

Audited Abridged Report To Shareholders For The Year Ended 30 September 2022













Directors' Responsibility

The Company's Directors are responsible for the preparation and fair presentation of the Group's financial statements, of which this press release represents an extract. The principal accounting policies applied in the preparation of these financial statements are consistent with those applied in the previous annual financial statements. No significant changes arise from new and revised IFRS which became effective for reporting periods commencing on or after 1 January 2022.

Cautionary Statement- Reliance on all Financial Statements prepared in Zimbabwe for 2019-2022

The Directors would like to advise users to exercise caution in their use of these financial statements due to the impact of the technicalities arising from functional currency changes in February 2019, and its consequent impact on the usefulness of the financial statements for 2019 - 2022 financial periods.

Whilst Directors have exercised due care and applied reasonable judgements they deem appropriate in the preparation and presentation of these financial statements, the Directors advise the need for interpretation caution and remind users that there are significant challenges in ascertaining the underlying business performance in an environment of hyperinflation, multiple exchange rates and rapid changes in economic

$Adoption\, of\, IAS\, 29\, (Financial\, Reporting\, in\, Hyper-inflationary\, Economies)$

Effective July 2019, the Public Accountants and Auditors Board (PAAB) advised that conditions for adopting IAS 29 were satisfied. IAS 29 requires that inflation-adjusted financial statements become the entity's primary financial statements. Historical cost financial statements have been presented only as complementary financial information.

External Auditor's Audit Opinion

These abridged Group financial statements have been audited by the Group's external auditors, Baker Tilly Chartered Accountants (Zimbabwe), who have issued a qualified audit opinion. The auditor's report on the Group's financial statements, is available for inspection at the Company's registered office. The engagement partner on the audit is Mr. Courage Matsa (PAAB Number 607).

Economic Environment

The economy witnessed the resurgence of hyper-inflationary pressures on the back of sharp currency depreciation and the widening gap of up to 90% between the official and alternative markets exchange rates of the Zimbabwe dollar (ZWL) against major foreign currencies. Inflationary pressures were further exacerbated by the war in Ukraine interrupting global supply chains with an adverse effect on commodities markets. During the period, the local currency on the official market depreciated by 617.5% against the USD. The rate moved from ZWL86.67:USD1 on 1 October 2021 to ZWL621.89:USD1 as at 30 September 2022. The exchange rates disparities imposed significant performance translation challenges on both historical and inflation adjusted accounts, given the conflict between IFRS and statutes. The distortions largely affect recorded revenues and profit for the period.

Factors stemming from the global impact of the Ukraine crisis and local growing economic uncertainties in the second half of the year saw average month-on-month inflation increase to 18.1% against 3.3% for the comparable period and 6.1% in the first half of the year. Average annual year-on-year inflation in the second half doubled to 207% against last year's second half inflation of 103.5%. Inflationary pressures in the second half (H2) were spurred by rapid money supply growth on the back of aggressive forward pricing of products and services. In Q4, the Government implemented some decisive policy interventions, mainly anchored by an increase in the minimum lending rate from 80% to 200%. The Government also introduced gold coins which, together with other measures, resulted in some decline in inflation in the post year-end period.

The erratic rains received during the 2021/2022 agricultural season suppressed aggregate demand for agro-inputs. Over and above the erratic rains, the country experienced a midseason drought resulting in a significant decline in local agricultural output. The Group is therefore expected to continue relying on imports of maize and soya for the next half-year

Financial Performance

Group inflation-adjusted revenues for the year increased by 39.4%, from ZWL 35.39 billion in the previous year, to ZWL 49.37 billion. The increase is mainly attributable to improved sales volumes from Victoria Foods underpinned by continued recapitalization However, aggregate demand for Retail products decreased in comparison to FY2021 following a below normal 2021/22 agriculture season. Overall, Retail Operations contributed 80.0% (2021- 91.9%), milling operations (Victoria Foods) contributed 17.4% (2021 - 4.3%) and farming operations accounted for 2.6% (2021 – 3.6%) of the

The Group incurred unrealized exchange losses of ZWL 6.1 billion on its foreign currency denominated loans. As a result, the Group posted a loss before tax of ZWL2.59 billion against a loss of ZWL0.75 billion for prior year. The Group incurred a ZWL 0.77 billion inflation-adjusted operational loss (inclusive of monetary gains) before depreciation, impairment and financing costs compared to an operational profit of ZWL0.4 billion in prior year.

The Group invested ZWL548.19 million (2021 - ZWL540.6 million) in capital expenditure for the different Strategic Business Units (SBUs) mainly covering IT infrastructure for various Farm & City Centre and Agrifoods, poultry and irrigation infrastructure at Glenara Estates.

FARM & CITY ('FCC')

The year ended 30 September 2022 was challenging due to both high domestic and imported inflation, multiple exchanges rates and reduced agricultural output, which decreased key revenue driver volumes by 21% compared to prior year. Notwithstanding, FCC opened Builders City branch and refurbished the Sanyati and Chitungwiza branches to increase the trading space and bring convenience to customers.

GLENARA ESTATES

Maize and soya beans output was 13% down from the previous season as a result of reduced planting following late onset of rains. The potato harvest increased by 10%, whilst yields improved by 7% compared to prior year. The Estate invested in additional irrigation infrastructure in order to underpin horticultural production going into the future. In addition, cattle pen fattening and breeding operations were maintained with reasonable success

PROPERTY DEVELOPMENT

SATURDAY RETREAT

Town planning permits secured in prior year and other development preliminaries pursued during the year will assist the Group in giving impetus to the development stage

SUNCREST PARK (FORMERLY MAITLANDS ZIMBABWE)

During the period, the Group progressed preparations of title surveys and completion of engineering drawings.

LANGFORD ESTATES

The legal proceedings remain pending before the relevant tribunals. The market will be updated with further progress in due course

MILLING OPERATIONS

Stockfeed sales registered a flat performance against prior year. Inconsistent raw material supplies limited the potential growth over prior year despite an otherwise vibrant market demand throughout the period. In addition, distortions on USD prices in part, contributed to constrained sales volume growth especially in H2. Notwithstanding the above challenges, Agrifoods continues to put efforts to reassert its presence in the market and demand for its products continues to firm. The focus going into the next year will be to secure adequate raw material supply lines as the entity claws back its market share.

VICTORIA FOODS

The entity's main business thrust in its first year after its exit from judicial management was ensuring the market is supplied with quality consumer household goods thereby enhancing VF's brand presence across various product categories the company is traditionally known for. Your Board is happy to report that VF's products have been warmly received in the market.

The flour mill operated at satisfactory capacity utilization levels for the year on the back of reasonable wheat availability from the 2021 winter season. Maize utilization however operated below expected capacity utilization levels given the poor cereal's output in the 2021/2022 agricultural season

POULTRY DIVISION

Crest Poultry Group's other units, being Crest Breeders, Hubbard Zimbabwe and Suncrest Chickens, remained under care and maintenance during the period. Joint ventures leveraging the Group's poultry infrastructure and brands are still being pursued.

Your Board continues to strive to ensure that its business strategies and its values are constantly aligned with sustainable business practices guided by the Global Reporting Initiatives (GRI's) Sustainability Reporting Guidelines.

Future Prospects

Notwithstanding the challenging economic conditions which prevailed during the period, the Group remains optimistic on the overall medium-term trajectory of the economy, as we anticipate continued growth driven largely by the mining, construction, agricultural sectors and increasing diaspora remittances. The Group will continue to invest in its milling operations in order to underpin its long-term competitiveness

Priority will also be given to the development of low-cost housing delivery in Harare South in support of Government's Vision 2030 on housing. The scourge of land barons will need resolution to make way for progressive, orderly infrastructure deployment and service delivery to the various settlements

Your Board will be focused on strengthening its human capital base, improving business models to be adaptive to the changing environment and strengthening its operational systems for the benefit of all stakeholders

Acknowledgement and Appreciation

I wish to record my sincere appreciation to Management and Staff for their fortitude and resilience in serving our customers' various needs notwithstanding the challenges imposed by the COVID-19 pandemic. I also wish to thank our customers, suppliers and financiers for their enduring support to the Group which has made this turnaround and consolidation to date possible. Lastly, I would also like to record my gratitude and appreciation to my fellow Board members for their valuable contributions, guidance and



Ms. I.V. Pasi

Chairperson

DIVIDEND DECLARATION

In view of the significant resources needed to further capitalize Agrifoods and Victoria Foods milling operations, your Board will not declare a dividend for the year ended 30 September 2022.

COMPANY SECRETARY BY ORDER OF THE BOARD 31 January 2023

			ADJUSTED or to	HISTORICAL Year to			
	Notes	30 Sept. 2022	30 Sept. 2021	30 Sept. 2022	30 Sept. 2021		
	110100	ZWL	ZWL	ZWL	ZWI		
Turnover		49,263,290,566	35,278,030,332	25,057,878,841	7,797,485,774		
Change in fair value of biological assets		106,229,376	108,984,678	234,494,249	36,528,36		
Revenue		49,369,519,942	35,387,015,010	25,292,373,090	7,834,014,13		
Operating (loss) income before depreciation,							
impairment and financing costs		(5,783,851,530)	409,838,586	(4,805,805,737)	542,767,400		
Depreciation expense		(544,440,648)	(442,895,391)	(144,680,431)	(77,737,754)		
Share of (losses) profits from joint ventures		(17,734,117)	8,270,792	(5,027,215)	129,035		
Net finance costs		(1,257,872,468)	(757,864,790)	(863,655,727)	(158,217,308		
Monetary gain		5,016,012,566	33,771,215	-			
(Loss) profit before tax	4.1	(2,587,886,197)	(748,879,588)	(5,819,169,110)	306,941,379		
Income tax (expense) credit	4.2	(1,537,265,549)	(724,756,332)	928,775,053	(110,529,667)		
(Loss) profit for the year		(4,125,151,746)	(1,473,635,920)	(4,890,394,057)	196,411,712		
Other comprehensive income							
Gain on property revaluation net of taxes		-	-	6,331,395,622	732,402,503		
Gain on equity investment designated as at FVTOCI		-	-	564,304,891	68,422,364		
Total other comprehensive income		-	-	6,895,700,513	800,824,867		
Total comprehensive (loss) income		(4,125,151,746)	(1,473,635,920)	2,005,306,456	997,236,579		
(Loss) profit attributable to:							
Equity holders of the parent		(4,125,151,746)	(1,473,635,920)	(4,890,394,057)	196,411,712		
Total comprehensive (loss) income attributable to:							
Equity holders of the parent		(4,125,151,746)	(1,473,635,920)	2,005,306,456	997,236,579		
Basic (losses) earnings per share (cents)		(3,861.75)	(1,379.54)	(4,578.13)	183.87		
Diluted (losses) earnings per share (cents)		(3,861.75)	(1,379.54)	(4,578.13)	183.87		
Headline (losses) earnings per share (cents)		(3,861.75)	(1,379.54)	(4,578.13)	183.87		
Net asset value per share (cents)		6,251.69	10,113.43	4,303.08	1,678.54		
Shares in issue		106,820,875	106,820,875	106,820,875	106,820,875		

		INFLATION		HISTORICAL			
ASSETS	Notes	30 Sept. 2022	30 Sept. 2021	30 Sept. 2022	30 Sept. 2021		
		ZWL	ZWL	ZWL	ZWI		
Non-current assets							
Property, plant and equipment		10,131,682,914	10,141,680,238	10,131,682,914	2,665,356,173		
Investments (unlisted)		805,771,692	805,771,692	805,771,692	211,766,54		
Investments in joint ventures		(11,085,694)	6,648,423	(5,623,922)	(596,707		
Deferred tax assets		-	-	551,499,444			
Total non-current assets		10,926,368,912	10,954,100,353	11,483,330,128	2,876,526,00		
Current assets							
Inventories and biological assets	4.3	17,277,193,625	8,165,529,151	12,591,749,149	1,737,647,07		
Trade and other receivables	4.5	2,347,772,501	1,211,108,350	2,347,772,501	318,293,91		
Investments - listed shares		31,317,099	87,485,732	31,317,099	22,992,30		
Cash and bank balances		561,246,599	888,461,344	561,246,599	233,498,38		
Total current assets		20,217,529,824	10,352,584,577	15,532,085,348	2,312,431,68		
					,,,		
TOTAL ASSETS		31,143,898,736	21,306,684,930	27,015,415,476	5,188,957,69		
EQUITY AND LIABILITIES							
Equity attributable to owners of the parent		6,678,107,328	10,803,259,075	4,596,593,035	2,591,286,57		
Total equity		6,678,107,328	10,803,259,075	4,596,593,035	2,591,286,578		
Non-current liabilities							
Deferred tax liabilities		2,046,968,967	2,062,105,637	_	379,190,10		
Accruals and other payables		5,501,854	14,696,219	5,501,854	3,862,34		
Long term borrowings	4.4	9,739,395,382	2,478,770,553	9,739,395,382	651,450,86		
Total non-current liabilities		11,791,866,203	4,555,572,409	9,744,897,236	1,034,503,32		
Current liabilities			///				
Trade payables		8,409,684,616	4,264,134,858	8,409,684,616	1,120,666,19		
Accruals and other payables	, ,	1,371,903,836	707,633,829	1,371,903,836	185,974,72		
Short term borrowings Bank overdraft	4.4	1,377,627,554	351,241,513	1,377,627,554	92,310,51		
		870,831,943	67,783,149	870,831,943	17,814,23		
Current tax liabilities Total current liabilities		643,877,256	557,060,097	643,877,256	146,402,12		
Total current hadilities		12,673,925,205	5,947,853,446	12,673,925,205	1,563,167,792		
TOTAL EQUITY AND LIABILITIES		31,143,898,736	21,306,684,930	27,015,415,476	5,188,957,691		



1 Wynne Street, Harare. Tel: +263 (242) 791260/703160

" To Shareholders For The Vear Fuded 30 Sen Andited Abridged Ren

HISTORY (ADJUSTED) 165 THE TOTAL NOTATION (ADJUSTED) 165 THE 200 Sept. 2002 165 S	ZWL	7,457,497 447 447 447 447 447 447 447 447 447	190,558,867	250,147,418 219,815 480,194,063 (291,704,964) 724,756,332	10.141.609.64 4.928.655.91 761.456.72 4.445.468.914	280,727,276 724,026,460 8,165,529,151	2.829.861.336 1.692,723.981 743,761,384 12,724,12592 438,658,588 11,478,603,745 (4,465.250,992) (3,165.91,693) (1,117,622,996 2.859.861,356 11,117,622,996			100,000,000 380,500,000 100,000,000 32,000,000 121,760,000 32,000,000 51,564,545 124,188,603 11,564,545 1,271,276	1,841,072,080	ADHISTED	30 Sept. 2021 ZWL	1,22,242,367 1,22,847,367 8,507,507 1,22,847,367 1,22,84	(784,325,586) (143,883,244) 562,948,777 792,489,245	ADJUS	18,382,882,797 15,503,197,028 17,686,047,530 1,806,916,219 1,074,225,851 1,953,762,247 4,565,851,168 2,790,230,452 4,081,062,552 6,298,248,552 1,939,031,509 3,204,545,4047	21,306,684,930 4,813,881,452 1,934,452,775 1,603,212,687 2,151,878,942	micha significanty impacted global, domestic, and human economic activation data management continue to closely monitor the situation and proffer apprehensive moderate continue to closely monitor the situation and proffer apprehensive moderate continue to closely monitor the situation and proffer apprehensive moderate continue to closely monitor the situation and proffer apprehensive moderate continue to closely monitor the situation and proffer apprehensive moderate continue to closely monitor than the closely monitor than	exs in the nee of the ongoing paracrine. ning this press release.
HISTORICAL 4.0 Supplementary information NHAINTON ADJ Varies 30 Sept. 2022 30 Sept. 2021 30 Sept. 2021 30 Sept. 2022 30 Sept. 20	 (Loss) profit before tax (Loss) profit before tax is shown after charging the following items: 	Description of the control of the co	- for management services 4.2 Income tax expense (credit)	Current ax. Witholing ax. Witholing us. Intermed list transactions tax Deferred tax charge (credit) relating to current temporary differences	4.3 Inventories Finished goods Row magrids and consumables	Biological asses and agricultural produce on hand Land in development 4.4 Berrowings	The table below summarizes the movements in the Geoup's third parry berrowings during the period: Ratines at the beginning of the year Loans rised during the year Loans regaid during the year Ratines at the end of the year	Short-term borrowings Long-term borrowings Total borrowings	All the Joans were raised to fund the Gooup's working capital requirements. Except for the long-term borrowings, which are unsecured, all short-term loans are secured against Gooup properties.	4.5 Contingent liabilities at reporting date in respect of Guarantees given to make creditors Langiand Exace convisional form of france for debt swap) Cay of Hanter areas Staff related provisions	4.6 Captal commitments Authorised but not yet contracted	The capital expenditure will be financed from the Company's own resources and existing borrowing facilities.	Revenue Do-est	Farming Milling Head Office & Properties FRETTA	Rening Faming Miling Had Olike & Properties	Sometisect	Real Farming Miling Propertie & Head Office	Segment liabilities Retail Faming Milling Milling Properties & Head Office	4.8 Impact of Covid-19 pandemic In March 2020, the World Health Organisation (WHO) declared COVID-19 global pandemic. The pandemic has significantly impact and all the transmission of the view far has in the control of the control of the view far has a far and the pandemic activity as implacent measures to emitted the transmission of the view. The limit impact are control or of control or of control or of control or of the view far and a readers or control or of the view far and profile appropriate and a control or of the view far and profile appropriate and a control or of the view far and profile appropriate and a control or of the view far and profile appropriate and a control or of the view far and profile appropriate and a control or of the view far and profile appropriate and a control or of the view far	response, in partenuir, nee Group skeps prontining the skety of its ompoyees, consumers and products in the 4.9 Events after the reporting period There were no significant adjusting on non-adjusting events after the reporting date at the time of issuing this p
	(874,008,340) 334,625,12 (5,06,574,145) 506,29,041 (5,345,590,63) 1.687,108.467 (172,200,442) 2.011,706,589 (9,218,874,587) 2.25,676,684	(1.25/872.468) (75/864,790) (409,940,727) (171,161,496) (1.45(72,4578) (927,764,677) (863,655,727) (18,217,309) (8.925,255,444) 316,077,122 (10,492,471,041) (105,701,940)	(548.187.598) (540.599.009) (406.262.601) (107.019.874) (548.187.598) (548.187.599.009) (397.735.215) (107.019.874)	7.260,624,829 2.478,770,556 9.087,944,514 651,450,868 18.188,010 86,166,731 (3.747,271 (3.747,271) 1.026,386,644 (3.747,271) 1.026,386,644 (3.747,271)	1,105,294,759 10,5ee,35e,61 880,77872 (55,266,495) (59,299,676) 215,684,151 880,678,149 (507,285,244) 880,678,149 (8778,149)	RETAINED	(6,675,444,409) (659,588,494) (7,185,298,953) (1,475,635,921)	$\frac{12,426,628,946}{12,426,628,946} \frac{(5,748,521,618)}{(5,748,521,618)} \frac{(4,125,151,147)}{(6,678,107,328}$	CAPITAL	204,777,075 (181,597,174)	2.271.694.966 196.411.712 196.4112 1	9,267,395,480 (4,670,802,445) 4,596,593,635	ments, the letting of properties, the wholesaling and retaling of agro-inputs and general landware and where milk, croops and live secock farming, the chevelorment and anastessment of real exists.	with the requirements of the Zimbabowe Sook Exchange Listing Requirements and in the Listing Requirements require featurable statements to be prepared in accordance with red (TASB). The Group's consolidated inflution adjusted featured statements have been prepared	in terns of IFRS except for the non-compliance with IAS 21 (The Effects of Change in Foreign 9 (Financial Reporting in Hyperinflationary Economies) and have been applied consistently in all	(T) 35 on 22 February 2019, giving legal effect to the roin roduction of the ZWL as legal under be deemed to be ZWL at the rate which was at par with the United States Dallar (USD). CFF have its used on 3D February 2019, The 11 exchange rate between ZWL and USD prescribed by the way guided by Statuson Pitturent of 14 O 2018 (\$14.109) which stated that in the case of reconders. Due to the integer of these exchanging the Directors advise users to exercise	ssts Baker Tilly Chartered Accountains (Zimbabwe) issued a qualified opinion on the financial	Reporting Interpretations Committee (IFRIC) 7 (Applying the Restatement Approach under transensus for the years ended 30 September 2019; 2020 and 2021, the Goupa alopted the pripare eligitations and reflexibilitiests, including restatements for changes in the general transverse enem dee in these financial strengents to the binorical cost financial information.	Indices Canversion factor 1,2716.28 1,0000 3,341.99 3,8059 2,205,32 5,7662	artered Accountants (Zambabwe), who have issued a Qualified Optinion. The qualification was a he auditor's report on the Gooup's financial statements, is a zalable for inspection at the
ABRIDGED GROUP CONSOLIDATED STATEMENT OF CASH FLOWS SO Sept. 2022 SO Sept. 2022	CASH FLOWS FROM OPERATING ACTIVITIES CASH (OUT)INELOWS BEFORE WORKING CAPITAL CHANGES Cash (utilized frongel) paraznad from working capital changes CASH UTILISED IN OPERATIONS	Net in evest paid Income tues paid NET (CASH UTILISED) GENERATED FROM OPERATING ACTIVITIE	ACM FLOWS FROM INVESTING ACTUVITIES Purchase of property, plant and equipment NET CASH OUTHLOWS TO INVESTING ACTIVITIES	CASH FLOWS FROM FINANCING ACTIVITIES Acquision of control of subsidiaries previously under judicial management Long erm loans raised of subsidiaries previously under judicial management Proceeds from disposal of fixed investments Proceeds from disposal of listed investments Nershort ream loans raised (repud) Nershort ream loans raised (repud)	NEI CACH INFLOWS FROM FINANCIAN AL INTILES NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR CASH AND CASH EQUIVALENTS AT END OF YEAR EASH AND CASH EQUIVALENTS AT END OF YEAR Bank overlash balances	ABRIDGED GROUP STATEMENT OF CHANGES IN EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT - INFLATION ADJUSTED	Balance at 30 September 20 20 Bulance at 30 September 20 20 Elimination of control in subsidiaries previously under judicial management Elimination of control in subsidiaries previously under judicial management Elimination of control in service – 1A 229 Elimination of Control in	Loss for the practice at 20 September 2022 Balance at 30 September 2022	ABRIDGED GROUP STATEMENT OF CHANGES IN EQUITY ATTRIBUTABLE TO EQUITYHOLDERS OF THE PARENT - HISTORICAL	Balance at 30 September 2020 Aquisiton of control in subsidiaries previously under judicial management Ohter competentive income for the year	Positi for the year Balances at Sogemen 2 2021 Position the year and the sogement of the sogement of the sogement for the year.	Balance at 30 September 2022	NOTES TO THE ABRIDGED GROUP FINANCIAL STATEMENTS 1.0 General information The principal activities of the Company, its subsidiaries and joint votatures (the Group) is the holding of investments the letting of properties, the wholesaling and retailing of gro-inputs or the natural activities of the Company, its subsidiaries and pinit votation of mixteen where milk crosp and becoek farming, the development and manager commodities, the manufacture of stock feels the provision of annual health requiries, the operation of mixteen where milk crosp and becoek farming, the development and manager commodities, the manufacture of stock feels the provision of annual health requires, the operation of mixteen of mixteen and become a feet of the provision of annual health requires the provision of the provision of a provision of the provisio	2.0 Basis of preparation The consolidated financial statements for the year ended 30 September 2022 have been prepared in accordance with the requirements of the Zimbabwe Stock Exchange Listing Requirements and in the manner required by the Zimbabwe Companies and Other Business Entities Act (Chapter 24(3)) (COBE). The Listing Requirements require financial statements to be prepared in accordance with International Faritation Reportation (FINST) as issued by the International Faritation Entities (FINST) as issued by the International Faritation Signature (FINST) as issued by the International Signature (FINST) as issued by the International Faritation Signature (FINST) as issued by the International Signature (FINST) as issued (FINST).	The principal accounting policies applied in the preparation of the Gooup consolidated financial statements are in terms of IRSS except for the non-compliance with IAS 21 (The Effects of Change in Foreign Exchange Rates), and its consequential impact on the inflation adjusted amounts determined in terms of IAS 29 (Financial Reporting in Hyperinflationary Economics) and have been applied consistently in al material respects with those of the previous consolidated annual financial statements.	21 IAS 21 (The Efficie of Change in Foreign Exchange Rates) As reported in the Circuly print of your financial statements. Government promulgated Statumony Instrument ("SI") 35 on 22 February 2019, giving ligal effects to the reintroduction of the ZWL as legal trader and prescribed that for accounting and other purposes, certain assets and liabilities on the effective deemed to be ZWL at the rate which was at part with the United States Dellar (USD). CFH Holding, Limited effected to comply with the requirement of Statumory Instrument 30 2019 (S 3319) which was issued on 30 February 2019. The Lit cachange rate between ZWL and USD) prescribed by Statumory Instrument and 30 2019 (S 3319) which was issued on 30 February 2019. The Lit cachange rate between ZWL and USD) prescribed by Statumory Instrument and 30 2019 (S 3319) in soft the equipment of Part Statumory Instrument of 2019) (S 111) which statuted that in the case of inconsistency between local nonouncement and nav international standard, the local pronouncement challed recorders. Due to be innext of these rechindrishes the Discous advise user to excesse.	caution in their use of these influion adjusted Group financial statements. In light of this failure to fully comply with the requirements of IAS 21, the Group's Independent Auditors, Messrs Baker Tilly Charrered Accountants (Zimbabs struements for the pear ended 30 September 2022.	22 Application of IAS 29 (Financial Reporting in Hyperinflationary consonais) These francial activation the reference theoretical formation of the properties of the recording of the AS 29 operate with international Financial Reporting interpretations. Committee (IFRO 7 Applying the Restaurement Approach under IAS 29), as if the consonary had been hyperinflationary from 1 October 2018. As noted in the sandle financial statements for the years caled 30 September 2019, 2020 and 2021, the Group adopted the Zimbhow Consume Place Index (CPI) as the general price index to restart ranactions and ablances, Appropriate eightuments and retainflations, including restaurements for changes in the general purchasing power of the Zimbhow cluding rank for the purpose of fair prevention in according verified IAS 29 base been made in these financial cost in the information. Comparative amounts in the Croup familial have been restant to reflect the change in the dame of from 1 October 2018 to the creat of the reporting power of the Zimbhow cluding power of the Zimbhow cluding and results have been restant to reflect the change in the form 1 October 2018 to the creat of the reporting power.	CPI as at 30 September 2022 CPI as at 30 September 2021 CPI as at 30 September 2020	3.0 External Auditors' Opinion- for they var ended 30 September 2022. These abridged Group financial statements have been audited by the Geoup's caternal auditors. Baker Tilly Chartered Accountants (Zimbabwe), who have issued a Qualified Opinion. The qualification was a result of related feet on fine-tomplance with 15X 21-The Effects of Changes in Feetign Exchange Rates. The auditor's report on the Geoup's financial statements, is available for inspection at the Commany's resistered office.

1,436,491,547 199,811,536 84,809,585 16,534,409 1,737,647,077

140,855,826 49,488 91,962,629 (122,338,276) 110,529,667

293,604,564 890,163,549 (440,006,729) 743,761,384

92,310,516 651,450,868 **743,761,384**

100,000,000 32,000,000 32,638,282 1,271,276 165,909,558

483,856,000

462,339,766 (54,706,326) 64,880,580 70,382,422 **542,896,441**

3,829,089,892 293,350,602 731,916,704 334,600,494 **5,188,957,691**



Chartered Accountants
Celestial Office Park, Unit D
& H Block 1, Borrowdale
Road, Borrowdale, Harare
Zimbabwe

T: +263 242 369 730, 369 737, 301 598, 301 537

enquiries@bakertilly.co.zw www.bakertilly.co.zw

Independent Auditor's Report

To the members of CFI Holdings Limited

Report on the Audit of the Inflation Adjusted Consolidated Financial Statements

Qualified Opinion

We have audited the inflation adjusted consolidated financial statements of CFI Holdings Limited which comprise the consolidated statement of financial position as at 30 September 2022, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the Group financial statements, including a summary of significant accounting policies and other explanatory notes.

In our opinion, except for the matters described in the Basis for Qualified Opinion section of our report, the inflation adjusted consolidated financial statements present fairly, the financial position of CFI Holdings Limited as at 30 September 2022, and its financial performance and 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 Qualified Opinion

Impact of prior year Non-Compliance with International Accounting Standard (IAS) 21– The Effects of Changes in Foreign Exchange Rates and International Accounting Standard (IAS) 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The basis for qualification is due to misstatements contained in the opening balances from prior years. The misstatements were due to non-compliance with IAS 21– The effects of changes in Foreign exchange rates. CFI Holdings Limited elected to comply with the requirements of Statutory Instrument 33 of 2019 (SI 33/19) which was issued on 20 February 2019. The 1:1 exchange rate between ZWL and USD prescribed by Statutory Instrument 33 of 2019 (SI 33/19) is not in accordance with the

requirements of IAS 21. The entity was guided by Statutory Instrument 41 of 2019 (SI 41/19) which stated that in the case of inconsistency between local pronouncement and any international standard, the local pronouncement shall take precedence.

The effects of misstatements due to non-compliance with IAS 21 on the prior year financial statements and opening balances have not been quantified.

As the prior year financial statements have not been restated in accordance with International accounting standards 8 "Accounting Policies, Changes in Accounting Estimates and Errors" (IAS 8), the misstatements on the prior years' income statement is still carried forward in the current retained earnings balance.

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 financial statements section of our report. We are independent of CFI Holdings Limited in accordance with International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B) (IESBA Code) and other independent requirements applicable to performing audits of financial statements in Zimbabwe. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the inflation adjusted consolidated financial statements of the current year. Key audit matters are selected from the matters communicated with those charged with governance, but are not intended to represent all matters that were discussed with them. In addition to the matters described in the Basis for Qualified Opinion section of our report, we have determined the matters described below to be the key audit matters. These matters were addressed in the context of our audit of the financial statements as a whole. Our opinion on the consolidated inflation adjusted financial statements is not modified with respect to any of the key audit matters described below, and we do not provide a separate opinion on these matters.

Hyperinflation Accounting (High risk area and significant judgement) Following the Public Accountants and Auditors Board (PAAB) designation of Zimbabwe as hyperinflationary economy, management also evaluated and determined the economy of the policy in relation to	
Board (PAAB) designation of Zimbabwe as Holdings Limited process hyperinflationary economies	
Zimbabwe to be hyperinflationary. CFI Holdings Limited applied the requirements of IAS 29 – Financial reporting in Hyperinflationary Economies. Hyperinflationary accounting was determined to be a matter of most significance to the audit due Hyperinflationary accounting was determined to be a matter of most significance to the audit due Hyperinflationary accounting was determined to economy by corroboration industry report and	for identifying and evaluated hyperinflation dures included, d the indicators e Zimbabwean ting these with

and transactions, and the complexity and subjectivity relating to the application of the Standard.

IAS 29 requires significant judgments to be made by management considering the guidelines provided in IAS 29 are limited.

The adoption of the Standard makes this a high risk area, the accounting is prone to errors in calculations and application of the Standard.

- We recomputed and tested the hyperinflation workings prepared by management by evaluating the rationale for the economic indicators included (such as the inflation rate, cumulative inflation rate, consumer price indices from various sources).
- We tested the source data used by agreeing it to supporting schedules.
- We assessed the reasonability of the assumptions used by comparing these to externally available industry, financial and economic data; and;
- We tested restatement of statement financial position and income statement items for compliance to the requirements of IAS 29.
- We assessed whether disclosures in the financial statements appropriately reflected the effects of the adoption of IAS 29.

We found that the inflation adjusted consolidated financial statements have been properly restated in terms of IAS 29.

Other Information

The directors are responsible for the other information. The other information comprises the Directors Report. Other information does not include the inflation adjusted 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 financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

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

Auditor's Responsibilities for the Audit of the Financial Statements

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually

or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgment and maintain professional scepticism throughout the planning and performance of the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due
 to fraud or error, design and perform audit procedures responsive to those risks, and obtain
 audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of
 not detecting a material misstatement resulting from fraud is higher than for one resulting from
 error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the
 override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit
 procedures that are appropriate in the circumstances, but not for the purpose of expressing an
 opinion on the effectiveness of the entity'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 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 the auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the 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 audit. We remain solely responsible for the 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 complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be brought to bear on our independence, and where applicable related safeguards.

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

Report on Other Legal and Regulatory Requirements

Zimbabwe Stock Exchange ("ZSE") Listing Requirements

On 11 October 2021, an indefinite suspension on the ZSE due to non-compliance with listing requirements was lifted with a five-year moratorium to allow the entity to address the free float requirements. Notwithstanding the lifting of the suspension by the ZSE, CFI Holdings Limited remains non-compliant with regards listing requirements around free float threshold, appointment of a substantive Chief Executive Officer and Financial Director.

Companies and Other Business Entities Act (Chapter 24:31)

In our opinion, because of the significance of the matters discussed in the Basis for Qualified Opinion section of our report, the accompanying inflation adjusted financial statements have not in all material respects, been properly prepared in compliance with the disclosure requirements of and in the manner required by the Companies and Other Business Entities Act (Chapter 24:31).

The engagement partner on the audit resulting in the Independent Auditor's report is Courage Matsa.

Partner: Courage Matsa

PAAB Practising Number: 0607

Baker Tilly Chartered Accountants Zimbabwe

Celestial Office Park,

Unit D & H Block, Borrowdale Road,

Harare

Date 31 January 2022