2,760,066**	1,345,105	**-**	-	**2,760,066**	1,345,105
Net cash flow from investing activities	**(1,559,756)**	(600,235)	**-**	-	**(1,559,756)**	(600,235)
Net cash flow from financing activities	**(599,554)**	(151,598)	**-**	-	**(599,554)**	(151,598)
Net cash flow	**600,756**	593,272	**-**	-	**600,756**	593,272

21.3 Interest in joint operations:

The Victoria Falls Hotel

The Group through Meikles Hospitality (Private) Limited has a 50% interest in a joint operation which operates The Victoria Falls Hotel in Zimbabwe. There has been no change in the Group's ownership or voting interests in this joint operation since inception. The Group accounts for the assets, liabilities, revenues and expenses, relating to its interest in the joint operation in accordance with the applicable standards.

The following amounts are included in the Group financial statements in respect of the joint operation in The Victoria Falls Hotel:

	INFLATION ADJUSTED		HISTORICAL COST	
	31 March 2022 ZWL 000	31 March 2021 ZWL 000	**31 March 2022 ZWL 000**	31 March 2021 ZWL 000
Non-current assets	**421,079**	179,124	**196,375**	7,463
Current assets	**143,206**	57,591	**142,705**	32,673
Non-current liabilities	**(29,127)**	(1,534)	**(28,472)**	(888)
Current liabilities	**(93,706)**	(70,013)	**(93,706)**	(36,459)
Revenue	**192,381**	26,634	**145,528**	14,085
Expenses	**(179,100)**	(157,912)	**(151,042)**	(36,445)
Profit / (loss) for the year	13,281	(131,278)	(5,514)	(22,360)

NOTES TO THE FINANCIAL STATEMENTS (continued)

21. Other financial assets (continued)

21.3 Interest in joint operations: (continued)

The Victoria Falls Hotel had no contingent liabilities at year end.

The Victoria Falls Hotel partnership leases the property on a revenue based lease which is valid until 2036. The partnership has the first right to renew the lease at the end of this period for a further ten years. Lease payments are computed as 10% of the hotel's revenue, as defined in the lease agreement. This lease did not qualify for capitalisation of right-of-use asset as it falls outside the scope of IFRS 16.

22. Inventories

	INFLATION ADJUSTED		HISTORICAL COST	
	Group	Group	Group	Group
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Inventories comprise:	ZWL 000	ZWL 000	ZWL 000	ZWL 000
Raw materials and consumables	347,250	275,128	327,185	155,633
Merchandise and manufactured goods	5,870,653	3,974,394	5,521,690	2,250,376
	6,217,903	4,249,522	5,848,875	2,406,009

Cost of inventories recognised as an expense was ZWL 49.7 billion (2021: ZWL 37.4 billion). The cost of inventories recognised as an expense includes ZWL 147 million (2021: ZWL 158 million) in respect of write-offs of inventory due to shrinkage.

23. Trade and other receivables

	INFLATION ADJUSTED		HISTORICAL COST	
	Group	Group	Group	Group
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
	ZWL 000	ZWL 000	ZWL 000	ZWL 000
Trade receivables	35,130	32,984	35,130	19,100
Expected credit loss allowance	(17,337)	(26,172)	(17,337)	(15,155)
Net trade receivables	17,793	6,812	17,793	3,945
Prepayments and deposits	1,112,730	381,904	1,056,742	214,756
Outstanding proceeds on Meikles Hotel disposal	182,644	1,632,455	182,644	945,281
Other receivables	154,383	632,355	154,383	368,092
	1,467,550	2,653,526	1,411,562	1,532,074

The Group measures the loss allowance for trade receivables at an amount equal to lifetime ECL. The ECL on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the various subsidiaries' industries, and forecast conditions at the reporting date. The Group has recognised a loss allowance of 100% against all receivables over 120 days past due, unless under exceptional circumstance, as these are generally irrecoverable. For forward looking information in adjusting the ECL, the Group has used projected average interest rates.

The following details the risk profile of trade receivables based on the Group's provision matrix.

INFLATION ADJUSTED

31 March 2022	<30 ZWL 000	31-60 ZWL 000	61-90 ZWL 000	91-120 ZWL 000	>120 ZWL 000	Total ZWL 000
Expected credit losses	8%	10%	45%	57%	100%	49%
Estimated carrying amount at default	12,661	5,450	2,001	390	14,628	35,130
Lifetime ECL	(1,050)	(533)	(902)	(224)	(14,628)	(17,337)
Balance	11,611	4,917	1,099	166	-	17,793

31 March 2021	<30 ZWL 000	31-60 ZWL 000	61-90 ZWL 000	91-120 ZWL 000	>120 ZWL 000	Total ZWL 000
Expected credit losses	7%	24%	25%	27%	96%	79%
Estimated carrying amount at default	3,144	1,497	1,165	1,200	25,978	32,984
Lifetime ECL	(217)	(363)	(291)	(329)	(24,972)	(26,172)
Balance	2,927	1,134	874	871	1,006	6,812

NOTES TO THE FINANCIAL STATEMENTS (continued)

23. Trade and other receivables (continued)

HISTORICAL COST

31 March 2022	<30 ZWL 000	31-60 ZWL 000	61-90 ZWL 000	91-120 ZWL 000	>120 ZWL 000	Total ZWL 000
Expected credit losses	**8%**	**10%**	**45%**	**57%**	**100%**	**49%**
Estimated carrying amount at default	**12,661**	**5,450**	**2,001**	**390**	**14,628**	**35,130**
Lifetime ECL	**(1,050)**	**(533)**	**(902)**	**(224)**	**(14,628)**	**(17,337)**
Balance	**11,611**	**4,917**	**1,099**	**166**	**-**	**17,793**

31 March 2021	<30 ZWL 000	31-60 ZWL 000	61-90 ZWL 000	91-120 ZWL 000	>120 ZWL 000	Total ZWL 000
Expected credit losses	7%	24%	25%	27%	96%	79%
Estimated carrying amount at default	1,820	867	674	696	15,043	19,100
Lifetime ECL	(126)	(210)	(169)	(191)	(14,459)	(15,155)
Balance	1,694	657	505	505	584	3,945

24. Cash and bank balances

	INFLATION ADJUSTED		HISTORICAL COST	
	31 March 2022 ZWL 000	31 March 2021 ZWL 000	**31 March 2022 ZWL 000**	31 March 2021 ZWL 000
Current				
Bank balances	**4,867,146**	1,348,510	**4,867,146**	785,599
Cash on hand	**7,363**	3,664	**7,363**	2,118
	4,874,509	1,352,174	**4,874,509**	787,717

The Group has an amount of US$ 1,225,000 that is not available for use for a period of 18 months from the date of these financial statements. This amount is a retention amount arising from part of the proceeds on disposal of Mentor Africa (Pty) Limited pursuant to the sale agreement. The disposal has been disclosed on note 20.

25. Share capital and Directors' beneficial interests

25.1 Share capital

Ordinary shares of ZWL1 cent each:

	INFLATION ADJUSTED Group and Company		HISTORICAL COST Group and Company	
	31 March 2022 ZWL 000	31 March 2021 ZWL 000	**31 March 2022 ZWL 000**	31 March 2021 ZWL 000
Opening issued share capital	**193,219**	193,219	**2,611**	2,611
Closing issued share capital	**193,219**	193,219	**2,611**	2,611

	Number	Number	**Number**	Number
	31 March 2022 ZWL 000	31 March 2021 ZWL 000	**31 March 2022 ZWL 000**	31 March 2021 ZWL 000
Shares in issue	**261,064,590**	261,064,590	**261,064,590**	261,064,590
Unissued shares	**138,935,410**	138,935,410	**138,935,410**	138,935,410
Authorised shares	**400,000,000**	400,000,000	**400,000,000**	400,000,000

Meikles Limited Employee Share Ownership Trust

The Meikles Limited Employee Share Ownership Trust (the Trust) was established in August 2011 with the objective of empowering employees through their acquisition of a shareholding in Meikles Limited. A total of 28 million shares are available for acquisition by the Trust. To date, 10,778,510 shares have been issued to the Trust. The purchase consideration of the shares is calculated on the basis of the weighted average price of the Company's shares over the thirty (30) days prior to the date of issue. The composition of the Trust participants is 95% workers and 5% management. The Trust held 1,860,000 shares at 31 March 2022.

The unissued shares are under the control of the shareholders, except for the 17,221,490 shares which have been allocated to the Trust. Timing of issue of the 17,221,490 shares depends on the Trust having the necessary funds to purchase the shares.

NOTES TO THE FINANCIAL STATEMENTS (continued)

25. Share capital and Directors' beneficial interests

25.2 Directors' beneficial interests

At 31 March 2022 the direct and indirect beneficial interests of the Directors in the ordinary shares of the Company are shown below:

	Fully paid ordinary shares	
	31 March 2022	**31 March 2021**
J.R.T. Moxon	**27,933,226**	27,933,226
R. Chidembo	**945,930**	945,930
S.P. Cranswick	**94,649**	94,649
S.J. Hammond	**15,497**	15,497
C.C. Chitiyo	**4**	4
K. Ncube	**-**	-
J.A. Mushore	**-**	-
T. Muzvagwandoga	**71,778**	71,778
M.R. Mycroft	**-**	-
M.J.S. Moxon	**-**	-

Mr J.R.T. Moxon's indirect beneficial interests through Gondor Capital Limited are included in the disclosures above. Gondor Capital Limited has a 48.38% shareholding in the Company.

26. Other reserves

	INFLATION ADJUSTED		HISTORICAL COST	
	31 March 2022 ZWL 000	31 March 2021 ZWL 000	**31 March 2022 ZWL 000**	31 March 2021 ZWL 000
Non-distributable reserve	**(623,853)**	(581,382)	**(14,445)**	(13,873)
Investments revaluation reserve	**1,439,734**	(462,435)	**1,439,734**	(462,435)
Foreign currency translation reserve	**2,092,423**	1,031,653	**2,775,751**	1,714,981
	2,908,304	(12,164)	**4,201,040**	1,238,673

The non-distributable reserve arose on the adoption of the US dollar as the functional and reporting currency of the Group on 1 January 2009.

The foreign currency translation reserve arises from the translation of the Group's foreign entities to the local ZWL. Movements are recognised in other comprehensive income.

27. Borrowings

	INFLATION ADJUSTED		HISTORICAL COST	
	31 March 2022 ZWL 000	31 March 2021 ZWL 000	**31 March 2022 ZWL 000**	31 March 2021 ZWL 000
Unsecured:				
Acceptance credits, loans and overdrafts	**123,591**	109,397	**123,591**	63,347
	123,591	109,397	**123,591**	63,347
Less: Portion repayable within 12 months	**(123,591)**	109,397	**(123,591)**	(63,347)
Non-current portion	**-**	-	**-**	-
On demand and within one year	**123,591**	109,397	**123,591**	63,347

Summary of borrowing arrangements

- Included in the unsecured borrowings is a loan of ZWL952,000 (2021: ZWL1.6 million) from Afghan African Holdings Limited, a minority shareholder in Meikles Centar Mining (Private) Limited. The loan attracts interest at LIBOR and an annual management fee of 4% per annum. There are no fixed repayment terms.
- Included in the unsecured borrowings is a loan of ZWL1.3 million (2021: ZWL2.1 million) from Mr Ian Hannam, who is connected with Afghan African Holdings Limited. The loan attracts interest at 10% per annum and has no fixed repayment terms.

NOTES TO THE FINANCIAL STATEMENTS (continued)

28. Lease liabilities

	INFLATION ADJUSTED		HISTORICAL COST	
	Group	Group	Group	Group
	31 March 2022 ZWL 000	31 March 2021 ZWL 000	31 March 2022 ZWL 000	31 March 2021 ZWL 000
Opening balance	**959,035**	173,578	**528,682**	98,190
Additions	**881,542**	743,011	**616,195**	412,802
Interest expense	**248,330**	277,459	**148,848**	153,776
Rental payments	**(331,966)**	(235,013)	**(182,907)**	(136,086)
Monetary adjustment	**(646,123)**	-	**-**	-
	1,110,818	959,035	**1,110,818**	528,682
Less current portion	**(104,158)**	(37,341)	**(104,158)**	(21,622)
Non-current portion	**1,006,660**	921,694	**1,006,660**	507,060
Maturity profile				
On demand	**104,158**	37,341	**104,158**	21,622
Between one and two years	**131,105**	43,800	**131,105**	25,362
Between two and three years	**108,420**	67,016	**108,420**	38,806
Between three and four years	**122,628**	58,700	**122,628**	33,991
Between four and five years	**73,670**	83,911	**73,670**	48,590
After five years	**570,837**	668,267	**570,837**	360,311
	1,110,818	959,035	**1,110,818**	528,682

29. Trade and other payables

	INFLATION ADJUSTED		HISTORICAL COST	
	Group	Group	Group	Group
	31 March 2022 ZWL 000	31 March 2021 ZWL 000	31 March 2022 ZWL 000	31 March 2021 ZWL 000
Trade payables	**4,606,328**	2,854,584	**4,606,328**	1,652,960
Accruals	**999,656**	774,170	**999,656**	448,287
Dividend payable to Pick n Pay (Proprietary) Limited	**418,134**	328,819	**418,134**	190,404
Other payables	**406,611**	1,088,556	**406,611**	630,110
Monetary adjustment	**6,430,729**	5,046,129	**6,430,729**	2,921,761

The credit period on purchases ranges from 7 to 60 days (2021: 0 to 30 days) from date of statement. Foreign suppliers are paid predominantly on prepayment or cash basis. Interest is charged by certain but not all suppliers on overdue payables.

Trade payables comprise amounts outstanding for trade purchases. The Directors consider that the carrying amount of trade payables approximate their fair values.

30. Related party transactions

Balances between the Company and its subsidiaries and joint operations, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. Details of transactions between the Group and other related parties are disclosed below as well as in note 21.

NOTES TO THE FINANCIAL STATEMENTS (continued)

30. Related party transactions (continued)

30.1 Related party transactions and balances

	INFLATION ADJUSTED		HISTORICAL COST	
	31 March 2022 ZWL 000	31 March 2021 ZWL 000	**31 March 2022 ZWL 000**	31 March 2021 ZWL 000
During the year, group entities entered into the following transactions with related parties that are not members of the Group:				
Interest income – short term loans – see note 12.1	**4,956**	1,375	**4,177**	515
Interest payable - Afghan African Holdings Limited	**45**	84	**33**	33
Interest payable – Mr. Ian Hannam	**97**	182	**71**	71
Rentals – Wingray Properties (Private) Limited	**7,992**	6,707	**4,628**	3,126
Donation expense – Meikles Foundation	**1,428**	-	**1,098**	-
Cost recoveries - Meikles Consolidated Holdings (Private) Limited	**4,959**	3,747	**3,771**	1,672
Cost recoveries – Tanganda Tea Company	**893**	-	**868**	-
Dividend paid to Meikles Consolidated Holdings (Private) Limited	**102,081**	-	**102,081**	-
Dividend paid to Gondor Capital Limited	**185,884**	193,111	**185,884**	**111,625**
The following balances were outstanding at the end of the reporting date:				
Funds due from Gondor Capital Limited (before impairment provisions) – see note 21	**1,671,637**	990,610	**1,671,637**	990,610
Short term loans – see note 21	**2,661**	4,138	**2,661**	2,396
African Afghan Holdings Limited – payable	**952**	1,587	**952**	919
Mr. Ian Hannam – payable	**1,290**	2,104	**1,290**	1,219
Current account - Meikles Consolidated Holdings (Private) Limited	**51,480**	-	**51,480**	-
Current account – Tanganda Tea Company	**1,675**	-	**1,675**	-
Current account with Gondor Capital Limited – receivable	**7,715**	4,572	**7,715**	4,572
Dividend payable to Gondor Capital Limited	**-**	8,174	**-**	4,725
Dividend payable to Pick n Pay (Proprietary) Limited	**418,134**	328,819	**418,134**	190,404

- The loan from African Afghan Holdings Limited, a minority shareholder in Meikles Centar Mining (Private) Limited, attracts interest at LIBOR and an annual management fee of 4% per annum. There are no fixed repayment terms.
- Meikles Consolidated Holdings (Private) Limited (MCH) is the controlling shareholder of the Company. The current account is unsecured and has no fixed terms of repayment.
- The loan from Mr. Ian Hannam, who is connected with African Afghan Holdings Limited, attracts interest at 10% per annum and is repayable on demand.

30.2 Compensation of and loans to executive Directors and key management personnel

	INFLATION ADJUSTED		HISTORICAL COST	
	Group	Group	**Group**	Group
	31 March 2022 ZWL 000	31 March 2021 ZWL 000	**31 March 2022 ZWL 000**	31 March 2021 ZWL 000
Short-term benefits	**439,245**	654,584	**330,198**	181,770
Post-employment benefits	**6,953**	11,961	**5,227**	1,292
Total	**446,198**	666,545	**335,425**	183,062
Loans to key management personnel	**2,932**	2,457	**2,932**	1,423

The short term benefits represent remuneration of executive Directors and other members of key management during the year.

31. Borrowing powers

In terms of the Company's Articles of Association, the Directors shall not allow the borrowings of the Company to exceed at any time, twice the value of the funds attributable to the shareholders without the sanction of the Company in a general meeting.

NOTES TO THE FINANCIAL STATEMENTS (continued)

32. Commitments

	INFLATION ADJUSTED		HISTORICAL COST	
	Group	Group	Group	Group
	31 March 2022 ZWL 000	31 March 2021 ZWL 000	31 March 2022 ZWL 000	31 March 2021 ZWL 000
Commitments for the acquisition of property, plant and equipment				
Authorised but not yet contracted for	**5,855,597**	6,431,704	**5,855,597**	3,717,748
Group's share of capital commitments of joint operations	**260,250**	386,309	**260,250**	223,300

33. Retirement benefits

33.1 The Meikle Group Pension Scheme

All eligible employees in Zimbabwe contribute to an independently administered pension scheme. The scheme is based on a defined contribution plan.

33.2 National Social Security Authority Scheme

All eligible employees in Zimbabwe contribute to the National Social Security Authority Scheme (NSSA). NSSA is a defined benefit scheme promulgated under the National Social Security Authority Act 1989. The contribution rate is limited to specific contribution rates as legislated from time to time. The contribution rate is presently the lower of ZWL34,291 and 4.5% of pensionable emoluments per employee per month.

34. Financial instruments

34.1 Capital management

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximising the return to shareholders through the optimisation of the debt and equity balance.

The capital structure of the Group consists of debt from continuing operations (borrowings as detailed in notes 27 and 28) and equity (comprising issued capital, reserves, retained earnings and non-controlling interests).

The Group is not subject to any externally imposed capital requirements.

The Board reviews the capital structure of the Group at least quarterly. As part of this review, the Group considers the cost of capital and the risks associated with each class of capital.

	INFLATION ADJUSTED		HISTORICAL COST	
	Group	Group	Group	Group
	31 March 2022 ZWL 000	31 March 2021 ZWL 000	31 March 2022 ZWL 000	31 March 2021 ZWL 000
Long-term and short-term debt	**1,234,409**	1,068,432	**1,234,409**	592,029
Total equity	**16,908,898**	19,507,105	**9,708,867**	5,570,687
Debt to equity ratio	**7%**	5%	**13%**	11%

Debt is defined as long-term and short-term borrowings as described in note 27 and note 28.

34.2 Categories of financial instruments

The Group's principal financial instruments comprise:
- Financial assets and liabilities at fair value through profit or loss
- Financial assets and liabilities at fair value through other comprehensive income; and
- Financial assets and liabilities at amortised cost.

34.3 Financial risk management objectives

The Group operates a central treasury function, the objective being to provide competitive funding costs and investment income as well as the monitoring of financial risk, under policies approved by the Board. The Group treasury activity, which operates in close co-operation with the Group's operating units, is routinely reported to Executive Directors. In accordance with Group policy, Group treasury does not engage in speculative activity.

The main categories of risk inherent in the business of the Group are:
- Credit risk
- Liquidity risk
- Market risk (including interest risk and currency rate risk)

The Group's objective is to effectively manage each of the above risks associated with its financial instruments in order to limit the Group's exposure, as far as possible, to any financial loss associated with these risks.

The Board is ultimately responsible and accountable for ensuring that adequate procedures and processes are in place to identify, assess, manage, and monitor key business risks. The Risk Committee is responsible for developing and monitoring the Group's risk management policies. The committee reports at least quarterly to the Board on its activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and Group's activities.

NOTES TO THE FINANCIAL STATEMENTS (continued)

34. Financial instruments (continued)

34.3 Financial risk management objectives (continued)
The Risk Committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risk faced by the Group. The Committee is assisted in this regard by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Risk Committee at least quarterly.

34.4 Credit risk management
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted the policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the financial loss from defaults. The Group uses publicly available information and its own trading records to rate its major customers. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved regularly.

Financial assets, which potentially subject the Group to concentrations of credit risk at the reporting date are as follows:

	INFLATION ADJUSTED		HISTORICAL COST	
	Group	Group	Group	Group
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
	ZWL 000	ZWL 000	ZWL 000	ZWL 000
Other financial assets (note 21)	1,668,304	966,799	1,668,304	934,664
Trade and other receivables (excluding prepayments) (note 23)	354,820	2,271,622	354,820	1,317,318
Cash at banks (excluding cash on hand) (note 24)	4,867,146	1,348,510	4,867,146	785,599

The carrying amounts of financial assets represent the maximum exposure.

Trade receivables are amounts owing by customers and are presented net of allowance for credit losses. Trade receivables consist of a large number of customers spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable and, where appropriate, credit guarantee insurance cover is purchased. Trade receivables are unsecured. The Group does not have significant credit risk exposure to any single counterparty in respect of trade and other receivables.

The Group's cash is placed with major banks of high credit standing and within specific guidelines laid down by the Group Treasury and approved by the Board. The Group does not consider there to be significant exposure to credit risk in respect of cash and cash equivalents.

In addition, the Group is exposed to credit risk in relation to financial guarantees provided to banks by the Group in respect to the Group entities' borrowings. The Group's maximum exposure in this respect is the maximum amount the Group could have to pay if the guarantee is called. The Group did not have any material guarantees at the end of the year, as Group loans had significantly reduced.

There are no concentrations of credit risk with respect to cash and cash equivalents as the Group holds cash accounts with high quality financial institutions with sound financial and capital cover. The financial institutions holding the cash and cash equivalents of the Group have the following credit ratings:

	INFLATION ADJUSTED		HISTORICAL COST	
	Group	Group	Group	Group
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
	ZWL 000	ZWL 000	ZWL 000	ZWL 000
Rating				
AA	887,553	148,413	887,553	85,939
AA-	208,845	-	208,845	-
A+	542,455	777,672	542,455	450,315
A	66,764	48,147	66,764	27,880
A-	368,229	-	368,229	-
BBB+	18,839	-	18,839	-
BBB	22,104	55,640	22,104	32,218
BB+	-	43,058	-	24,933
Not rated	2,752,357	275,586	2,752,357	164,314
Cash on hand	7,363	3,658	7,363	2,118
	4,874,509	1,352,174	4,874,509	787,717

34.5 Liquidity risk management
Liquidity risk is the risk that the Group will not be able to meet its financial obligations when they fall due. Ultimate responsibility for liquidity risk management rests with the Board. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

In terms of the Company's Articles of Association, the Company's borrowing powers are limited to twice the value of the funds attributable to the shareholders. Any excess has to be sanctioned in a general meeting of the Company. Group Treasury maintains strict control over the acceptance and draw-down of any loan facility.

NOTES TO THE FINANCIAL STATEMENTS (continued)

34. Financial instruments (continued)

34.5 Liquidity risk management (continued)

The following are the contractual maturities of financial liabilities, including accrued interest to the end of the reporting period:

	INFLATION ADJUSTED		
	Carrying amount ZWL 000	**Within 1 year ZWL 000**	**1 to 5 years ZWL 000**
Group – 31 March 2022			
Unsecured acceptance credits, loans and overdrafts	**123,591**	**123,591**	**-**
Trade and other payables	**6,430,729**	**6,430,729**	**-**
Lease liabilities	**1,110,818**	**104,158**	**1,006,660**
Total financial liabilities	**7,665,138**	**6,658,478**	**1,006,660**
Group – 31 March 2021			
Unsecured acceptance credits, loans and overdrafts	109,397	109,397	-
Trade and other payables	5,046,129	5,046,129	-
Lease liabilities	959,035	37,341	921,694
Total financial liabilities	6,114,561	5,192,867	921,694

	HISTORICAL COST		
	Carrying amount ZWL 000	**Within 1 year ZWL 000**	**1 to 5 years ZWL 000**
Group – 31 March 2022			
Unsecured acceptance credits, loans and overdrafts	**123,591**	**123,591**	**-**
Trade and other payables	**6,430,729**	**6,430,729**	**-**
Lease liabilities	**1,110,818**	**104,158**	**1,006,660**
Total financial liabilities	**7,665,138**	**6,658,478**	**1,006,660**
Group – 31 March 2021			
Unsecured acceptance credits, loans and overdrafts	63,347	63,347	-
Trade and other payables	2,921,761	2,921,761	-
Lease liabilities	528,682	21,622	507,060
Total financial liabilities	3,513,790	3,006,730	507,060

	INFLATION ADJUSTED		HISTORICAL COST	
	Group	Group	**Group**	Group
	31 March 2022 ZWL 000	31 March 2021 ZWL 000	**31 March 2022 ZWL 000**	31 March 2021 ZWL 000
Unsecured acceptance credits, loans and overdrafts reviewed annually				
- amount drawn down	**123,591**	109,397	**123,591**	63,347
- amount undrawn	**-**	-	**-**	-
	123,591	123,591	**63,347**	

34.6 Market risk
Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on the risk. The Directors manage market risk at both subsidiaries and corporate risk through divisional board oversights and Group board reviews.

34.7 Foreign currency risk management
The Group undertakes transactions denominated in currencies other than its functional currency. Consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters by liquidating foreign denominated cash balances at approved rates.

Liquidity risk on foreign creditors and lenders has increased in the current and previous years due to foreign currency shortages in the country. The Group has access to foreign currencies through its export receipts from the agricultural and hospitality segments; together with some foreign currency cash receipts from the supermarkets segment. This leverage is used to negotiate for shorter waiting periods for remittances to foreign creditors and lenders from local banking institutions, according to the Reserve Bank of Zimbabwe prioritisation list.

NOTES TO THE FINANCIAL STATEMENTS (continued)

34. Financial instruments (continued)

34.7 Foreign currency risk management (continued)

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at year end are as follows:

	INFLATION ADJUSTED		HISTORICAL COST	
	31 March 2022 ZWL 000	31 March 2021 ZWL 000	31 March 2022 ZWL 000	31 March 2021 ZWL 000
Assets				
United States dollar	**4,108,657**	2,480,362	**4,108,657**	1,433,735
South African rand	**34,471**	47,321	**34,471**	27,353
Euro	**-**	3	**-**	2
British pound	**-**	2	**-**	1
	4,143,128	2,527,688	**4,143,128**	1,461,091
Liabilities				
United States dollar	**1,672,210**	413,290	**1,672,210**	238,896
South African rand	**5,231**	5,296	**5,231**	3,061
British pound	**1,635**	9,280	**1,635**	5,364
	1,679,076	427,866	**1,679,076**	247,321

As at 31 March 2022, management performed a sensitivity analysis on monetary assets and liabilities. The following table illustrates the different scenarios based on US$ exchange rates to the ZWL at 1:142, 1:250 and 1:400.

	INFLATION ADJUSTED AND HISTORICAL COST		
31 March 2022	At 1:142 ZWL 000	At 1:250 ZWL 000	At 1:400 ZWL 000
Monetary assets (denominated in foreign currency)	**4,143,128**	**7,272,540**	**11,636,063**
Monetary liabilities (denominated in foreign currency)	**(1,679,076)**	**(2,947,325)**	**(4,715,721)**
Net monetary assets (denominated in foreign currency)	**2,464,052**	**4,325,215**	**6,920,342**
Potential increase to profit and equity for the year (after tax)	**-**	**1,861,163**	**2,595,127**

34.8 Market price
The Group currently has no significant investments in listed equity securities and therefore has minimal exposure to market price risk.

34.9 Fair value measurements

Fair value hierarchy

IFRS 13 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

At 31 March 2022 the carrying amounts, as disclosed in the statement of financial position, of cash and cash equivalents, loans and receivables, interest bearing borrowings, overdrafts and trade and other payables approximate their fair values. Trade receivables will mature within 35 to 365 days and payables will mature within 7 to 30 days from date of statement.

NOTES TO THE FINANCIAL STATEMENTS (continued)

34. Financial instruments (continued)

34.10 Interest rate risk management

The Group is exposed to interest rate risk because entities in the Group borrow funds at both fixed and floating interest rates. The Group manages the interest rate risk on long and short term borrowings by fixing the interest rate with the relevant financial institution wherever possible and by maintaining an appropriate mix between fixed and floating rate borrowings. Borrowings issued at variable interest rates expose the Group to cash flow interest risk whereas borrowings issued at fixed interest rates expose the Group to fair value interest risk. The Group has no significant interest bearing assets. The effective rates on financial instruments at 31 March 2022 are:

INFLATION ADJUSTED

Group – 31 March 2022	Weighted average interest rate p.a	Within 1 year ZWL 000	1 to 5 years ZWL 000	Total
Financial assets				
Staff loans	**20%**	**42,990**	**120,018**	**163,008**
Total financial assets		**42,990**	**120,018**	**163,008**
Financial liabilities				
Acceptance credits and loans	**16.84%**	**123,591**	**-**	**123,591**
Total financial liabilities		**123,591**	**-**	**123,591**

Group – 31 March 2021	Weighted average interest rate p.a	Within 1 year ZWL 000	1 to 5 years ZWL 000	Total
Financial assets				
Trade receivables	20%	22,116	50,213	72,329
Total financial assets		22,116	50,213	72,329
Financial liabilities				
Acceptance credits and loans	15.74%	109,397	-	109,397
Total financial liabilities		109,397	-	109,397

HISTORICAL COST

Group – 31 March 2022	Weighted average interest rate p.a	Within 1 year ZWL 000	1 to 5 years ZWL 000	Total
Financial assets				
Staff loans	**20%**	**42,990**	**120,018**	**163,008**
Total financial assets		**42,990**	**120,018**	**163,008**
Financial liabilities				
Acceptance credits and loans	**16.84%**	**123,591**	**-**	**123,591**
Total financial liabilities		**123,591**	**-**	**123,591**

Group – 31 March 2021	Weighted average interest rate p.a	Within 1 year ZWL 000	1 to 5 years ZWL 000	Total
Financial assets				
Staff loans	20%	12,784	29,025	41,809
Total financial assets		12,784	29,025	41,809
Financial liabilities				
Acceptance credits and loans	15.74%	63,347	-	63,347
Total financial liabilities		63,347	-	63,347

NOTES TO THE FINANCIAL STATEMENTS (continued)

35. Exchange rates

	31 March 2022	31 March 2021
ZWL1 is equivalent to:		
Statement of financial position rate:		
United States dollar	**0.0070**	0.0118
South African rand	**0.1019**	0.1770
British pound	**0.0054**	0.0086
Average transaction rate:		
United States dollar	**0.0099**	0.0142
South African rand	**0.1488**	0.2262
British pound	**0.0073**	0.0107

36. Subsequent events

36.1 Exchange rates

On 7 May 2022, the Government of Zimbabwe through a national address issued measures to boost economic confidence and macro-economic stability. These measures included but were not limited to, the introduction of the willing buyer willing seller exchange rate mechanism. This exchange rate has been designated as the new interbank rate.

The Group resolved to replace the use of the auction exchange rate by the interbank rate, as the new spot exchange rate as described in note 4.1.7. The Directors are satisfied that these pronouncements constituted non-adjusting events for the year ending 31 March 2022.

COMPANY STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2022

	INFLATION ADJUSTED		HISTORICAL COST	
	31 March 2022 ZWL 000	31 March 2021 ZWL 000	**31 March 2022 ZWL 000**	31 March 2021 ZWL 000
Other income	**11,661,168**	1,583,866	10,089,125	824,777
Employee costs	**(406,300)**	(238,878)	**(313,843)**	(108,821)
Occupancy costs	**(16,308)**	(13,118)	**(11,996)**	(6,686)
Other operating costs	**(294,087)**	(216,188)	**(226,631)**	(104,002)
Operating profit	**10,944,473**	1,115,682	**9,536,655**	605,268
Investment income	**1,243,591**	1,652	**872,736**	645
Finance costs	**(689)**	-	**(689)**	-
Net exchange gains / (losses)	**433,010**	(111,515)	**390,371**	(39,468)
Impairments on investments and receivables	**(4,002,842)**	(45,297)	**(2,989,282)**	(22,452)
Net monetary (loss) / gain	**(3,248,163)**	333,096	**-**	-
Profit before tax	**5,369,380**	1,293,618	**7,809,791**	543,993
Income tax (expense) / credit	**(130,463)**	(36,643)	**(106,515)**	10,467
PROFIT FOR THE YEAR	**5,238,917**	1,256,975	**7,703,276**	554,460
Other comprehensive income, net of tax	**-**	-	**-**	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**5,238,917**	1,256,975	**7,703,276**	554,460

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2022

		INFLATION ADJUSTED		HISTORICAL COST	
	Notes	31 March 2022 ZWL 000	31 March 2021 ZWL 000	31 March 2022 ZWL 000	31 March 2021 ZWL 000
ASSETS					
Non-current assets					
Property, plant and equipment		**43,756**	41,957	**29,507**	22,605
Right of use assets		**20,258**	-	**16,734**	-
Investment in other entities	(ii)	**3,498,940**	6,738,117	**53,503**	233,700
Other financial assets		**6,594**	1,037	**6,594**	600
Deferred tax	(iii)	**-**	-	**22,319**	18,902
Total non-current assets		**3,569,548**	6,781,111	**128,657**	275,807
Current assets					
Receivables	(iv)	**527,290**	379,195	**526,761**	219,457
Other financial assets		**3,471**	4,284	**3,471**	2,481
Cash and bank balances		**342,136**	4,166	**342,136**	2,413
Total current assets		**872,897**	387,645	**872,368**	224,351
Total assets		**4,442,445**	7,168,756	**1,001,025**	500,158
EQUITY AND LIABILITIES					
Capital and reserves					
Share capital		**193,219**	193,219	**2,611**	2,611
Share premium		**241,112**	241,112	**3,925**	3,925
Other reserves		**698,923**	698,923	**9,409**	9,409
Retained earnings		**2,937,229**	5,634,069	**811,775**	358,924
Total equity		**4,070,483**	6,767,323	**827,720**	374,869
Non-current liabilities					
Lease liability		**15,171**	-	**15,171**	-
Deferred tax	(iii)	**198,657**	185,064	**-**	-
Total non-current liabilities		**213,828**	185,064	**15,171**	-
Current liabilities					
Provisions and other payables	(v)	**150,124**	216,369	**150,124**	125,289
Lease liability		**8,010**	-	**8,010**	-
Total current liabilities		**158,134**	216,369	**158,134**	125,289
Total equity and liabilities		**4,442,445**	7,168,756	**1,001,025**	500,158

J.R.T. Moxon
Chairman
31 August 2022

R. Chidembo
Non- Executive Director
31 August 2022

COMPANY ABRIDGED NOTES TO THE COMPANY FINANCIAL STATEMENTS

(i) Basis of preparation and summary of significant accounting policies

The Company statement of financial position has been prepared in accordance with IFRS. The accounting policies are similar to those presented in the consolidated financial statements of the Group as per note 3. The Company statement of financial position has been included in this annual report to comply with the provisions of Section 186 (1) of the Companies and Other Business Entities Act (Chapter 24:31), and may not be suitable for any other purpose if read in isolation.

(ii) Investment in other entities

	INFLATION ADJUSTED		HISTORICAL COST	
	31 March 2022 ZWL 000	31 March 2021 ZWL 000	**31 March 2022 ZWL 000**	31 March 2021 ZWL 000
Opening carrying value	**6,738,117**	6,412,582	**233,700**	92,665
Additions	**4,429,152**	364,308	**6,511,759**	163,487
Impairment	**(4,002,842)**	(38,773)	**(22,400)**	(22,452)
Fair value adjustments	**6,576,205**	-	**-**	-
Monetary adjustment	**(3,151,048)**	-	**-**	-
Disposal of subsidiary	**(7,090,644)**	-	**(6,669,556)**	-
Closing carrying value	**3,498,940**	6,738,117	**53,503**	233,700
Comprising at cost:				
Subsidiaries				
Investment in Meikles Hospitality (Private) Limited	**3,202,989**	3,202,989	**49,526**	49,526
Investment in Greatermans Stores (1979) (Private) Limited	**-**	-	**-**	-
Investment in TM Supermarkets (Private) Limited	**295,921**	295,921	**3,977**	3,977
Investment in Tanganda Tea Company Limited	**-**	3,239,177	**-**	180,197
Drillreel Investments (Private) Limited	**15**	15	**-**	-
Meikles Guard Services (Private) Limited	**15**	15	**-**	-
	3,498,940	6,738,117	**53,503**	233,700

Investment in Greatermans Stores (Private) Limited is not shown above due to rounding off. Dormant companies have been excluded.
For details relating to shareholding in each subsidiary, please refer to the Group structure on page 5.

(iii) Deferred tax

	INFLATION ADJUSTED		HISTORICAL COST	
	31 March 2022 ZWL 000	31 March 2021 ZWL 000	**31 March 2022 ZWL 000**	31 March 2021 ZWL 000
Opening carrying value	**185,064**	148,421	**(18,902)**	(8,435)
Charged to statement of profit or loss	**13,593**	36,643	**(3,417)**	(10,467)
	198,657	185,064	**(22,319)**	(18,902)
Comprising				
Assessed losses	**(12,938)**	(24,282)	**(12,938)**	(14,060)
Furniture, equipment and motor vehicles	**9,178**	9,026	**269**	198
Receivables and prepayments	**131**	50	**-**	-
Provisions	**(11,654)**	(13,670)	**(12,525)**	(7,915)
	(15,283)	(28,876)	**(25,194)**	(21,777)
Deferred capital gains tax on unlisted investments	**213,940**	213,940	**2,875**	2,875
Deferred tax liability / (asset)	**198,657**	185,064	**(22,319)**	(18,902)
(iv) Receivables		13,983	**12,419**	4,106
Group balances	**11,468**	21,447	**11,468**	12,419
Other receivables	**515,822**	357,748	**515,293**	207,039
	527,290	379,195	**526,761**	219,458
(v) Provisions and other payables				
Group balances	**17,483**	6,428	**17,483**	3,722
Other payables	**132,641**	209,941	**132,641**	121,567
	150,124	216,369	**150,124**	125,289

KEY PERFORMANCE MEASURES

INFLATION ADJUSTED

		31 March 2022	31 March 2021	31 March 2020	31 March 2019
Gross margin (%)	Gross profit / Revenue	**24.92%**	23.25%	21.02%	-
Net margin (%)	Operating profit / (loss) / Revenue	**3.39%**	3.09%	3.24%	-
Return on equity (%)	Attributable earnings / Average shareholders' funds	**6.24%**	1.16%	7.32%	-

HISTORICAL COST

		31 March 2022	31 March 2021	31 March 2020	31 March 2019
Gross margin (%)	Gross profit / Revenue	**27.84%**	29.32%	28.95%	27.15%
Net margin (%)	Operating profit / (loss) / Revenue	**8.39%**	10.83%	12.19%	11.66%
Return on equity (%)	Attributable earnings / Average shareholders' funds	**31.84%**	15.85%	25.84%	13.54%

SHAREHOLDER INFORMATION

	Holders		Shares	
	Number	%	Number	%
Analysis of ordinary shareholdings at 31 March 2022				
Type of holder				
Zimbabwe Register				
Local companies	**1,353**	**10.99**	**190,732,141**	**73.06**
Foreign companies	**12**	**0.10**	**5,118,877**	**1.96**
FCDA residents and non-residents	**52**	**0.42**	**2,068,257**	**0.79**
Individuals	**9,790**	**79.51**	**15,096,166**	**5.78**
Insurance companies	**27**	**0.22**	**738,654**	**0.28**
Investments, trusts, and property companies	**286**	**2.32**	**6,138,770**	**2.35**
Nominee companies	**201**	**1.63**	**15,132,237**	**5.80**
Non-resident transferable	**12**	**0.10**	**4,210,067**	**1.61**
Pension funds	**145**	**1.18**	**17,272,522**	**6.62**
Total for Zimbabwe	**11,878**	**96.47**	**256,507,691**	**98.25**
London Register				
Banks and nominee companies	**20**	**0.16**	**3,881,504**	**1.49**
Individuals	**410**	**3.33**	**646,883**	**0.25**
Other corporate bodies	**5**	**0.04**	**28,512**	**0.01**
Total for London	**435**	**3.53**	**4,556,899**	**1.75**
Totals for Zimbabwe and London	**12,313**	**100.00**	**261,064,590**	**100.00**
Size of holdings				
1 – 5 000	**11,618**	**94.35**	**3,247,802**	**1.24**
5 001 – 10 000	**218**	**1.77**	**1,570,756**	**0.60**
10 001 – 50 000	**284**	**2.31**	**6,307,580**	**2.42**
50 001 – 100 000	**70**	**0.57**	**4,812,237**	**1.84**
100 001 – 500 000	**90**	**0.73**	**20,140,778**	**7.72**
Exceeding 500 000	**33**	0.27	**224,985,437**	86.18
Totals	**12,313**	**100.00**	**261,064,590**	**100.00**

	No. of shares	%
Top ten shareholders		
At 31 March 2022	**126,301,590**	**48.38**
Meikles Consolidated Holdings (Private) Limited	**25,450,780**	**9.75**
Mega Market (Private) Limited	**21,226,848**	**8.13**
Old Mutual Life Assurance Company Zimbabwe Limited	**8,338,797**	**3.19**
Stanbic Nominees (Private) Limited – account 140043470003	**5,049,707**	**1.93**
LHG Malta Holdings Limited	**2,896,272**	**1.11**
Old Mutual Zimbabwe Limited	**2,861,210**	**1.10**
Meikles Pension Fund – ABC	**2,749,628**	**1.05**
Stanbic Nominees (Private) Limited – NNR account 140043470002	**2,466,231**	**0.94**
Mundell Family Trust	**1,884,685**	**0.72**
Public Service Commission Pension Fund – ABC	**199,225,748**	**76.31**
Total for top ten shareholders	**61,838,842**	**23.69**
Other	**261,064,590**	**100.00**
Total		

At 31 March 2021		
Gondor Capital Limited	122,903,771	47.08
Mega Market (Private) Limited	25,731,380	9.86
Old Mutual Life Assurance Company Zimbabwe Limited	21,516,302	8.24
Stanbic Nominees (Private) Limited – account 140043470003	8,774,137	3.36
Meikles Consolidated Holdings (Private) Limited	4,697,819	1.80
London Register – Meikles Africa Limited	4,556,899	1.75
Stanbic Nominees (Private) Limited – NNR account 140043470002	4,228,212	1.62
Messina Investments Limited	3,971,781	1.52
Old Mutual Zimbabwe	2,896,272	1.11
Meikles Pension Fund - ABC	2,874,310	1.10
Total for top ten shareholders	202,150,883	77.44
Other	58,913,707	22.56
Total	261,064,590	100.00

GRI Content Index

GRI Standard	Disclosure	Page number(s)	Omission		
			Part Omitted	Reason	Explanation
GRI 101: Foundation 2016					
General Disclosures					
GRI 102: General Disclosures 2016	**Organisational profile**				
	102-1 Name of the organization	Cover, 2			
	102-2 Activities, brands, products, and services	4; 11-12			
	102-3 Location of headquarters	98			
	102-4 Location of operations	6			
	102-5 Ownership and legal form	45; 93			
	102-6 Markets served	6			
	102-7 Scale of the organization	8			
	102-8 Information on employees and other workers	8; 22-26			
	102-9 Supply chain	29-30			
	102-10 Significant changes to the organization and its supply chain	30			
	102-11 Precautionary Principle or approach	17			
	102-12 External initiatives	32-34			
	102-13 Membership of associations	7			
	102-14 Statement from senior decision-maker	9-10			
	102-16 Values, principles, standards, and norms of behaviour	13			
	102-40 List of stakeholder groups	19			
	102-41 Collective bargaining agreements	25-26			
	102-42 Identifying and selecting stakeholders	19			
	102-43 Approach to stakeholder engagement	19			
	102-44 Key topics and concerns raised	19			
	102-45 Entities included in the consolidated financial statements.	75			
	102-46 Defining report content and topic Boundaries	2			
	102-47 List of material topics	20			
	102-48 Restatements of information	2			
	102-49 Changes in reporting	No Change			
	102-50 Reporting period	2			
	102-51 Date of most recent report	2			
	102-52 Reporting cycle	2			
	102-53 Contact point for questions regarding the report	2			
	102-54 Claims of reporting in accordance with the GRI Standards	2			
	102-55 GRI content index	94-97			
	102-56 External assurance	2			

GRI Content Index (continued)

GRI Standard	Disclosure	Page number(s) and/or URL(s)	Omission		
			Part Omitted	Reason	Explanation
Material Topics					
200 series (Economic topics)					
Economic Performance					
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	2; 20			
	103-2 The management approach and its components	31			
	103-3 Evaluation of the management approach	31			
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	41-44			
	201-3 Defined benefit plan obligations and other retirement plans	65			
Indirect Economic Impacts					
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	2; 20			
	103-2 The management approach and its components	32			
	103-3 Evaluation of the management approach	33			
GRI 203: Indirect Economic Impacts 2016	203-2 Significant indirect economic impacts	32-33			
Anti-Corruption					
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	2; 20			
	103-2 The management approach and its components	18			
	103-3 Evaluation of the management approach	18			
Procurement Practices					
GRI 103: Management Approach 201	103-1 Explanation of the material topic and its Boundary	2; 20			
	103-2 The management approach and its components	29			
	103-3 Evaluation of the management approach	29			
Tax (2019)					
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	2; 20			
	103-2 The management approach and its components	31			
	103-3 Evaluation of the management approach	31			
Tax 2019	GRI207-4 Tax payments	66-68			
300 series (Environmental topics)					
Energy					
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	2; 20			
	103-2 The management approach and its components	27			
	103-3 Evaluation of the management approach	27			

GRI Content Index (continued)

GRI Standard	Disclosure	Page number(s) and/or URL(s)	Omission		
			Part Omitted	Reason	Explanation
Material Topics					
300 Series (Environmental topics) (continued)					
Water					
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	2; 20			
	103-2 The management approach and its components	28			
	103-3 Evaluation of the management approach	28			
	303-3 Water withdrawal	28			
GRI 303: Water and Effluents 2018	306-5 Waste directed to disposal				
Biodiversity					
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	2; 20			
	103-2 The management approach and its components	31			
	103-3 Evaluation of the management approach	31			
GRI304 Biodiversity 2016	304-1 Operational sites owned, leased, managed in or adjacent to protected areas and areas of high biodiversity value outside protected areas.	31			
Waste					
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	2; 20			
	103-2 The management approach and its components	28			
	103-3 Evaluation of the management approach	28			
400 series (Social topics)					
Employment					
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	2; 20			
	103-2 The management approach and its components	22			
	103-3 Evaluation of the management approach	23			
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	24			
Occupational Health and Safety					
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	2; 20			
	103-2 The management approach and its components	24			
	103-3 Evaluation of the management approach	25			
GRI 403: Occupational Health and Safety 2018	403-2 Hazard Identification, risk assessment, and incident investigation	24-25			
	GRI 403-9 Work related injuries	25			

GRI Content Index (continued)

GRI Standard	Disclosure	Page number(s) and/or URL(s)	Omission		
			Part Omitted	Reason	Explanation
Material Topics					
400 series (Social topics) (continued)					
Training and Education					
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	2; 20			
	103-2 The management approach and its components	25			
	103-3 Evaluation of the management approach	25			
Diversity and Equal Opportunity					
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	2; 20			
	103-2 The management approach and its components	26			
	103-3 Evaluation of the management approach	26			
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	26			

CORPORATE INFORMATION

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(Registration No. 1/37)

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Company Secretary
Tabani Mpofu
Email: investorrelations@meikles.com

NOTICE OF MEETING

Notice is hereby given that the eighty-fifth ANNUAL GENERAL MEETING of members of Meikles Limited will be held virtually by electronic means on 5 December 2022 at 09.00 hours:

ORDINARY BUSINESS

1. CONSOLIDATED FINANCIAL STATEMENTS AND REPORTS

To receive, consider and adopt the Group Financial Statements for the year ended 31 March 2022 together with reports of the Directors and Auditors thereon.

2. DIRECTORATE

2.1 2.1 To consider the re-appointment of the following Director who retires by rotation and being eligible offers himself for re-election:
- Rugare Chidembo

2.2 To consider the re-appointment of the following Director who retires by rotation and being eligible offers herself for re-election:
- Catherine Charmaine Chitiyo

2.3 To consider the re-appointment of the following Director who retires by rotation and being eligible offers himself for re-election:
- Stewart Phillip Cranswick

2.4 To consider the re-appointment of the following Director who retires by rotation and being eligible offers himself for re-election:
- Simon James Hammond

2.5 To confirm Directors' fees amounting to ZWL 42,392,000 for the year ended 31 March 2022.

3. AUDITORS' FEE AND APPOINTMENT OF AUDITORS

3.1 To approve the outgoing auditors' fees of ZWL 33,548,000 and ZWL 69,265,000 for the Company and the Group respectively for the year ended 31 March 2022.

3.2 To appoint Messrs. Ernst and Young as the Auditors of the Company and Group for the year ending 28 February 2023.

Note 1: *The Group has adopted the requirements of the Companies and Other Business Entities Act [Chapter 24:31]: Section 191 (11) and the ZSE Listings Requirements (Statutory Instrument 134/2019): Section 69 (6) from the date of enactment. Messrs. Deloitte and Touche have been auditors of the Company for more than 10 years. Deloitte and Touche stepped down as the Auditors of the Company, in view of the requirements of Section 69(6) of the ZSE Listings Requirements. The Board of Directors recommends the appointment of Messrs. Ernst and Young as the new Auditors of the Company for the ensuing financial year.*

SPECIAL BUSINESS

1. DELISTING FROM THE LONDON STOCK EXCHANGE

To consider, and if deemed fit to pass, with or without modification, the resolutions set out below:

1.1 That the Company cancels the listing of its 4,556,899 ordinary shares (the "shares") on the Official List of the Financial Conduct Authority and the trading on the Main Market of the London Stock Exchange plc ("LSE").

1.2 That the Directors of the Company be and are hereby authorised to do all such things required to delist the Company's shares from LSE.

Note 2: *In terms of the Companies and Other Business Entities Act [Chapter 24:31] a member entitled to attend and vote at a meeting is entitled to appoint a proxy to attend and vote on a poll and speak in his stead. A proxy need not to be a member of the Company and shall not be a director or officer of the Company. Proxy forms must be lodged with the secretary not less than forty-eight (48) hours before the time of holding of the meeting.*

By order of the Board

T. Mpofu
Company Secretary
14 November 2022

LOGIN INSTRUCTIONS

May you please ensure that you have downloaded the ZOOM application and follow the login instructions below:

Meeting ID: 863 8656 9286

1. Password: Shareholders to contact the Transfer Secretaries on the following numbers +263772862956 and +263773668857.

2. Write your username on Zoom in the format below:

   XXXXXX SHAREHOLDER NAME

   Where XXXXXX is your shareholder number.

If you have any challenges, kindly contact us on +263772862956 and +263773668857.

FORM OF PROXY

For the Eighty-Fifth Annual General Meeting of the Members of Meikles Limited to be held virtually on 5 December 2022.

I/We ____

(Name/s in block letters)

being a member of Meikles Limited

being the holder of ______________________________ shares in the Company hereby appoint

1. ______________________________ of ______________________________

or failing him/her

2. ______________________________ of ______________________________

As my/our proxy to act for me/us at the AGM for the purpose of considering and, if deemed fit, passing, with or without modification, the resolutions to be proposed thereat, and at each adjournment thereof, and to vote for and/or against the resolutions and/or abstain from voting in respect of the shares in the issued share capital of the Company registered in my/our name (see note 2) in accordance with the following instructions:

Resolution	For	Against	Abstain
Ordinary Resolution number 1 To receive, consider and adopt the financial statements for the year ended 31 March 2022 together with the reports of the Directors and Auditors thereon.			
Ordinary Resolution number 2 2.1 To consider the re-appointment of the following Director who retires by rotation and being eligible offers himself for re-election: • Rugare Chidembo			
Ordinary Resolution number 2 2.2 To consider the re-appointment of the following Director who retires by rotation and being eligible offers herself for re-election: • Catherine Charmaine Chitiyo			
Ordinary Resolution number 2 2.3 To consider the re-appointment of the following Director who retires by rotation and being eligible offers himself for re-election: • Stewart Philip Cranswick			
Ordinary Resolution number 2 2.4 To consider the re-appointment of the following Director who retires by rotation and being eligible offers himself for re-election: • Simon James Hammond			
Ordinary Resolution number 2 2.5 To confirm Directors' fees amounting to ZWL 42,392,000 for the year ended 31 March 2022.			
Ordinary Resolution number 3 3.1 To approve the auditors' fees of ZWL 33,548,000 and ZWL 69,265,000 for the Company and the Group respectively for the year ended 31 March 2022.			
Ordinary Resolution number 3 3.2 To appoint Messrs. Ernst and Young as the Auditors of the Company and Group for the year ending 28 February 2023.			
Special Business Delisting from the London Stock Exchange 1.1. That the Company cancels the listing of its 4,556,899 ordinary shares (the "shares") on the Official List of the Financial Conduct Authority and the trading on the Main Market of the London Stock Exchange plc ("LSE"). 1.2. That the Directors of the Company be and are hereby authorised to do all such things required to delist the Company's shares from LSE.			

Every person present and entitled to vote at the AGM shall, on a show of hands, have one vote only, but in the event of a poll, every share shall have one vote.

Please read the notes appearing on the reverse hereof.

Signed at ______________________________ on ______________________________ 2022

Signature(s) ____

Assisted by me ____

Full name(s) of signatory/ies if signing in a representative capacity (see note 2) (please use block letters).

INSTRUCTIONS FOR SIGNING AND LODGING THIS FORM OF PROXY

1. In terms of the Companies and Other Business Entities Act, a Member entitled to attend and vote at a meeting is entitled to appoint a proxy to attend and vote on a poll and speak in his or her stead. No Director or Officer of the company may be appointed as a proxy for a Member. A proxy need not be a member of the Company.

2. A deletion of any printed matter and the completion of any blank spaces need not be signed or initialed. Any alteration or correction must be initialed by the signatory/ies.

3. The Chairman shall be entitled to decline to accept the authority of a person signing the proxy form:
   i. Under a power of attorney
   ii. On behalf of a company

   unless that person's power of attorney or authority is deposited at the offices of the Company's Zimbabwe transfer secretaries, not less than forty-eight (48) hours before the meeting.

4. If two or more proxies attend the meeting then that person attending the meeting whose name appears first on the proxy form and whose name is not deleted, shall be regarded as the validly appointed proxy.

5. When there are joint holders of shares, any one holder may sign the form of proxy. In the case of joint holders, the senior who tenders a vote will be accepted to the exclusion of other joint holders. Seniority will be determined by the order in which names stand in the register of members.

6. The completion and lodging of this form of proxy will not preclude the member who grants this proxy form from attending the meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof should such member wish to do so.

7. In order to be effective, completed proxy forms must reach the Company's transfer secretaries not less than 48 hours before the time appointed for the holding of the meeting.

8. Please ensure that name(s) of the member(s) on the form of proxy and the voting form are the same as those on the share register.

9. Please be advised that the number of votes to which a member is entitled is determined by the number of shares recorded in the share register 48 hours before the time appointed for the holding of the meeting.

OFFICE OF THE ZIMBABWE TRANSFER SECRETARIES
ZB Transfer Secretaries
21 Natal Road
Belgravia
P.O Box 2540
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Telephone 263 242 759660/9

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