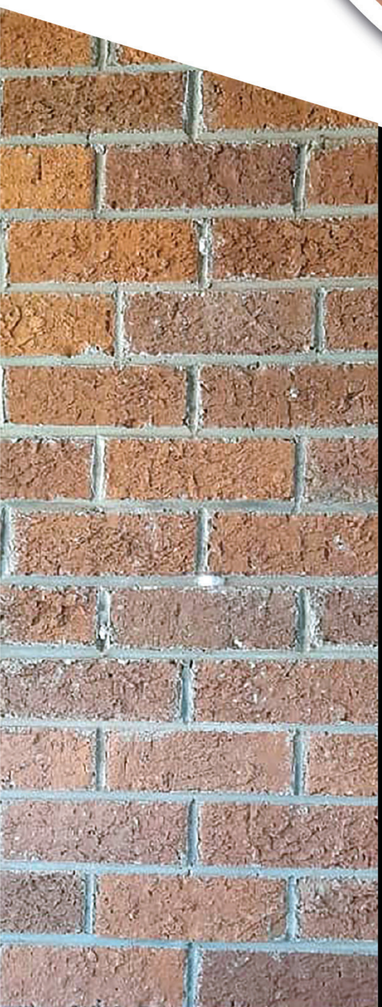
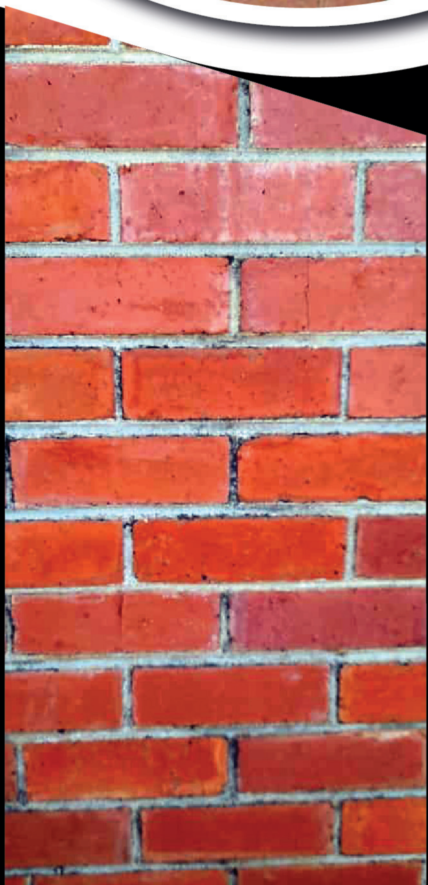
Willdale Limited

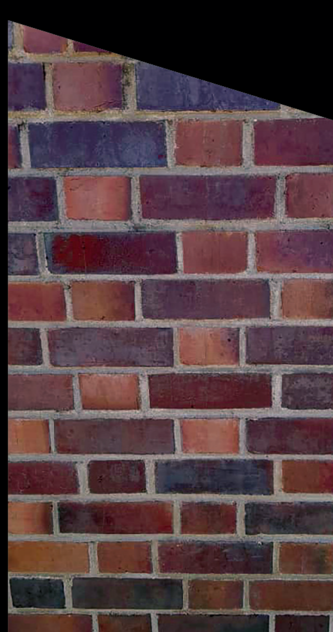
Quality • Durability • Diversity

2023

Annual Report







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Vision, Mission and Core Values

Vision

To be the leading manufacturer of world class clay bricks.

Mission

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

Core Values

Our core values are:

Customer satisfaction
Human dignity
Quality assurance
Integrity
Care for environment
Teamwork

Strategic Goal

Low cost producer

ABOUT THIS REPORT

Willdale Limited is pleased to present the Annual Report for the 12 months period ended 30 September 2023. The report provides all our stakeholders with a transparent account of how we interfaced with society and the environment, and contributed to economic activities during the financial year, as we delivered on our purpose.

Report Scope

The information in this report pertains to Willdale Limited, a Company incorporated and domiciled in Zimbabwe. Unless stated otherwise, any references made to "our," "we," "us," "the Company," or "Willdale" within this report specifically denote Willdale Limited.

Reporting Frameworks

This Report was prepared with due consideration of the following:

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

Sustainability Data

The report integrates both qualitative and quantitative data extracted from company policy documents, records and from personnel accountable for material issues herein presented. In some cases, estimations were made on some indicators and subsequently validated for consistency with business operations.

Assurance

The financial statements in this report were audited by BDO Zimbabwe Chartered Accountants in accordance with the International Standards of Auditing (ISA). The independent auditors' report is found on page 62. The sustainability information was validated for compliance with the GRI Standards by the Institute for Sustainability Africa (INSAF), an independent subject matter expert. A GRI Content Index is found on pages 99-102. The sustainability data in this report has not been externally assured.

Report Declaration

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

Board Approval

The Board takes responsibility for the integrity of this Annual Report, reviewing the final report and approving the material matters compiled by members of the management team. The Board confirms that the report is consistent with business operations.

Restatements

The Company made restatements of certain sustainability data which was previously disclosed in prior years, due to enhanced data measurement methodologies, resulting in improved accuracy and reliability of the reported information.

Forward-looking Statements

This Report includes forward-looking statements pertaining to the operations and performance prospects of Willdale Limited. These statements inherently entail a level of uncertainty. However, they represent our best judgment and estimates based on board-approved business plans at the time of publishing this report. Stakeholders are cautioned against placing undue reliance on forward-looking statements contained herein. We commit to publicly share any revisions of the forward-looking statements to reflect changes in circumstances and or events after the publication of this report through trading and website updates.

Feedback on the Report

The Company values opinions and feedback from all stakeholders on how we can improve in our operations and reporting. We welcome any suggestions and or inquiries you may have. Kindly share feedback with Mavuto Munginga (Mr), Company Secretary, email: mungingam@willdale.co.zw

OVERVIEW

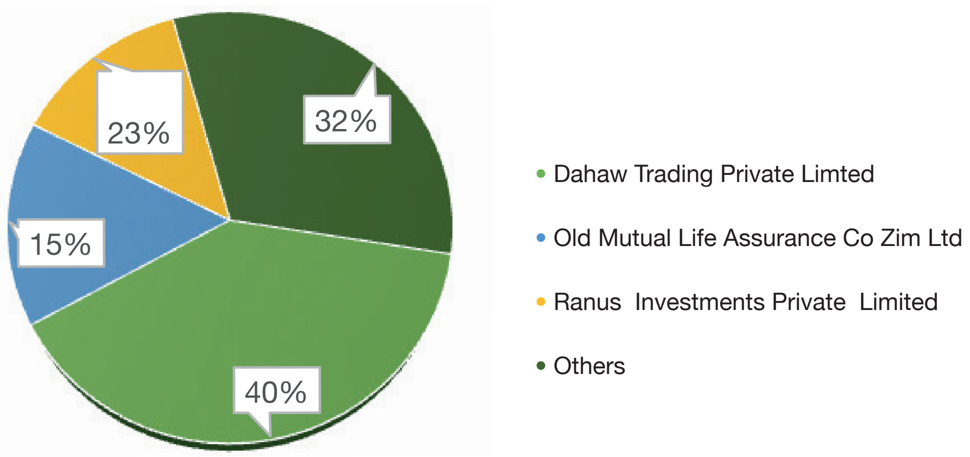
Willdale Limited at a glance

Willdale Limited, headquartered in Harare, Zimbabwe, was established in 1957. Its formation was the result of a joint venture involving Mashonaland Holdings (a subsidiary of the Anglo-American Corporation) and Willsgrove, holding 70% and 30% of the company's share capital, respectively.

In 2000, Mashonaland Holdings acquired all the shares previously held by Willsgrove, thereby becoming the sole shareholder of Willdale Limited. Subsequently, in 2003, Willdale Limited was listed on the Zimbabwe Stock Exchange (ZSE) following a demerger from Mashonaland Holdings Limited. This milestone marked Willdale's independent presence in the market as a publicly traded Company.

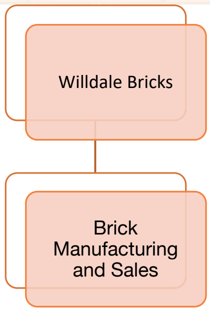
Year	Milestones
1957	Willdale is founded through a Joint venture between Mashonaland Holdings and Willsgrove.
2000	Mashonaland Holdings acquires all Willsgrove's shares.
2003	Demerger of Willdale from Mashonaland Holdings. Willdale Listed on the Zimbabwe Stock Exchange.
2013	Willdale secures funding for refurbishment resulting in increased capacity utilisation.
2019	Willdale pays off all debt. Pays the first dividend in more than 10 years.
2020	Record profitability achieved. Willdale eyes expansion.
2021	Investment in clay crushing machinery and mobile equipment to enhance capacity to meet housing demand.
2022	Enhanced operational efficiencies and profitability. Dividend declared in US$.
2023	Major upgrade in clay crushing facilities. Market dominance. 50% growth in dividend declared in US$

Beneficial Ownership



Products and Brands

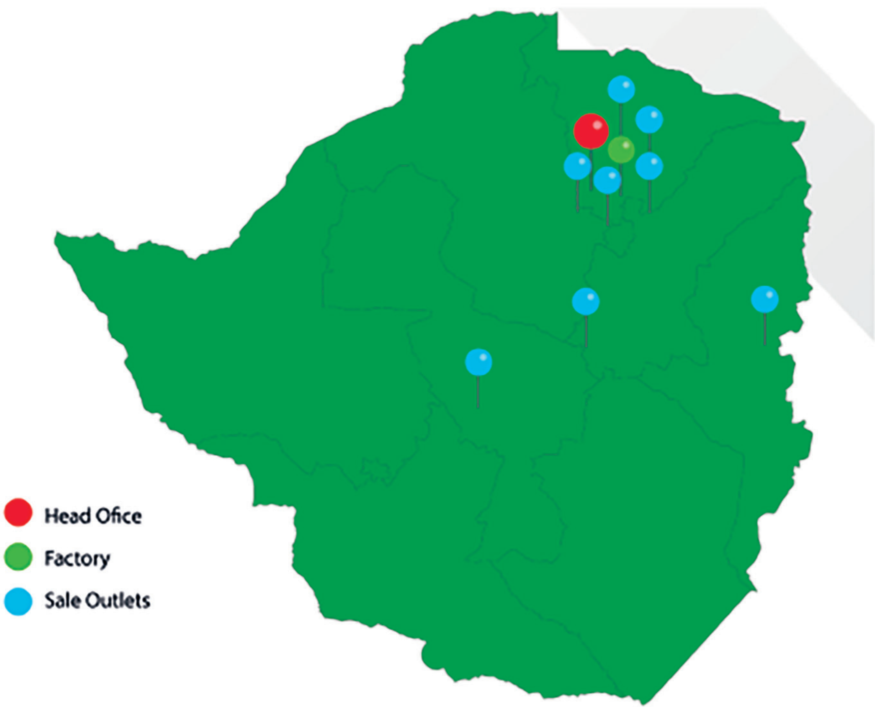
Willdale Limited is a leading clay brick manufacturer and distributor in Zimbabwe. Our products are some of the most popular and long-lasting clay bricks in the country and have been trusted to build some of the enduring and elegant structures such as the Reserve Bank of Zimbabwe, Sam Levy Village and Arundel Office Park and Shopping Centre among others. Our range of brick products and sales facilities are situated across the country to ensure our business is well placed to serve the needs of the construction sector.



We offer a range of clay bricks in the following categories:		
Blue Heart	Plum	Rustic (Topaz Light, Topaz Dark, Blue, Red and Dark)
Blue Multi		
Blue Smooth		
Clinker		
Common		Semi Common
Dark Splashed	Red Defour	Window Cill (Topaz Light, Dark, Blue, Red and Plum)
Load-bearing	Red Strippled	

Operations and Markets

Our business and manufacturing operations are primarily located at our Head Office in Mount Hampden, Harare. This serves as the central hub for our manufacturing activities. In terms of distribution, we have established sales offices in key locations, including Gweru, Mutare, Kadoma, and Harare Exhibition Park. Willdale operates as a wholly-owned company without any subsidiaries.



Business Associations and Memberships

Construction Industry Federation of Zimbabwe (CIFOZ).

Clay Brick Associations of South Africa (CBASA).

Clay Brick Association Zimbabwe.

Zimbabwe Builders Contractors Associations (ZBCA).

Standards

SADC ZWSH 981: 2014- Product Mark Scheme (Burnt Clay Masonry).

ISO 14001:2015- Environmental Management Systems (EMS).

ISO 45001:2018 - Occupational Health and Safety (OHS).

ISO 9001:2015 - Quality Management Systems (QMS).

ISO Certification Celebration

PERFORMANCE REVIEW

Performance Highlights

Revenue
'ZWL Million'
36,926
17,955 in FY2022
106% **Increase**

Operating loss
' ZWL Million'
(6,912)
(1,255) in FY2022
451% **Decrease**

Net Assets
'ZWL Million'
104,058
53,480 in FY2022
95% **Increase**

Operating Cash Generated
'ZWL Million'
3,577
1,380 in FY2022
159% **Increase**

Sustainability Highlights

Total Employees
'Count'
826
813 in FY2022
2 % **Increase**

Clay
'm³'
360,373
377, 025 in FY2022
4 % **Decrease**

Electricity
'Kwh'
1,270,050
3,692,432 in FY2022
66 % **Decrease**

First Aid Cases
'Count
34
13 in FY2022
162 % **Increase**

Water
'm³'
142,277
112,338 in FY2022
27 % **Increase**

Average Training
'hours per employee'
6
2.32 in FY2022
159% **Increase**

CHAIRMAN'S STATEMENT

Overview

Key economic variables such as inflation and the exchange rate improved in the second half of the year under review resulting in relative stability in the operating environment. The Zimbabwe dollar depreciated from ZWL621.8922 to the United States dollar at the beginning of the financial year to ZWL5,422.7466 at the end while inflation which was at 85.29% at the beginning of the year, ended the year on a blended rate of 18.4%. A blended inflation rate was introduced from February 2023 while the computation of the rate was revamped by adopting the geometric aggregation method in August 2023. Persistent power cuts negatively impacted production and sales volumes for the year under review. Good gross margins were earned on sales but operating profit was reduced by exchange losses.

Financial Results

Inflation adjusted revenue for the year totalled ZWL37 billion and was 106% above prior year (2022: ZWL18 billion). Lower availability of stock as a result of electricity shortages, contributed to a 5% decline in sales volumes compared to the prior year. Margins were however sustained by a favourable product mix which kept average prices at acceptable levels. Operating loss at ZWL6.9 billion (2022: ZWL1.25 billion) was 19% of revenue compared to (7%) in the prior year. Distortions in exchange rates continued to impact the revenue figure. Exchange losses amounted to 21% of revenue (2022: 2%) reflecting the extent of exchange rate movements on foreign currency denominated balances. Profitability was also reduced by once off write-offs of VAT refunds totalling about ZWL2 billion following the reclassification of clay bricks from zero rated to VAT exempt with effect from 1 August 2022. Investment property, land and buildings were revalued at the end of the financial year to reflect fair values in line with accounting policy. Despite the operational and economic challenges, positive net cash flows amounting to ZWL3.6 billion (2022:ZWL1.38 billion) were generated from operations.

Production

Throughput and efficiencies were affected by intermittent power outages that prevailed throughout the financial year. Clay crushing capacity was enhanced during the year by investing in a new plant resulting in better product quality. Capacity utilization averaged 75% despite electricity supply deficits. The Board is exploring various options to enhance plant capacity in the short term and intends to leverage on its existing assets to source appropriate funding. A program is under implementation to ensure consistent brick supplies during the rainy season to satisfy growing demand.

Sales and Marketing

Demand for bricks was relatively high throughout the year under review, driven by housing development, construction of educational facilities and shopping centres. Volumes were, however, 5% below the prior year largely due to supply side challenges caused by electricity shortages. The push towards higher margin brick types continued to drive margins up. The brand remained dominant in the market despite increasing competition.

Environment and Social

The Company places critical importance on the impact of its operations on the environment and society, including its staff, and to this end has put in place mechanisms to monitor this impact throughout its value chain. A critical milestone was achieved when the Company completed its journey to ISO certification by being certified to IS09001 (Quality Management Systsems), ISO14001 (Environment Management Systems) and ISO45001 (Occupational Health and Safety) in October 2023. This certification will go a long way in ensuring sustainable operations which provide quality products to meet customer needs.

Governance

There were no changes to the Board composition during the year under review.

Outlook

Key economic fundamentals have remained stable post year end, laying a good foundation for a better operating environment in the ensuing year. However, electricity supply must improve in order to boost capacity utilization and efficiencies and put more bricks onto the market. We will leverage on the prevailing boom in the construction of houses, commercial buildings, educational facilities and other infrastructure to improve revenues and profitability in the ensuing year. Efforts to raise funds from existing assets to upgrade production facilities will be enhanced in the coming year. Relevant cautionary statements have been issued to the market.

Going Concern

The Board is confident that the Company will continue to operate as a going concern for the foreseeable future and, as a result, continues to present financial statements using the going concern basis. The Board's view is based on current positive financial performance ratios, the successful implementation of its strategic plans, continued support from its stakeholders and other initiatives that are being undertaken to improve performance and minimize the impact of risks that the Company faces.

Dividend

The directors have resolved to pay a dividend of 0.0084 United States cents per share with respect to the financial year ended 30 September 2023. The dividend, totalling US$150,000, is payable to shareholders registered in the books of the Company at the close of business on 12 January 2024 and will be paid in United States dollars on 17 January 2024. The shares of the Company will be traded cum-dividend (with dividend) on the Zimbabwe Stock Exchange up to the market day on 9 January 2024 and ex-dividend as from 10 January 2024. Shareholders are advised to lodge their up-to-date banking details with First Transfer Secretaries, 1 Armagh Road, Eastlea, Harare.

Appreciation

The year under review presented various challenges which I believe we have successfully navigated. On behalf of the Board and Shareholders, I thank our valued customers, suppliers and other stakeholders for their unwavering support. I remain grateful to management and staff for their efforts. The journey towards ISO certification and the general operating environment have not been easy. As we close the current year, I urge all of us to retain the energy to tackle the challenges of the coming year.

C MAKONI
Chairman

CHIEF EXECUTIVE'S STATEMENT ON OPERATIONS

The year under review was characterized by a mixed economic performance with key economic factors such as inflation and the exchange rate swinging from one extreme to the other. Stability in the fourth quarter gave renewed confidence for a better operating environment although this was short-lived as inflation began to rise soon after year end. Electricity shortages that prevailed throughout the year significantly impacted on production and stock availability resulting in a 5% drop in sales volumes.

The Company remains focused on increasing production given the prevailing high demand for bricks. To this end, we will continue to pursue efforts to improve production capacity through acquisition of newer and more efficient plant. An opportunity exists to extract value from some pieces of land owned by the Company which are currently unused. This will provide the required funds to acquire the targeted new plant and replace ancillary equipment. The new plant is expected to increase production capacity by 50%.

We are excited by the high activity in the construction industry, particularly in the building sector, where several projects are underway. Such projects are forecasted to provide the critical mass for sustainable profitability in the short to medium term. We also hope that government's efforts to stabilize electricity supply will be successful soon, ensuring that we meet our production targets.

Our operations remain guided by universal principles of good environment, social and governance management to secure a sustainable future. In addition, our certification to an integrated management system covering ISO9001 (Quality Systems), ISO14001 (Environmental Management Systems) and ISO45001 (Occupational Health and Safety) which we obtained in October 2023 will ensure that we focus on key issues that will deliver a sustainable organization.

We remain confident of the future of the Company.

STRATEGIC LEADERSHIP & GOVERNANCE

DIRECTORS AND MANAGEMENT PROFILE

Board of Directors

Cleophas Makoni

Independent Non-Executive Chairman
(Appointed 2012)
Cleophas is an accountant by profession. He holds a Bachelor of Accountancy (Honours) degree (University of Zimbabwe) and a Master of Business Leadership from the University of South Africa. He is also a fellow of the Chartered Governance Institute (CGI) and an Associate member of the Chartered Institute of Management Accountants (CIMA). Currently he is the Managing Consultant for Topaz Consulting. Cleophas has also worked in senior finance positions in the retail and manufacturing sectors. He is also a Non -Executive Director at ZB Building Society, ZB Life and SAfAIDS..

Education
Masters of Business Leadership (UNISA), Bachelor of Accountancy (Honours) Degree (UZ), F.C.I.S and A.C.M.A Global Accounting Qualifications.

Experience
Cleophas is the Managing Consultant for Topaz Consulting. He has also worked for TM Supermarkets, National Tyre Services, Allied Timbers and Willowvale Mazda Motor Industries.

Other commitments
Non-Executive Director at ZB Building Society, ZB Life and SAFAIDS

Brian Kudakwashe Mataruka

Non-Executive
(Appointed 2017)
Brian is a practicing lawyer with a leading Harare law firm, Gill Godlonton & Gerrans.

Education
Bachelor of law Honours Degree (UZ), Diploma in Mineral Resources Management, an MBA with Africa Leadership University (Kigali, Rwanda) and Masters in Extractive Industries Law and Mining with the University of Pretoria.

Experience
Brian is a practising lawyer with a leading Harare law firm, Gill, Godlonton and Gerrans, where he is the Head of Mining and Infrastructure Law.

DIRECTORATE AND MANAGEMENT

Board of Directors

Gilbert Muchingambi
Non-Executive
(Appointed 2018)
Gilbert is a registered and admitted Legal Practitioner, notary public and conveyancer. He is a member of the Law Society of Zimbabwe with over 20 years legal Practise experience mainly in Commercial Litigation, Labour, Insurance and Banking law.

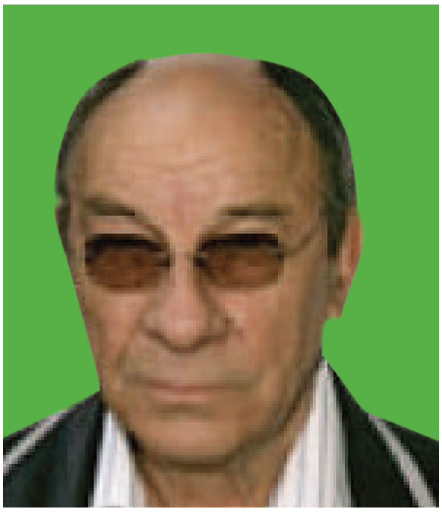
Education
Bachelor of Laws Honours Degree (LLBS) Hons, University of Zimbabwe.

Patience P Chadoka
Non-Executive Director
(Appointed 2022)
Paidamoyo is a seasoned business leader who has contributed immensely to the dairy industry in Zimbabwe and the region. Currently she is the CEO of the Zimbabwe Association of Dairy Farmers.

Education
EMBA AU, Bachelor of Science (Hons) Agriculture (UZ).

DIRECTORATE AND MANAGEMENT

Board of Directors



Udo Duske

Non-Executive

(Appointed 2010)

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

Education

Holds qualification and vast experience in Engineering.

Experience

Board member of a number of companies amongst them Scotia Holdings, Motor City Toyota and Professional Security.

Nyasha Matonda

Chief Executive Officer

Nyasha holds a Master of Business Leadership Degree from the University of South Africa and a Bachelor of Technology (Electrical Engineering) Degree from the University of Zimbabwe. He is also a member of the Management Committee (Mancom) of CIFOZ.. He has won several awards in business leadership.

Education

Masters of Business Leadership (UNISA), Bachelor of Technology (Electrical Engineering) UZ.

Experience

He has more than 20 years' experience of leading businesses. He scooped the Megafest CEO of the year, Gold Award for 2019.

Other commitments

Management committee of CIFOZ, chairing Economics and research committee.

Mavuto Munginga

Finance Director

An accountant by profession, Mavuto holds a bachelor's degree in accounting and a Masters of Business Administration degree from the University of Zimbabwe. He is a fellow of the Association of Chartered Certified Accountants (FCCA) and an associate member of the Chartered Governance Institute (CGI). He is also a project management professional (PMP) registered with PMI and a Chartered Risk Management Practitioner.

Education

Masters of Business Administration (UZ), Bachelor of Accounting.

Experience

He possesses vast experience in senior financial management positions. He is a fellow of the Association of Chartered Certified Accountants (FCCA), an associate member of the Chartered Governance & Accountancy Institute (CGI), a Project Management Professional (PMP) and Chartered Risk Management Practitioner (CRMPrac).

MANAGEMENT PROFILE

Mr. Charles Chipepera
Maintenance Manager
Charles is a seasoned brick maker who has worked for Willdale for more than 15 years. A qualified fitter and turner, Charles is responsible for maintenance of both mobile and fixed plant to minimize down time.

Mr. Clemence Mundoma
Production Manager
Clemence rejoined the company in June 2013 having previously worked for the company for over 10 years in different capacities. Clemence is a qualified fitter and turner. He is responsible for running the entire plant including clay preparation, extrusion and firing.

Mr. Taenzana Mugambiwa
Sales and Marketing Manager
Taenzana is a Marketer by profession. He joined the company in April 2016 and has more than 15 years of experience in marketing and business development. He holds a Bachelor's degree in marketing from the Institute of Marketing Management, an EMBA from Midlands State University and MSc in Marketing from NUST. He also holds a diploma in Applied Corporate Governance and strategic Leadership from the MSU and a diploma in Theology and Pastoral Studies from the AFM Theological Seminary.

Mrs. Munozivaishe Nkomo Mandangu
Human Resources Manager
Munozivaishe holds a Bachelor of Science degree in Psychology from the University of Zimbabwe and a Human Resources Management Diploma from the Institute of People Management of Zimbabwe. She also holds an MBA from the National University of Science and Technology and a certificate in Labour Law, Conciliation and Arbitration. Munozivaishe has been with the company for over 13 years having started off as a graduate trainee.

Frazer Mapfumo – Internal Auditor
Frazer is a holder of a Bachelor's Degree in Accounting, SAAA Higher Diploma in Accounting, is an Internal Audit Practitioner and a Certified Internal Auditor (CIA) candidate. He is a full member of The Institute of Internal Auditors Zimbabwe with more than 13 years internal audit experience in both private and public institutions.

MANAGEMENT PROFILE

Mr. Innocent Ngoma

Procurement and Stores Manager

Innocent is a member of the Chartered Institute of Purchasing and Supply. He has more than 15 years of experience in purchasing and inventory management gained from various companies.

Mr. S Nyajeka

Management Accountant

Shepherd is an associate member of the Chartered Institute of Management Accountants (CIMA) and he also holds the Chartered Governance Institute (CGI) qualification. He has over 15 years of experience in accounting and auditing.

Mr. G Tembo

Financial accountant

George holds a Bachelor of Commerce in Accounting degree from Great Zimbabwe University and is a member of the Institute of Administration and Commerce. He has been with the company for over 20 years.

Mr. T Mushunje

Works Manager

Tichafa is responsible for operations which encompass production and maintenance. He holds an engineering degree from Ukraine and an MBA from the University of Zimbabwe.

Ms. C Nkobi

SHEQ Manager

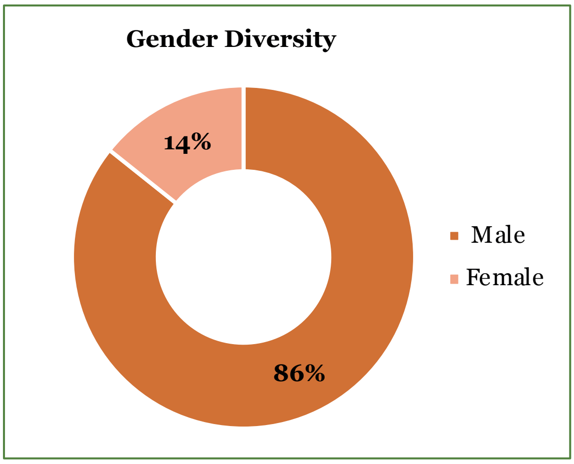
Consollata, a SHEQ Practitioner, oversees the safety, health, environment and quality portfolio of the company. She holds a BSc in Applied Biology; Biochemistry from the National University of Science and Technology, Master of Commerce in Strategic Management from GZU and various certifications in occupational health and safety.

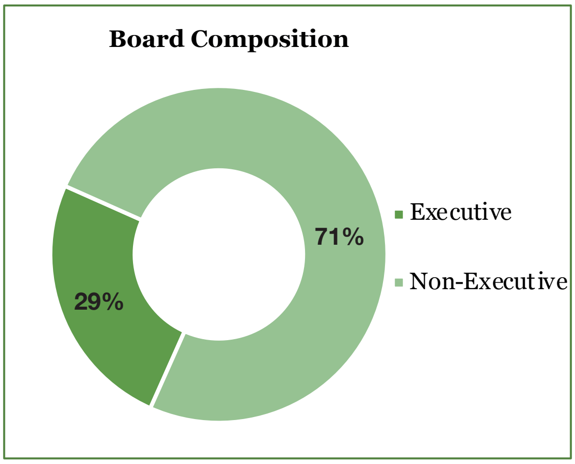
CORPORATE GOVERNANCE

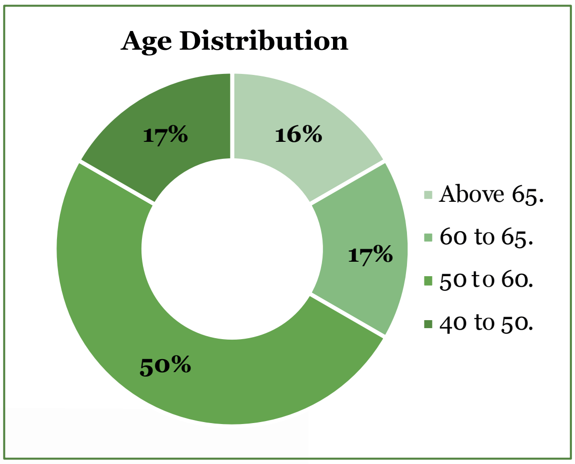
Willdale Limited is committed to conducting its operations in strict adherence to generally accepted corporate governance principles and ethical practices. These principles align with the requirements outlined in the Manual of Best Practice., which encompasses the Principles of Corporate Governance in Zimbabwe. Our commitment to corporate governance extends to compliance with the regulations set forth by the Zimbabwe Stock Exchange (ZSE). The Company conducts regular reviews to enhance and refine its corporate governance practices. These reviews are conducted in accordance with the National Code of Corporate Governance in Zimbabwe (ZIMCODE), the Securities and Exchange (Zimbabwe Stock Exchange Listing Requirements) Rules under SI134 of 2019, and the provisions outlined in the Companies and Other Business Entities Act (Chapter 24:31).

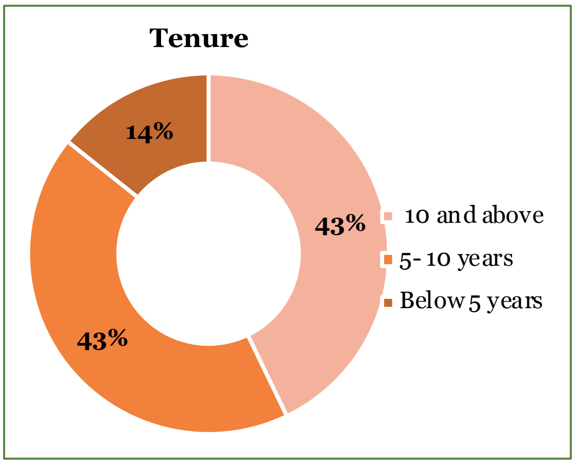
Board Composition

Willdale Limited's Board consists of five non-executive Directors and two executive Directors (the CEO and Finance Director). The diverse Board brings a range of skills and experience to promote effective management. Quarterly Board meetings review financial statements and operational aspects, with additional meetings held as needed.









Board Responsibility

The Board of Directors is responsible for crafting the Company's corporate strategy which encompasses sustainability objectives. In addition, they formulate company policies, review delegated authority, evaluate performance, and ensures effective financial and operational controls. Further, the Board has oversight responsibility of sustainability related risk and opportunities. The Board provides guidance to management, oversee human resources, and safeguards stakeholder interests.

Conflict of interest

Directors sign a declaration of interest document at each Board meeting, ensuring transparency and disclosure of any external interests such as shareholdings and directorships. In cases of conflict of interest, appropriate evaluations and decisions are made to address the situation effectively.

Board Evaluation

To ensure excellence in governance, we conduct annual Board evaluations through peer reviews facilitated by the Chairman. These evaluations identify strengths and areas for improvement, enabling us to enhance overall Board performance, address risks, and capitalise on opportunities.

Stakeholders' direct communication with the Board

We highly value our stakeholders, both internal and external, as the foundation of our Company. To facilitate effective communication and decision-making, we provide various platforms for stakeholders to engage directly with the Board. These include Annual General Meetings, our website, and social media interactions, enabling stakeholders to express their needs and expectations promptly.

Board Nomination

Board members are appointed through shareholder nominations and are professionals entrusted with serving the Company's interests. The Board actively promotes diversity in its composition to leverage varied perspectives and enhance decision-making.

Remuneration Policy

Our Remuneration Policy is designed to ensure fair and equitable rewards for employees at all levels, taking into consideration the Company's financial capacity. Our remuneration system places a strong emphasis on performance. The remuneration of Directors is determined by the Human Resources Committee and approved by the Board. This process ensures that their compensation aligns with their responsibilities and performance.

For managerial employees, remuneration is determined by the Human Resources Committee, while non-managerial employees' remuneration is determined by the National Employment Council for Brick Making and Clay Products. These processes aim to establish appropriate compensation levels based on industry standards and job responsibilities.

Employment Policy

As Willdale Limited, we are committed to providing equal employment opportunities regardless of gender or race, ensuring that all appointments are made solely based on merit. We value and reward exceptional performance while providing opportunities for growth within the Company. To enhance employee competencies, we conduct regular training and development programs tailored to address training needs at all levels of the Company. These programs are aimed at improving skills and fostering professional growth.

We maintain open channels of communication for employees to address any issues they may have and to stay informed about Company developments. Platforms such as the monthly Works Council and Workers Committee meetings, as well as departmental meetings, serve as avenues for employees to express their concerns and receive updates.

Additionally, Willdale Limited has a Code of Conduct registered with the Ministry of Labour and Social Welfare. This code sets out the expected standards of behaviour and ethics for all employees, ensuring a harmonious and respectful work environment. Through these initiatives, we strive to foster a fair and inclusive workplace, providing opportunities for growth, supporting employee development, and maintaining high ethical standards.

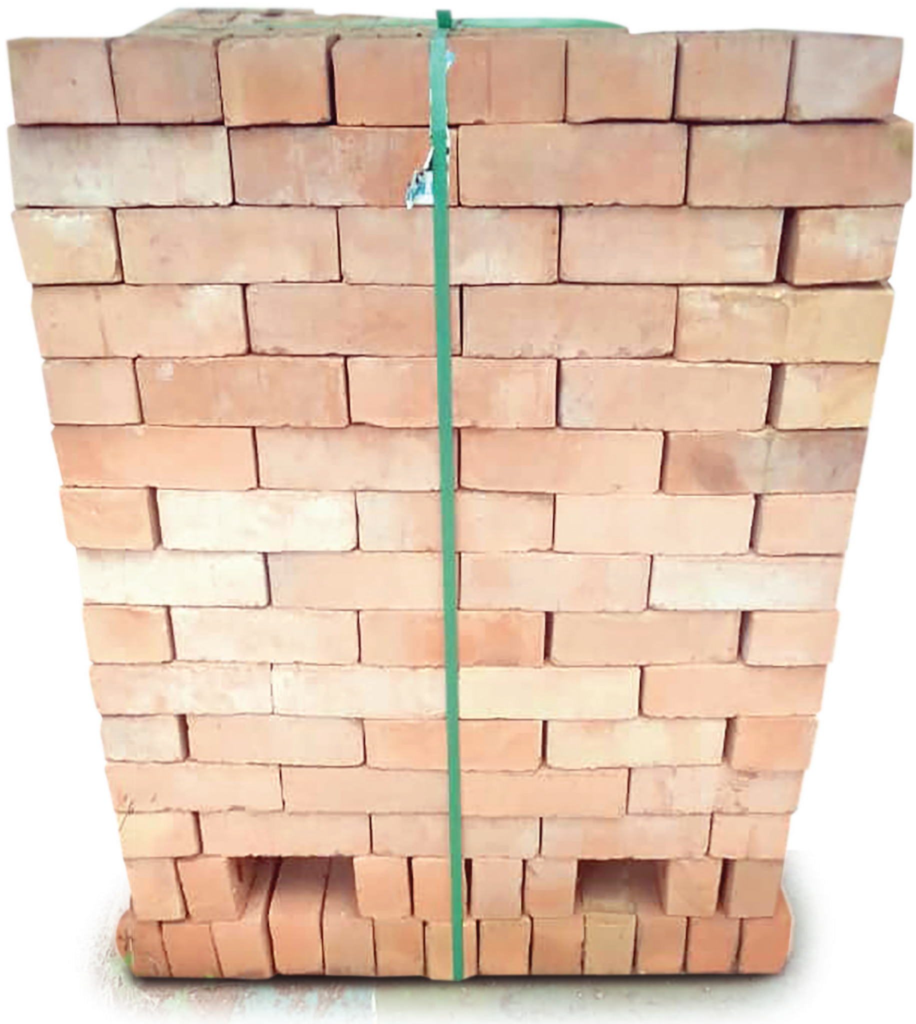
Board Committees

Committee	Members	Responsibility
Finance and Audit	P Chadoka (Chairman) C Makoni B K Mataruka	Willdale Limited's Finance and Audit Committee consists of three non-executive Directors. The Committee meets quarterly to review interim financial statements and ensures compliance with International Financial Reporting Standards. It oversees internal controls, conducts financial audits, and maintains direct access to external auditors. The committee plays a vital role in ensuring financial integrity and compliance with applicable statutes.
Human Resources	B K Mataruka (Chairman) C Makoni P Chadoka G Machingambi	Willdale Limited's Human Resources Committee, consisting of four non-executive Directors, sets remuneration packages for executive and senior management based on their contributions to company performance. The committee also establishes guidelines for employee remuneration and oversees the policy on incentive bonuses. The Finance Director and Chief Executive Officer attend committee meetings by invitation.
Strategy and Operations	U Duske (Chairman) C Makoni G Machingambi P Chadoka	The Strategy and Operations Committee reviews various strategic and operational plans and monitors implementation. Additionally, the Committee is also responsible for sustainability matters. It meets quarterly and its members are available for consultation by management as and when necessary. The Committee comprises of four non-executive directors. The Finance Director and the Chief Executive Officer attend by invitation.

Meeting Attendance

Director

Director	Board Attendance	Finance & Audit committee	Human Resources	Strategy & Operations
Cleophas Makoni	5	7	-	4
Udo Duske	4	-	4	-
Brian Kudzaishe Mataruka	5	7	5	-
Gilbert Machingambi	5	-	4	4
Paidamoyo Patience Chadoka	5	7	-	4



OUR CONDUCT AND COMPLIANCE

OUR CONDUCT AND COMPLIANCE

Business Ethics and Compliance

Managing risks and opportunities related to ethical business practices, including bribery and facilitation payments, is a priority for Willdale Limited. Our commitment to business conduct, ethics, and compliance has led to enhancements in the Company's reputation, standing, and work culture. Willdale Limited acknowledges the risks associated with unethical practices, such as compromised credibility with stakeholders and increased exposure to fraud and bribery. Therefore, maintaining ethical standards remains a crucial aspect of our operations.

The Company ensures that it complies with all laws governing its operations, and prioritises worker safety at all times and resource conservation. We conduct internal and external audits on a regular basis to facilitate compliance. We have a suggestion box for employees to anonymously report on unethical practices. Monitoring compliance violation rates together with regular internal audit aid in assessing the rate at which we are complying with laws and regulations. In recent times, the Company has witnessed a reduction in the number of frauds and non-compliance fines.

Anti-corruption

Willdale Limited has implemented a robust Anti-corruption Policy to establish effective systems for identifying, investigating, and addressing any reported cases of corruption. Our zero-tolerance approach ensures that all forms of corruption are strictly dealt with. To facilitate reporting, we have established a whistle-blower facility where individuals can confidentially disclose any suspected corruption cases. If substantiated, appropriate disciplinary measures are taken internally. Alternatively, cases may be referred to the national police for further legal action.

We prioritise risk assessment and regularly conduct internal audits to identify and mitigate potential high-risk areas. By focusing our resources on these areas, we ensure proactive monitoring and control. We are proud to report that, during the specified period, no instances of corruption were reported within the Company. This reflects the effectiveness of our anticorruption measures and the ethical conduct of our employees.

Human Rights

Willdale Limited demonstrates respect for human rights by treating its employees fairly and without discrimination, creating job opportunities for local communities, and collaborating with stakeholders to promote human rights awareness. However, Willdale Limited recognises that it may be indirectly responsible for human rights impacts through its business relationships, including suppliers, contractors, or business partners.

We established procedures to ensure compliance with labour laws and regulations, emphasising the promotion of fair treatment for employees. We are dedicated to engaging with local communities and respecting their human rights, particularly regarding land rights and cultural heritage. We conduct regular human rights due diligence to identify potential risks and impacts associated with the Company's operations and reputation. We support initiatives that contribute to the well-being and support of local communities, such as job creation, and skills training.

Our goal is to have zero human rights violations within the Company's operations and supply chain with a target of minimising violations of legal requirements. We commit to continuously improving and integrating best practices in our human rights management. Our measures regarding human rights are assessed through internal and external audits, grievance resolution processes, and monitoring of key performance indicators which includes the number of human rights grievances received and resolved. For the year under review, we had fewer human rights complaints which indicates positive progress towards our set goals and targets.

Diversity and Inclusion

The Company places a significant focus on promoting diversity and equality, both within the Board and amongst employees. A diverse and inclusive workforce fosters creativity, innovation, and collaboration, as well as improving customer satisfaction and retention. By embracing different perspectives, backgrounds, and identities, the Company enhances its performance.

We prioritise fair compensation and strictly prohibit any form of discrimination based on gender, race, or background. Although we experience seasonal unemployment due to rainfalls, we are taking active measures to minimise this impact and provide employment opportunities for women in labour-intensive areas. Our Human Resources Policy is designed to ensure a discrimination-free workplace and emphasises the creation of a safe working environment for all employees. Further, we prioritise the empowerment of women by providing them with senior management appointments.

We conduct regular employee engagement activities to evaluate our progress in integrating diversity and inclusion expectations. We strive to employ individuals with the necessary skills while adhering to minimum wage standards stipulated in Collective Bargaining Agreements (CBA), by conducting internal audits and collaborating with our Workers Committee.

Cybersecurity and Data Privacy

As Willdale Limited, we recognise the importance of implementing robust cybersecurity measures as it protects sensitive data, including customer information and intellectual property, safeguarding their reputation and fostering trust. By ensuring business continuity and resilience, cybersecurity measures minimise the risk of disruptions caused by cyber-attacks, reducing downtime and maintaining productivity. However, we acknowledge the potential negative impacts, such as the initial and ongoing costs of implementation and the risk of complacency and false security.

We implemented a comprehensive cybersecurity strategy that includes training and awareness programs for employees, respecting data subject preferences, and promptly responding to security incidents. Our layered approach, which includes network access controls, software updates, employee training, backing up data offsite, disaster recovery planning, and system monitoring improved our cybersecurity posture and mitigated insider threats, vulnerabilities, and human error. In the event of security incidents, we follow a series of steps to identify, contain, assess, remediate, and update security measures. By prioritising accurate access control, timely updates, quality training, regular testing, and proactive monitoring, we minimise risks and strengthen our overall cybersecurity defences.

Robust cybersecurity measures position us as market leaders, attracting security-conscious customers and providing a competitive edge. We conduct internal and external audits to assess the effectiveness of our security controls and identify areas for improvement, ensuring compliance with regulations and providing stakeholder assurance. Penetration testing identifies vulnerabilities and assesses security controls' effectiveness. Security awareness training reduces human error and ensures employees follow best practices, mitigating risks.

Our cybersecurity progress is evaluated through various targets and metrics. Time to detect and respond to incidents, number of vulnerabilities detected and remediated, percentage of systems with up-to-date patches, completion rate of cybersecurity training, and the number of security incidents and breaches are key performance indicators (KPIs). Monitoring these KPIs allows us to assess our cybersecurity posture, identify areas for improvement, and make data-driven decisions to strengthen defences and reduce risks.

Risk Management

Willdale limited follows a comprehensive approach to risk management that includes risk identification, analysis, and evaluation. Risk identification is conducted at every level of the entity using methodologies such as SWOT analysis, PESTLE analysis, and collaborative workshops or meetings to identify potential risks.

We perform a thorough risk analysis to evaluate the likelihood of events occurring and their potential consequences, while assessing the effectiveness of existing control measures. We then track the identified risks and evaluate the adequacy of current risk response plans. This ongoing evaluation ensures a proactive and adaptive approach to risk management, aligning our strategies with the dynamic nature of potential threats and uncertainties.

Financial Risk

Our approach to managing financial risks is based on several key principles. We prioritise a proactive risk reduction strategy to maintain identified financial risks at acceptable levels. This involves implementing measures to reduce the impact of these risks, with the aim of achieving a balanced risk profile. Willdale Limited recognises the importance of collaborative risk management and takes steps to minimise it by sharing or transferring the risk. We partnered with CBZ Insurance to establish a reliable mechanism for risk sharing through insurance coverage.

Environmental Risk

Our main goal is to promote environmental responsibility and conserve resources. To achieve this, we established a land rehabilitation plan that is designed to restore and preserve the environmental integrity of our operational areas. We monitor this plan to ensure that we not only meet our defined objectives but also contribute to the sustainable use of land resources.

Sustainability Disclosure Risk

Our aim is to minimise our ecological footprint and promote sustainable practices across all our operations. To enhance the credibility and integrity of our sustainability reporting, Willdale implemented internal controls designed to ensure accuracy, transparency, and adherence to sustainability standards. The fundamental components of our internal controls for managing sustainability risks comprise;

- Control Self Assessments

  As part of our internal review process, we conduct periodic Control Self Assessments (CSA). This involves self-assessment by various departments and teams involved in sustainability reporting. The CSA helps identify areas of strength, weakness, and improvement, contributing to a thorough evaluation of our sustainability practices. This internal review process ensures that the data reported aligns with our sustainability goals and industry standards.

- Engagement of a Consultant

  We recognise the importance of an external perspective, and as such, we engage the services of an independent sustainability consultant. This external expert conducts audits and reviews our sustainability practices, providing valuable insights and recommendations. The engagement of a consultant enhances the credibility of our sustainability reporting by offering an impartial evaluation of our processes, ensuring that our reports are accurate and trustworthy.

During the year, our risk assessment results are presented in the risk table below:

Risk Category	Risk Description	Risk Mitigation Measures
Operational	Cyber Security	• Risk assessment and establishing network access controls.
	Technological	• Monitoring the latest threats and vulnerabilities.
	Fraud	• Keeping abreast of new technologies that may provide opportunities for the Company.
Compliance	Changes in legislation/regulations	• Implement internal controls, monitoring the adequacy of the controls and responding to fraud risk red flags.
Sustainability	Safety, Health and Environment	• Implement a regulatory risk management system to track market changes and assess potential impact to the business. • Undertaking regular environment, safety and health inspections to check for compliance with regulations. • Providing a safe working environment for all employees.
Financial	Credit risk Exchange rate risk	• Reduce granting of credit to less than 5% of monthly sales revenue. • Regular price reviews
Reputational	Poor Product Quality	• Adhering and monitoring of coal carbon level, clay extrusion and moisture standards.

Compliance Matters

As the leading manufacturer and distributor of clay bricks, we thrive to maintain high levels of environmental, business and regulatory compliance. The Company seeks to meet all commitments and regulatory requirements that govern the business environment. During the year, the Company complied with the following instruments:

- Companies and Other Business Entities Act [Chapter 24:31].
- Zimbabwe Stock Exchange Listing requirements.
- Zimbabwe Revenue Authority (ZIMRA).
- Environmental Management Act (EMA) [Chapter 20:27].
- National Social Security Authority (NSSA) - Occupational, Health and Safety (OHS) regulation.

We always strive to stay up to date with any new regulatory developments to ensure best practices, even to the extent of adopting voluntary practices.

SUSTAINABILITY

SUSTAINABILITY

As a leading clay brick manufacturer in Zimbabwe, Willdale Limited is proud to contribute to the construction industry's value chain. Our responsibly manufactured products are vital for various infrastructure projects, including commercial properties, apartments, homes, educational facilities and hospitals. We prioritise sustainability by responsibly extracting clay, implementing environmentally friendly manufacturing practices, and managing our operations in an eco-conscious manner. Additionally, we strive to make positive impacts on society and the national economy, supporting local communities and fostering economic growth.

Our Sustainability Thrust

'Willdale Bricks: Built to Last'

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

Willdale Limited, as a clay brick manufacturer, recognises its exclusive reliance on the environment for its manufacturing processes. To address this, we have implemented an ongoing sustainability strategy called 'Built to Last.' This strategy aims to eliminate negative impacts and enhance positive impacts associated with our operations, aligning with stakeholder expectations. Through the 'Built to Last' strategy, we prioritise minimising the adverse effects of our manufacturing processes on the environment. This includes reducing resource consumption, waste generation, and emissions while implementing responsible land and water management practices. Additionally, we actively engage with stakeholders, support local communities, and contribute to social and economic development.

By adopting the 'Built to Last' sustainability strategy, Willdale Limited strives to be a responsible industry leader, ensuring environmentally sustainable clay brick manufacturing while meeting stakeholder expectations and making positive contributions to society. At the core of the **Built to Last** strategy are three pillars:

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

Sustainability Governance

In accordance with the Board's sustainability strategy, management disseminates sustainability objectives to the entire Company through an integrated management system. This system guarantees the identification and attainment of key objectives, encompassing quality, environmental, and safety and health deliverables. Moreover, the integrated management system is equipped with an effective feedback loop that fosters ongoing process improvement in order to achieve the established targets.

Stakeholder Engagement

As Willdale, we prioritise regular engagement with our stakeholders, both internal and external, to address their needs and expectations. Stakeholder engagement is a crucial part of our materiality assessment and helps us identify key issues relevant to our operations. We highly value our stakeholders and their input, as it guides our long-term and short-term goals. Through various channels such as meetings, interviews, and workshops, we create a transparent and inclusive environment for constructive dialogue. Our commitment to stakeholder engagement extends to all groups and individuals affected by our business. By actively involving them, we foster trust and work towards sustainable practices.

How we engage our stakeholders

We employ a variety of strategies to engage with our stakeholders and foster a conducive and transparent environment. Our engagement methods include virtual and physical meetings, interviews, briefings, social media interactions, phone calls, and workshops. These channels allow us to have meaningful and open dialogue with our stakeholders, ensuring their voices are heard and their perspectives are considered. Through regular and diverse forms of engagement, we strive to maintain an inclusive and collaborative approach with our stakeholders.

Who we engage

We value all stakeholders and strive to create an inclusive environment where they are identified, represented, and engaged. Our goal is to establish shared values for mutual trust. Through effective communication channels such as meetings, interviews, briefings, calls, and workshops, we foster open dialogue and collaboration with our stakeholders. We believe that engaging stakeholders is essential for building strong relationships and achieving sustainable success.

The following groups were considered as the most significant to the business:

Internal Stakeholders	External Stakeholders
Employees Shareholders and Investors	Customers Suppliers Regulators and Governments Local Communities Industry

In FY2023, our stakeholder engagements were as follows:

Stakeholder	Stakeholder Concerns	Mitigation Measures	Communication Channels	Frequency
Employees	• Remuneration • Accommodation	• Payment of salaries in US$. • Engaging companies that sell stands to help with affordable staff accommodation	• Emails • Phone calls • Meetings	• Monthly • Quarterly • Bi-annually • Yearly
Suppliers	• Delay of payments • Late deliveries	• Implementing a payment system. • Enforced the lead time to ensure deliveries are made on time	• Emails • Phone calls	• Quarterly • Half yearly • Annually
Shareholders	• Communications on the operations of the business	• Periodic updates	• Emails • Website • Newspapers	• Shareholders and Investors
Customers	• Breakages resulting from under fired bricks	• Send a skilled team to inspect the quality of the bricks, identify any defects, and replace them as needed	• Phone calls	• Adhoc
Local communities	• Illegal settlements.	• Legal proceedings	• Meetings	• Adhoc

Sustainability Materiality Assessment

As Willdale Limited we conducted a comprehensive sustainability materiality assessment to identify and prioritise the most significant Environment, Economic, Social and Governance (ESG) issues for our operations. We engaged with various stakeholders, including employees, customers, investors, and community members, to gather diverse perspectives and understand their expectations. Through this assessment, we identified key material issues with potential to impact our business performance, reputation, and long-term value creation. These issues encompass a range of environmental, social, and governance aspects that are crucial for our sustainable operations.

By focusing on these material issues, we allocate our resources effectively and address the concerns that matter most to our stakeholders. This enables us to enhance our strategic decision-making, improve risk management, and demonstrate our commitment to transparent and accountable sustainability practices. Willdale Limited remains dedicated to addressing these material issues and integrating sustainability into our business strategy, ensuring that we operate responsibly and contribute positively to society and the environment.

Materiality process

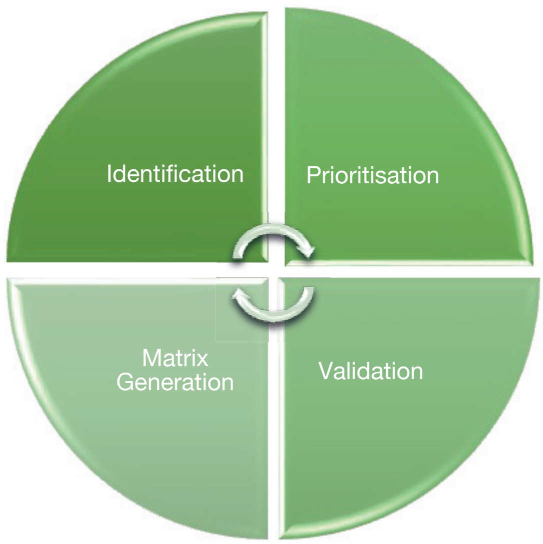
The materiality process for FY2023 was conducted as follows:

Identification – The Company conducted an internal sustainability materiality assessment by identifying relevant topics while benchmarking with other companies in our industry.

Prioritisation - Identified topics are ranked as material topics based on their significance to the business and stakeholders' interests by senior management from all departments.

Validation - The Company Executives validate and approve the final topics by assessing the consistency of the topics with business activities.

Matrix Generation – These topics are plotted as a matrix showing their importance to the business and stakeholders.



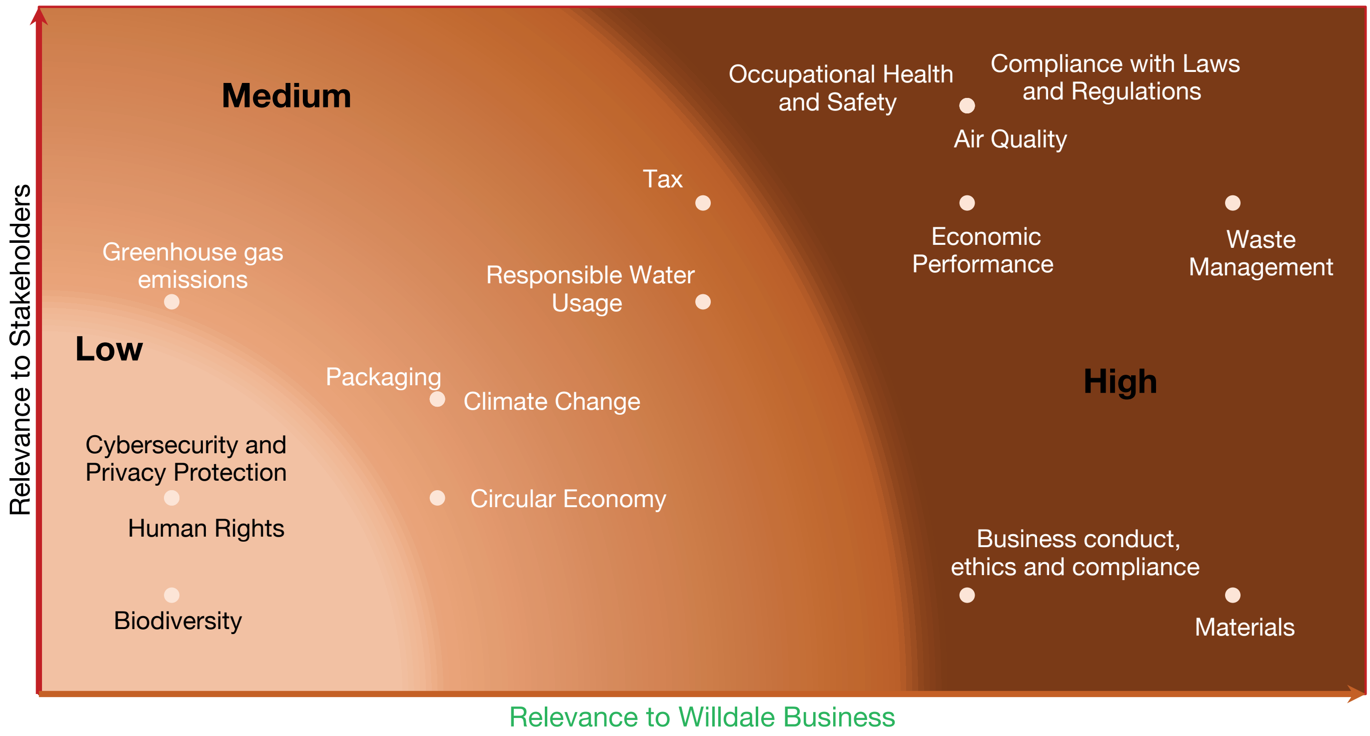
Material topics

During the period, the following are topics identified as material:

Environmental	Economic	Social	Governance
• Responsible Water Usage • Waste Management • Air Quality • Climate change • Greenhouse Gas Emissions • Material • Circular Economy • Biodiversity • Packaging	• Tax • Economic Performance • Ethical Procurement	• Diversity and inclusion • Training and Development • Corporate Social Responsibility • Local Communities engagement • Human Rights • Labour Relations • Occupational Health and Safety	• Cybersecurity and Privacy Protection • Business Ethics and Compliance • Product and Process Innovation

Materiality Matrix

The materiality analysis presented below ranks the top 15 topics that are most significant to the business and its stakeholders. Our assessment showed that there were changes on the material topics from prior year as presented below:

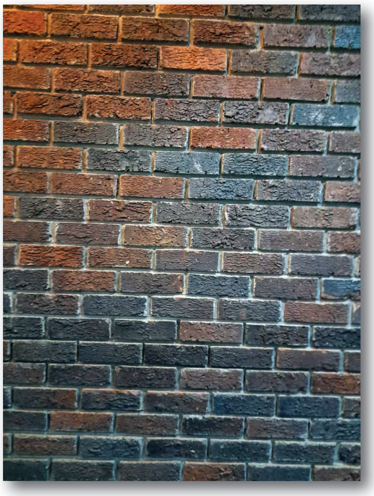


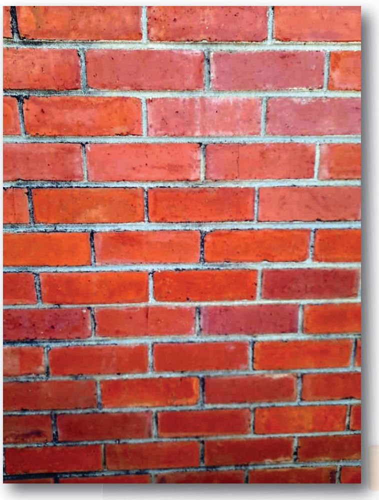
From the matrix above, topics ranked as

Ranking	Measure
High	Those regarded by the business and stakeholders to be of significant interest.
Medium	Reflects where measures are in place to manage the impacts while improvements continue to be implemented.
Low	Reflects where significant efforts were made to address them.

For the period under review, the following topics were ranked as the most significant for both business and stakeholders:

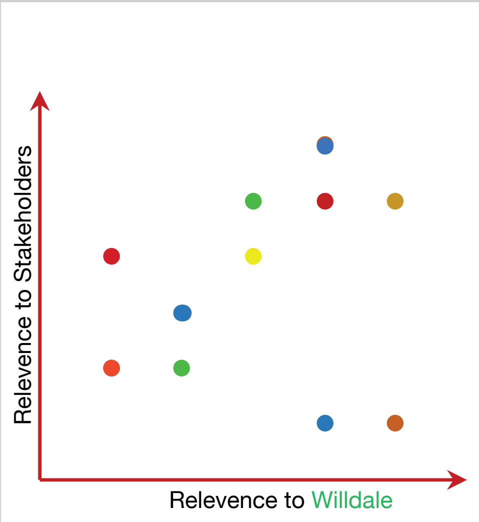
- Business conduct, ethics and compliance.
- Materials.
- Economic performance.
- Waste management.
- Air quality.
- Compliance with laws and regulations.
- Occupational Health and Safety.
- Materials.





Materiality linked to SDGs

Based on the above, we re-ranked the level of relevance to sustainable development for each topic:



Relevance to Sustainable Development	Low	Medium	High
Waste Management			12
Human Rights	10		
Business conduct, ethics and compliance			16
Occupational Health and Safety			3
Materials			9
Greenhouse gas emissions		13	
Packaging		12	
Compliance with Laws and Regulations			16
Air Quality			3
Cybersecurity and Privacy Protection	16		
Tax		17	
Circular Economy		8	
Climate Change		13	
Responsible Water Usage		12	
Biodiversity	3		

The UN Sustainable Development Goals

Sustainability Risks and Opportunities

Our process of identifying Sustainability-Related Risks and Opportunities (SRRO) is informed by our risk management, stakeholder engagement, and materiality analysis. We believe this process allows us to have a comprehensive view of potential and actual risks and opportunities associated with our business operations during the period under review and future.

For FY2023, we experienced erratic supply of electricity due to a national shortage caused by low generation contributed by challenges at the main hydropower generator in Zimbabwe which had a direct impact on our production levels, resulting in a 5% decline in sales volume. To mitigate this risk, the Company is exploring alternative sources of energy for powering the plant. However, the successful implementation of these alternatives is contingent upon the availability of appropriate funding.

Moreover, significant improvements were made in the handling of wooden pallets which result in wood waste. We optimised our procurement of timber for the production of new brick handling pallets which resulted in significant reduction in quantities and expenses. This positive development consequently led to a notable decrease in the need to harvest trees for timber used in pallet manufacturing.

As part of our commitment to land sustainability, we improved the practice of recycling brick rubble to fill dug-out pits to mitigate environmental impacts. This initiative aims to optimise resource utilisation and minimise waste. By repurposing brick rubble in this manner, we can effectively reclaim and rehabilitate land areas, contributing to our overall sustainability objectives.

Lastly, our stakeholder engagement particularly with our employees proved vital in reducing chances of industrial action given the inflationary economic effects characterising our business environment. The Company did its most to be responsive to employee concerns and working conditions. The engagements were fruitful in building shared vision.

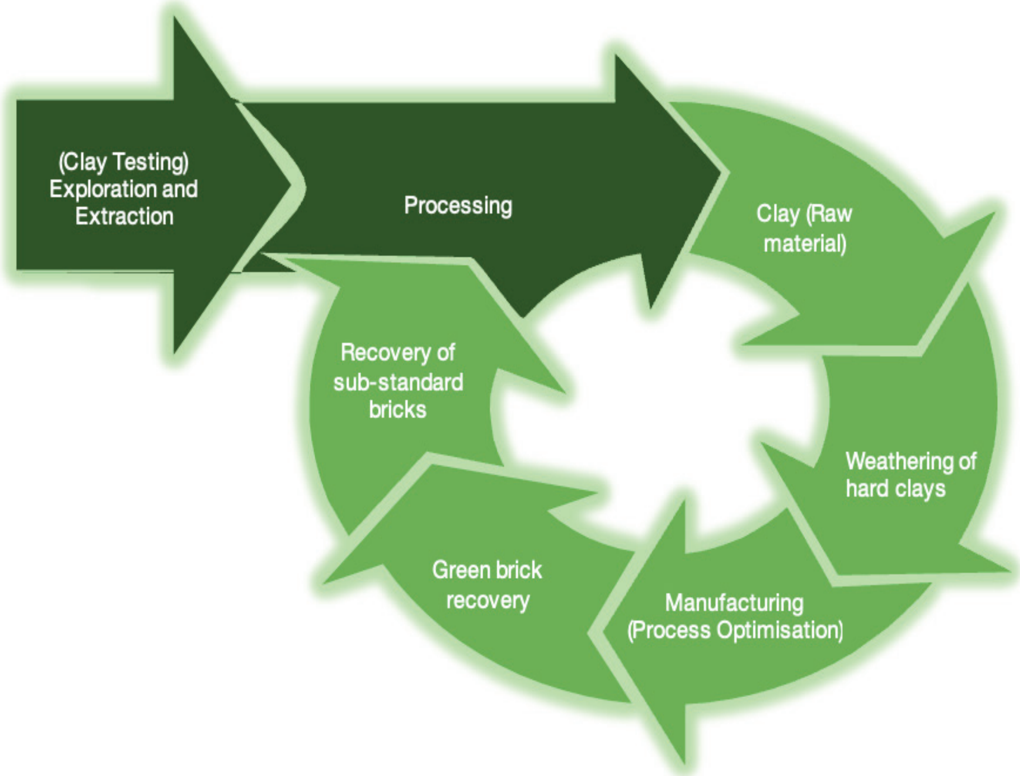
RESPONSIBLE CLAY BRICKS PRODUCTION

RESPONSIBLE CLAY BRICKS PRODUCTION

We prioritise the efficient use of our raw materials i.e. clay, by implementing sustainable production techniques and investing in technologies that optimise resource consumption. Through circular economy initiatives measures, we aim to minimise our contribution to environmental degradation in our clay extraction operations.

Production Value Chain

Willdale Limited recognises the shared responsibility among management, employees, suppliers, and business partners in effectively managing the clay brick production value chain. We are aware of potential environmental impacts, occupational health and safety incidents, emissions, and the creation of open pits. To address these, we implemented robust systems and processes, adhering to regulations and promoting best practices. Collaboration with suppliers and partners is crucial in ensuring responsible and sustainable management of the value chain.



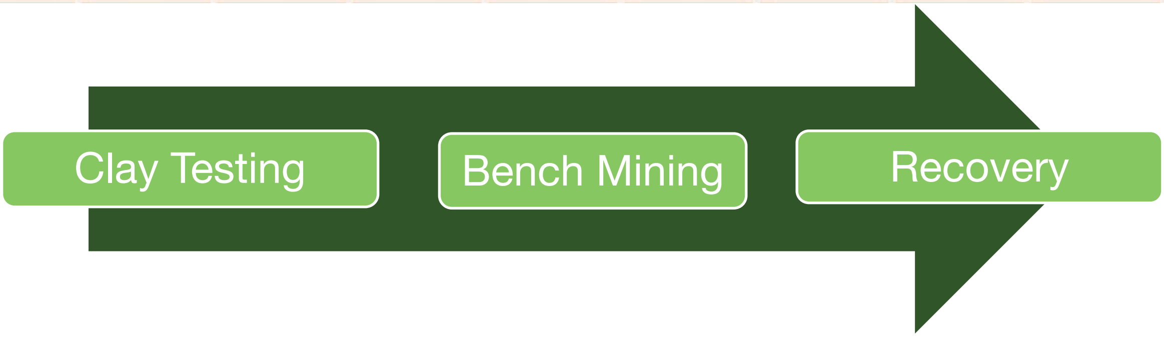
Willdale relies on an integrated management system to uphold standard operating procedures and processes. We comply with statutory and industry standards, prioritise environmental management and occupational health and safety, rehabilitate disturbed land, engage affected communities, and implement precautionary measures. Our commitment to responsible manufacturing drives our sustainable operations.

The Company uses the following mechanisms to track the effectiveness of production systems:
- Environmental monitoring.
- Management reviews.
- Internal and external audits.
- Product surveillance.

Our production goals are focused on minimising environmental impacts, complying with regulations and industry standards, and maintaining a Zero accident record. We track our progress through monitoring workplace accidents, penalties, and stakeholder feedback. We are pleased to report that we successfully maintained emissions within acceptable levels, reduced mobile accidents by 10%, and met pit rehabilitation targets during the period.

Clay Extraction

As Willdale, our operations heavily rely on clay extraction. We understand the importance of responsible land rehabilitation and efficient brick curing processes. We employ best practices to restore the land to its natural state, promoting ecosystem regeneration and biodiversity. By focusing on responsible land rehabilitation and efficient brick curing, Willdale Limited strives to minimise the environmental footprint and contribute to the sustainable development of the communities where we operate.
Our extraction value chain involves:
- Clay testing,
- Bench mining, and
- Recovery (green bricks and breakages).



Clay Testing

Soil tests are performed to examine and calculate the depth at which we can extract clay. This optimises our extraction procedures as viable clay deposits can be reached at depths less than 1.5 metres.

Bench Mining

As Willdale, we use the bench mining technique to extract clay of different grades necessary for various bricks. This technique allows us to separate the required amounts of clay from each layer concurrently, reducing clay waste and optimising resource utilisation. Our approach aligns with sustainable practices and responsible resource management.

Recovery and Recycling

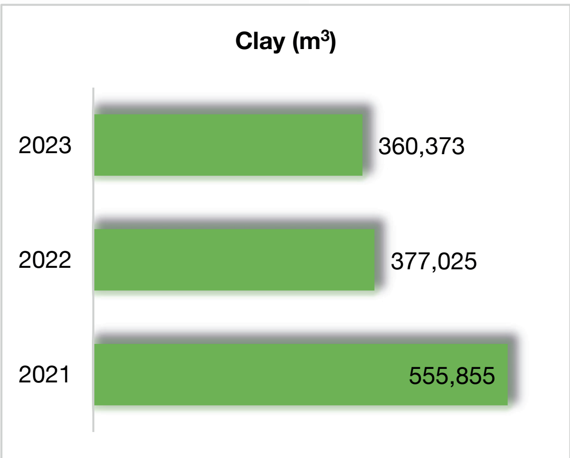
We recycle damaged and low-quality bricks, including green bricks, to reduce waste. Fired Breakages are reused for ground preparation and pit rehabilitation. Plastic waste is sold to nearby recycling businesses. We collaborate with specialised waste management companies for proper disposal when recycling or reuse options are not available.

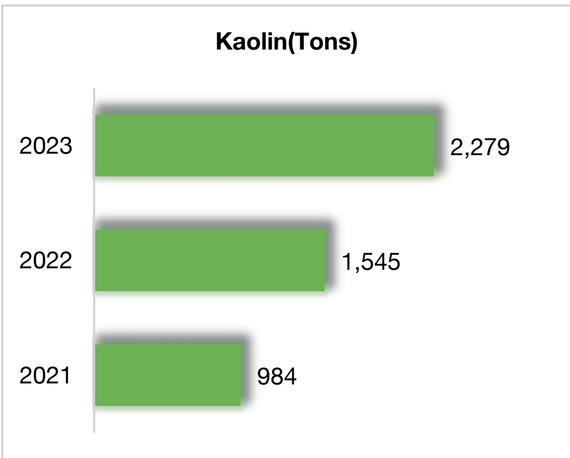
Brick Production Raw Materials

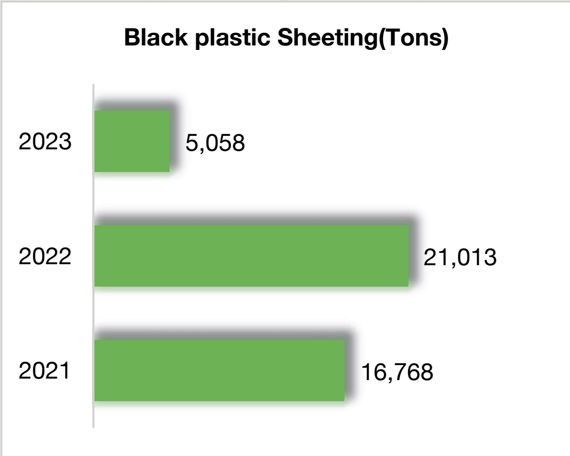
Materials management involves planning, organising, and controlling the flow of materials from their source to the final product. It involves activities such as purchasing, inventory control, storage, transportation, and distribution of materials. Our main materials for brick production are coal, clay and packaging material. We use the terracing method for clay extraction with falling heights reduced to a maximum of 3m, to ensure no fatality.

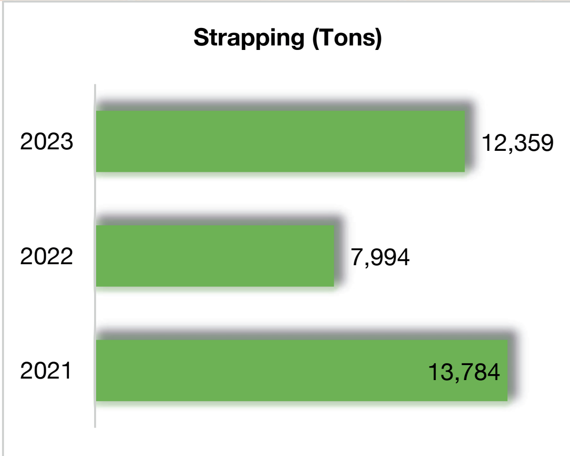
We have a specification for clay, being the chemical composition to ensure we are able to achieve a good brick extrusion rate and at the same time achieve strength after firing. We sprinkle the stored coal with water regularly to avoid coal dust nuisance being blown and affecting air quality. We make use of lubrication soap during brick extrusion to ensure smooth column release. We send black plastic sheets to recycling companies, who process the plastics from their own plants. Wooden pallets which are non-usable are offered to employees for firewood and the scrap nails are disposed of separately.

Audits are carried out each quarter by the IMS (Integrated Management System) team. In cases of non-compliance, we raise a non-conformance report and an investigation has to be done and recommendations are made. Our goal is to manage materials using world-class standards. In terms of clay usage, we are planning to increase the ability to recycle as many materials as possible. We intend to process the harder material that we previously screened, to reduce the extraction rate for clay. Initially, selective mining posed hazards and led to premature mining shutdowns. However, with bench mining, we can now mine continuously throughout the entire season without interruptions.









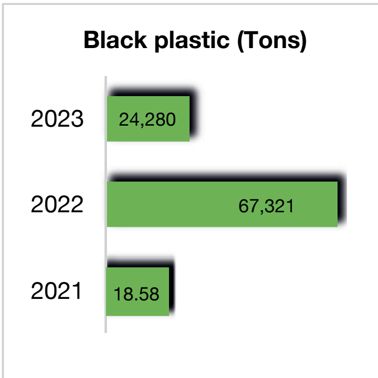
Brick Production Waste

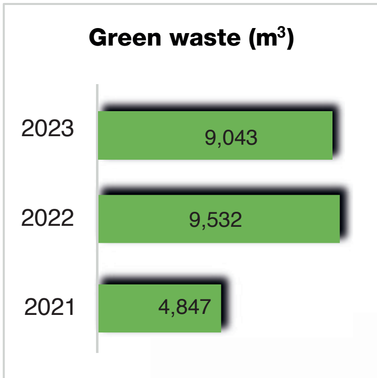
Willdale Limited creates a clean, safe and healthy environment through proper waste management and disposal as required by local regulation. We understand poor waste management may cause diseases and and may lead to penalties from regulatory authorities such as the Environmental Management Agency (EMA).

We ensure efficient waste management through the use of the Five S strategy which is Sort, Set in order, Shine, Standardise and Sustain. The EMA Act [Chapter 20:27] of 2002 and the Constitution of Zimbabwe section 73 form part of our commitments in terms of waste management and we are internally guided by the SHEQ Policy. We segregate waste according to hazardous waste, paper, wood and biodegradable waste and we use a contracted registered company to collect the segregated waste regularly. We installed a weighbridge to measure the quantity of waste generated as required by EMA regulations. We also submit an environmental management report to EMA detailing our waste streams in terms of the quantity and the components of waste. Additionally, we raised awareness among employees on waste segregation.

The Integrated Management System (IMS) team carries out audits each quarter to monitor our waste management processes. The Company's actions towards waste management have been effective.

Our waste was as follows:





Circular Economy

The circular economy is a sustainable management system that prioritises reusing and regenerating material inputs while minimising operational losses. As Willdale, we embrace this approach and integrate it into our operations. We prioritise recycling initiatives to promote resource efficiency and waste reduction. Willdale Limited collaborates with recyclers to ensure efficient municipal waste collection and focus on the recycling of black sheeting. Further, we engage in pit rehabilitation projects to restore and reclaim land affected by our operations, contributing to resource regeneration and ecosystem conservation.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Our commitment to reducing pollution and mitigating environmental hazards is at the forefront of our sustainability efforts. Regular internal and external audits ensure compliance, evaluate our environmental performance, and align our operations with circular economy principles. We have set specific targets to reduce water and energy consumption, plastic usage, and coal usage. By monitoring key performance indicators such as coal, water, energy, and plastic consumption levels, we track our progress and identify optimisation opportunities. We closely monitor the quantity of black plastic sheeting recycled and the amount of waste generated across different sections of our operations.

Engaging stakeholders has been crucial to managing our footprint associated with waste management. We consider their perspectives to enhance waste management strategies and move closer to a circular economy that maximises resource efficiency and minimises environmental impact. Our focus on circular economy principles and sustainable practices drives our commitment to environmental responsibility and sustainability.

During FY2023, our recycled materials were as follows:

Product and Process Innovation

Process innovation resulted in a reduction of energy consumption and improved efficiencies, while product innovation improved the competitiveness of our products and increased revenue. However, process innovation may have inherent risks such as brand image damage when the market rejects the product.

The following procedures form our design and development process;

- Formation of a project team.
- Identification of potential risks per project stage.
- Use of standards or best practice approach.
- Determination of acceptance criteria.
- Use of reliable measurement and monitoring tools or methods.
- Verification of results.
- Review of product or process performance.
- Corrective actions where necessary.

We diligently conduct project review meetings, internal audits, and management meetings as part of our robust monitoring system for tracking and evaluating our efforts in product process innovation. The design and development process are yet to be implemented; however, successful projects have been made though setbacks were encountered which could have been dealt with through the documented process. Goals and set targets for the specific projects have been achieved thus far. Stakeholders are critical for knowledge and technology sharing to ensure effective project execution. There is room for improvement in promoting product innovation within the Company.

Packaging

Palletised bricks are more presentable, safer and easier to lift, manage and transport. They also have a longer shelf life, which makes them more cost-effective for buyers. Additionally, they are less prone to theft, as they require specialised equipment to be moved. The only downside is that they require a forklift with hydraulics to be lifted, and they require a suitable truck for transportation. However, these minor issues can be easily overcome, making palletised bricks an excellent option.

We use black sheeting on our bricks soon after production to avoid direct sunlight which may cause cracking and rain damage. The black sheeting is reused on more than one cycle before it is disposed into the waste cages awaiting the waste collectors. From there the bricks are exposed to direct weather, then later sent off for firing in structured kilns and clamps. We place 500 bricks on each pallet, then strip with a strapping cord for securing the product for transportation. We paste the product catalogue on each pallet which shows the name and dimension of the bricks.

We do follow-ups to all our customers to ensure that they have received their bricks. We also conduct site visits to customers to verify quality complaints. Our policy is to replace breakages as long as they are within set thresholds. The SHEQ team also advises customers in terms of waste disposal of all packaging materials.

We use a variety of processes to track the effectiveness of our actions in improving the presentation of our bricks. Internal audits are conducted regularly to assess the Company's progress in meeting its quality standards, while external audits are conducted by independent auditors to ensure that the Company is meeting industry standards. The SHEQ team also conducts regular inspections to ensure that the Company's bricks meet both quality and safety standards.

Our main goal is to ensure that our bricks are presented in a professional and visually appealing manner. To achieve this goal, we established targets for ensuring that each brick meets quality standards and that customer feedback is positive. Key performance indicators, such as sales figures and customer satisfaction surveys, are used to assess progress towards these targets. Since the Company began packaging its bricks, it has seen a marked increase in sales and positive customer feedback, indicating that the Company's actions to manage this issue have been successful. As a result, we are confident that we are meeting our objectives and providing a quality product to our customers.

During the period under review, we are proud to report that we attained ISO 14001:2015 Environmental Management Systems, ISO 45001:2018 for Occupational Health and Safety, and ISO 9001:2015 Quality Management Systems certification, which reflect our commitment to sustainable operations and responsible production.

SUSTAINABLE OPERATIONS

SUSTAINABLE OPERATIONS

By adopting sustainable operations, Willdale aligns its business values with environmental responsibility, contributing to a more sustainable and resilient future for both its operations and the broader society. We aim to reduce our ecological footprint, conserve resources and contribute to a more sustainable future by implementing sustainable practices.

Water

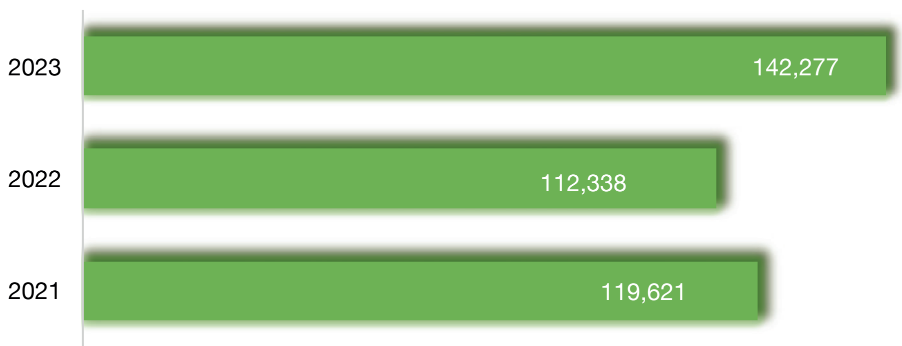
Water is a scarce resource that needs to be used responsibly and efficiently as it is used in various stages of our brick manufacturing processes, such as mixing, moulding and curing. We can reduce our water and energy consumption for pumping and heating water by ensuring proper water management. This way, we avoid potential fines or penalties for exceeding water quotas or violating environmental regulations. By reducing our water footprint, we contribute to the preservation of water resources and ecosystems for the benefit of current and future generations. We also support the well-being and livelihoods of the communities that depend on the same water sources as we do.

As Willdale Limited we are dedicated to the guidelines of the Water Act which requires us to use water sparingly. The Company is a member of the Stappleford Industrial Cluster which is a platform where different companies within the same cluster exchange information regarding environmental conservation. We have four boreholes which provide adequate water supply for our production processes. We managed to replace water pipes to eliminate leakages and conserve water resources. We reuse wastewater from our processes to ensure a consistent and optimal moisture content for our bricks, which improves their strength, durability and appearance.

We carry out daily and monthly water readings to check for inconsistencies and identify the root causes. Our goal is to ensure resource efficiency in terms of responsible water usage. The replacement of water pipes eliminated leakages making significant progress towards our goals and targets. The upper Manyame sub-catchment centre encouraged the Company to install flow metres for water management.

Water drawn for FY2023 was as follows:

Water Withdrawn (m^3)



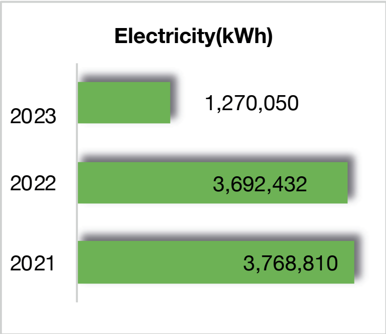
Energy

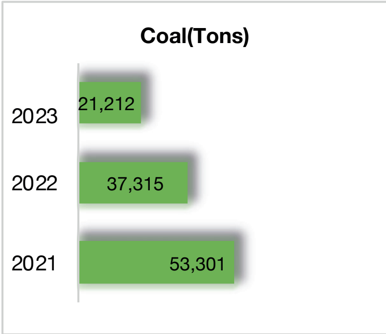
Efficient energy management is crucial to the continuous production of Willdale Limited's manufacturing processes. We currently rely on electricity, diesel, and coal. However, due to the challenges of fossil fuels and electricity supply shortages, we are exploring cleaner energy sources and new technologies for brick firing. Our goal is to improve energy efficiency and reduce our environmental impacts. By embracing sustainable practices, we aim to overcome energy supply challenges and ensure continuous production while minimising our reliance on traditional energy sources.

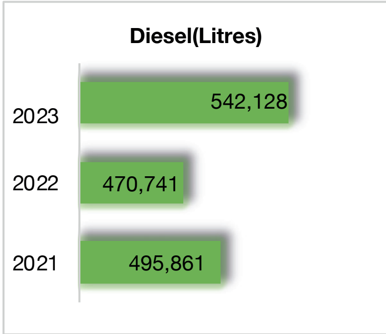
Our energy management systems follow a comprehensive approach that focuses on both equipment and human energy use. We prioritise regular monitoring and maintenance of equipment to enhance energy efficiency. Additionally, we actively encourage all employees to adopt energy-efficient practices, such as managing their trips and diligently switching off appliances and lights when not in use. To optimise energy efficiency, our system closely monitors the quality of energy sources like coal and diesel. We strive to ensure high-quality energy inputs that contribute to improved efficiency and reduced waste.

As part of our commitment to sustainable energy practices, we have plans in place to migrate towards solar energy. This transition is projected to reduce our energy consumption by 5%, further minimising our environmental impact. By implementing these strategies and embracing renewable energy sources, we aim to enhance our overall energy efficiency, reduce consumption, and contribute to a more sustainable future.

Energy consumption within the Company







Increase in diesel was due to increase in production, there was low usage of coal in November 2022 to February 2023 because of the rainy season which resulted in low production during that period.

Procurement

Managing the environmental and social impacts associated with our service providers is a crucial part of our business operations. We are committed to procuring top-quality raw materials, which has consistently raised the standard of our products and services, enhancing our brand reputation. To optimise efficiency, we prioritise minimising lead time and stock holding costs. However, we have learned from past experiences that engaging with unregistered suppliers can be risky as it may cause damage to our brand reputation and lead to delays in supply. To minimise these risks, we now prioritise sourcing from vetted enterprises. Further, we have implemented a rigorous checklist to ensure strict compliance with our requirements when registering new suppliers.

To facilitate the purchasing process, we have requests from different departments which are approved by the head of each department. Thereafter, an assessment is done prior to the quotation with at least 3 quotations being gathered, and analysed in terms of price, lead time and quality of materials. We then raise an order which is approved for purchase by the head of procurement and executive directors. Once the products are delivered, each receiving department checks the quantity and quality of materials to ensure that all products are up to standards. Faulty products are sent back to the suppliers and replaced.

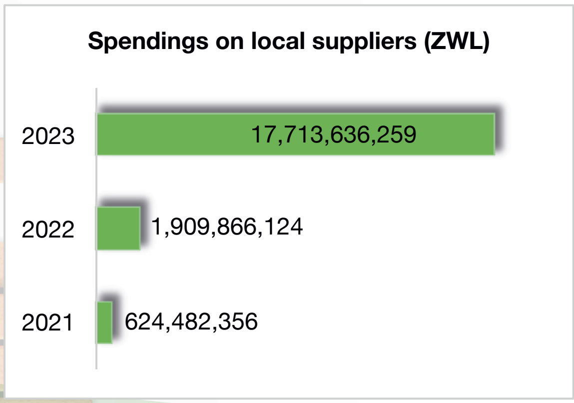
Willdale Limited has a Procurement Policy which facilitates the purchasing process. We adhere to, ISO 9001:2015, ISO 45001:2018 and ISO 14001:2015 in purchasing. We request for material safety datasheet which provides information on the composition, usage, storage and disposal of chemicals purchased. We are able to achieve safety and health through adhering to proper procurement channels.

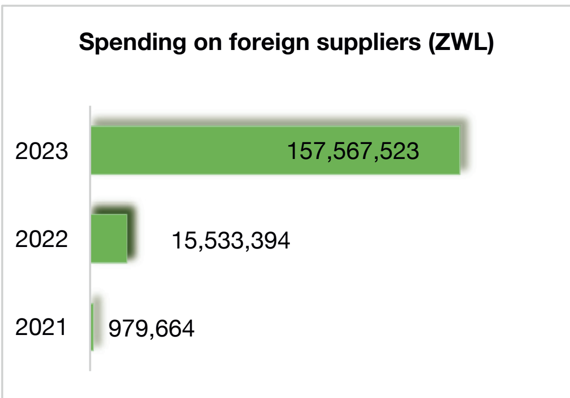
The Company engages in internal and external audits, ISO internal and external audits, weekly spot checks and SHEQ inspections to ensure shortfalls in ethical procurement are eliminated. Our aim is to ensure that the production process is not disrupted due to stock outages. We are working towards having 3 months of stock holding and zero production stoppages caused by material shortages. We were able to attain about 90% to 95% of our targeted goals.

In FY2023, our suppliers were as follows:

	2023	2022	2021
Number of Suppliers	861	616	883

Our procurement for the reporting period was as follows:





ENVIRONMENT AND CLIMATE CHANGE

ENVIRONMENT AND CLIMATE CHANGE

Biodiversity

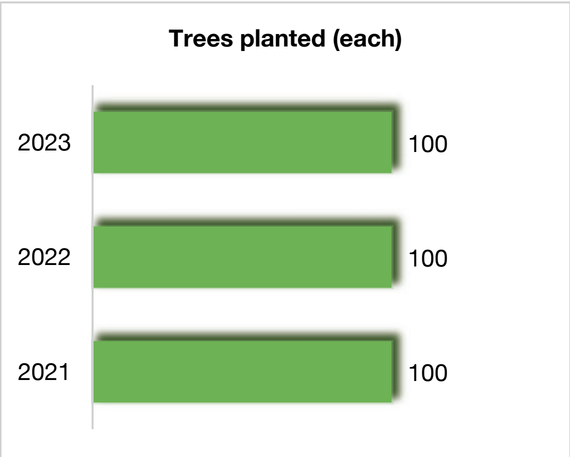
Willdale Limited's rehabilitation efforts help in restoring and protecting ecosystems. By not dumping oils in rivers or water sources, we ensure that we are not posing a threat to aquatic life. Our mining operations which involve clearing of vegetation and removal of topsoil to reach the desired claim have led to soil erosion, phytotoxicity, soil compaction, and destruction of habitats. These negative impacts can have far-reaching consequences for the environment and local communities.

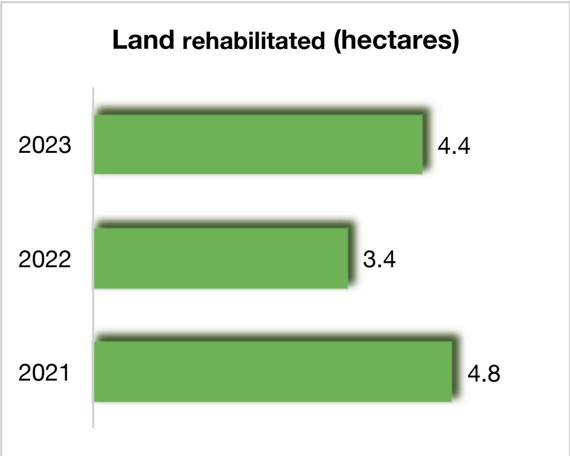
We developed and implemented a SHEQ Policy that outlines our commitments to comply with applicable environmental, health, safety, and quality legal obligations. The policy commits to identifying and addressing environmental hazards, with the aim of minimising risks to the environment and local communities. We review our policy on a regular basis to ensure that it is in line with the latest regulations.

We took several actions to mitigate adverse impacts on biodiversity which include rehabilitation of pits, planting trees, and giving quarterly reports to the Environmental Management Agency (EMA). Additionally, we use terracing systems when extracting clay to prevent soil erosion and have designated routes to avoid soil compaction. Further, we took steps to reclaim pits that have been impacted by our clay extraction operations.

We conduct target monitoring to track the effectiveness of our biodiversity management. This involves setting a target of 40 loads of rubble per week, which is regularly monitored. If the target is not met, corrective actions are taken. The Company's efforts have been approximately 70% effective in managing biodiversity. Occasional tipper truck breakdowns have hindered the full implementation of rehabilitation and reclamation measures. However, the Company is taking steps to improve effectiveness by performing regular service and maintenance of machinery, aiming to reduce breakdowns and enhance biodiversity management efforts.

We promote awareness on the adverse impacts of operations on biodiversity which include the release of toxic gases and soil erosion.





Climate Change

The Company operates in a region which receives average rainfall, and this helps to maintain a stable climate. Poor climate change management contributes to global warming, acid rain, yellow jacket rivers, and a depleted ozone layer which leads to extreme weather events, reduced air quality, and increased risks of skin cancer. The main climate change impacts that result from our business operations are related to the burning of coal to fire the bricks which releases greenhouse gases contributing to climate change. Additionally, the use of oil-based fuels for company vehicles also releases greenhouse gases. Further, the mining process for raw materials results in the release of methane and the removal of vegetation, damages ecosystems.

We commit to operating in a manner that promotes sustainability. Our machines are serviced regularly to ensure efficient engines and we conduct emission surveys to monitor and address our contributions towards climate change. We adhere to and participate in the National Tree Planting Day as a way to mitigate climate change issues. Our ovens (kilns) are cleaned when operations take place and we use coal with a high calorific value to reduce our carbon footprint.

We conduct quarterly surveys of kilns with the help of external specialists to measure pollutants and quantify the amount. Further, we conduct quarterly surveys of vehicles and generators to monitor emissions. Improving kiln efficiency reduces costs, as higher rates are incurred for excessive energy consumption resulting in increased penalties by regulators. We conduct stakeholder meetings that involve engagement with the Stapleford Industrial cluster to address climate change issues, measure effectiveness and suggest possible solutions.

Air Quality

As Willdale Limited, we recognise that air quality management holds significant potential of yielding positive outcomes, including the enhancement of employee well-being, improved community relations, and increased machinery durability. However, we acknowledge the existence of adverse impacts associated with poor air quality, such as ozone depletion, climate change, acid rain, and occupational lung diseases. While air quality measures can help mitigate some of these risks, we recognise the importance of conducting a comprehensive assessment of the entire spectrum of potential impacts before implementing any air quality management strategies.

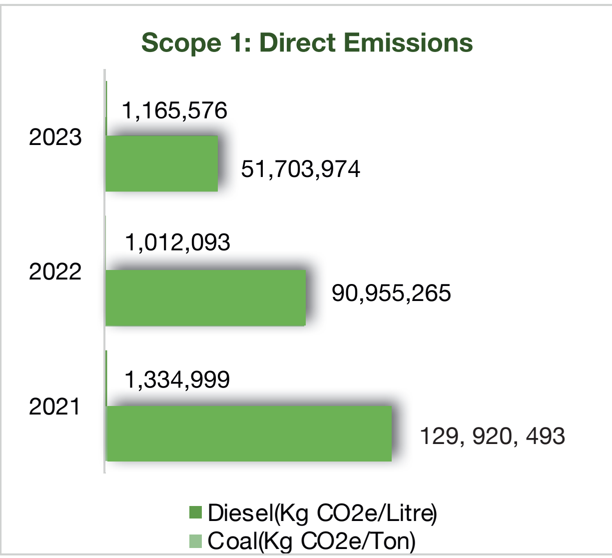
We have a SHEQ Policy that guides us on our air quality management. We implemented several strategies and activities to achieve our commitments of reducing emissions and staying within the green or blue band. We adopted a practice of using a blend of clay and coal to create self-fuelling bricks, reducing our dependency on coal as a fuel source. We maintain regular consultations with environmental experts to monitor and assess our emission levels, ensuring that our operations adhere to efficient and sustainable practices. Further, we employ water bowsers on a daily basis to effectively suppress dust. We prioritise the provision of personal protective equipment to safeguard the health of our employees. Additionally, we diligently conduct medical surveillance to monitor and maintain the well-being of our employees.

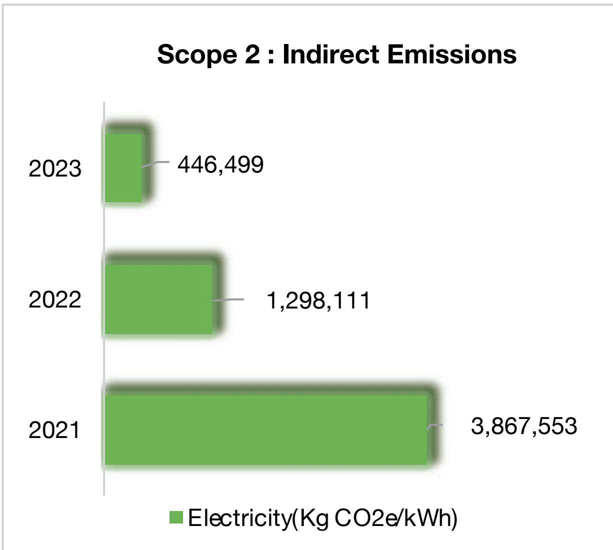
We have a dust control monitoring tool monitored by the SHE Department on a daily basis. The integrated management systems team conducts audits on a quarterly basis whilst air and dust emission surveys are conducted with the help of external consultants. These processes ensure that we have a comprehensive and accurate understanding of the effectiveness of our air quality management measures. Our goal is to minimise dust generation as much as possible with a target of conducting dust suppression at least three times a day. Medical surveillance results from employees indicate our performance towards air quality management.

We take pride in reporting that for the year under review, there has not been a medical case from the National Social Security Authority (NSSA) Medical Bureau. Our dust suppression performance is currently at 70%. We use two water bowsers which enables us to suppress dust twice a day per workstation and this indicates our commitment towards set goals and targets. We have mastered the importance of running our kilns efficiently to avoid penalties from EMA and we recognise the need to protect employees from health issues related to poor air quality management. Our regulator, EMA has encouraged us to improve dust suppression and as such, we acquired more sprinklers.

Emissions

We calculate our carbon footprint by converting energy consumption into carbon dioxide (CO2e) equivalency using internationally accepted conversion factors. We calculate Scope 1: direct emissions based on our consumption of diesel and coal, by applying United Kingdom (UK) Government GHG Conversion Factors. Our Scope 2: Indirect Emissions is calculated by converting electricity consumption to emissions equivalency using the Southern African Power Pool 2015 factors and the Global Warming Potential rates from the Intergovernmental Panel on Climate Change (IPCC).





EMPLOYEES

EMPLOYEES

Employment

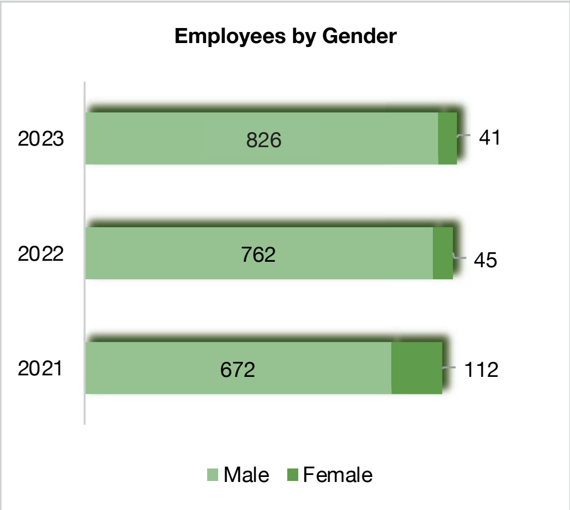
As Willdale Limited, we recognise the invaluable contribution of our employees to our long-standing operational success. Our Human Resources Policy plays a crucial role in recruiting, managing, and terminating employees. We are committed to providing equal employment opportunities based on merit and strictly adhere to a policy of not employing individuals under 18 years of age. Our Human Resources Policy aligns with the Labour Act [28:01] and outlines the Conditions of Service for all employees and management.

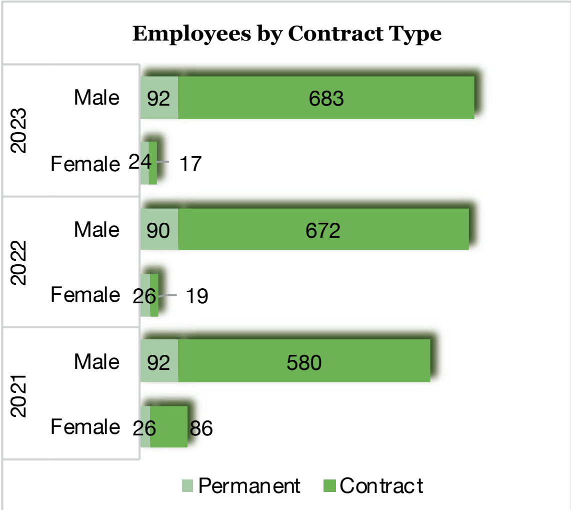
To ensure compliance and effective management, our human capital policies encompass the Code of Conduct and Collective Bargaining Agreements (CBA) established by the National Employment Council (NEC) for our industry. These agreements form an integral part of our approach to human capital management.

We offer employment opportunities directly, as well as through contractors. We conduct both internal and external audits and inspections to evaluate the efficiency and effectiveness of our policies and practices. Our aim is to achieve 90-100% compliance with labour laws, goals, and targets.

As Willdale Limited, we prioritise the well-being and fair treatment of our employees. Through regular assessments and audits, we strive to ensure that our human capital management policies are implemented efficiently and effectively.

The employee base for FY2023 was as follows:

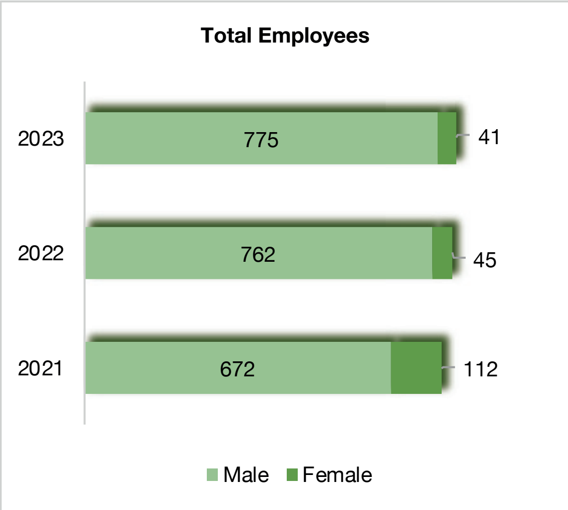


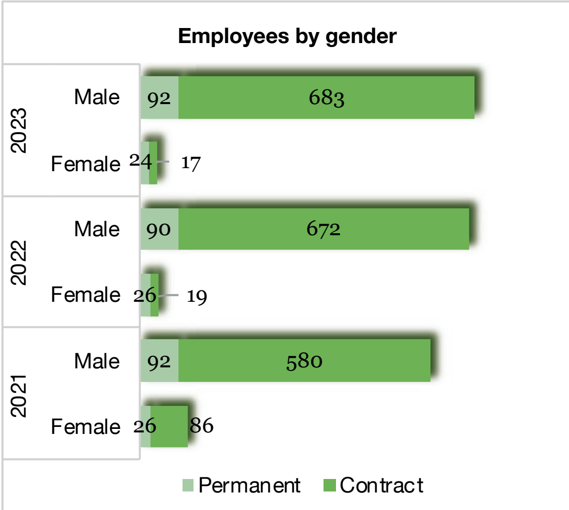


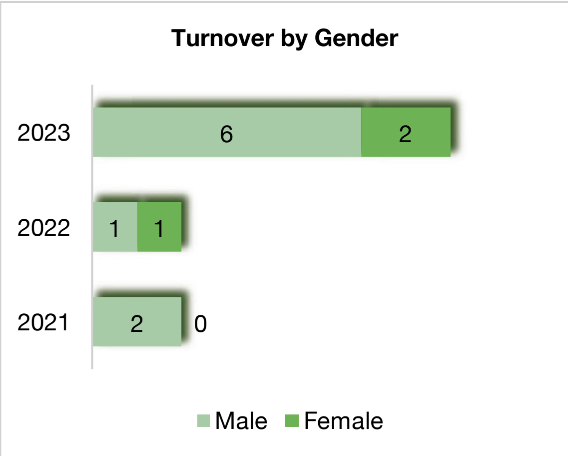
Third Party employees

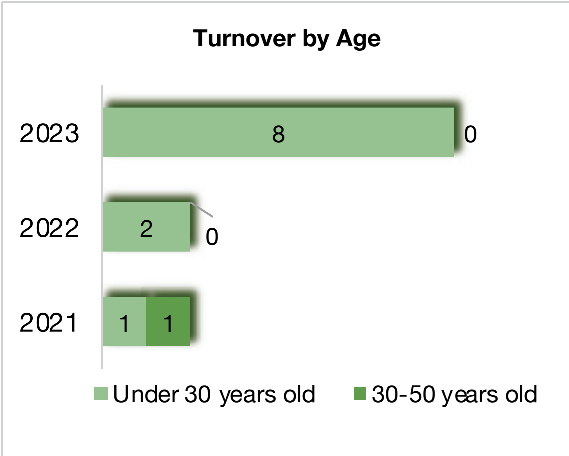
Third Part Employees	2023	2022	2021
Apprentices	3	3	3
Interns	7	3	3

For the period under review, our employee movement



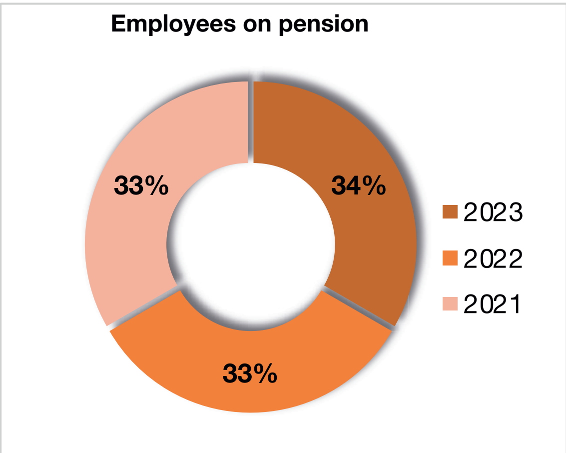


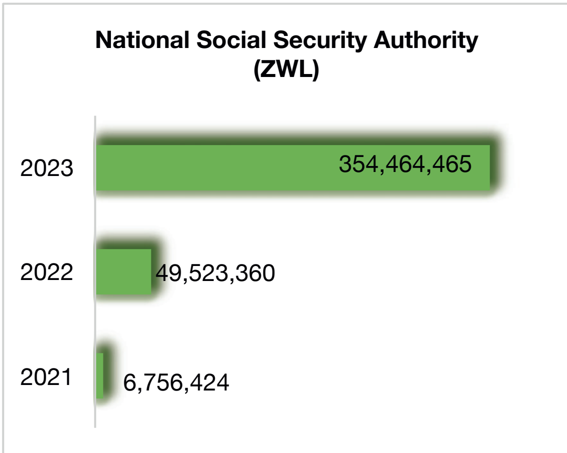




Employee Welfare

Our pension contributions for FY2023 were as follows:





Labour relations

Good labour relations are essential for fostering a positive relationship between the Company and its employees. Through proactive measures and fair treatment, we successfully created a peaceful working environment, resulting in reduced labour disputes and conflicts. As Willdale Limited, we comply with labour laws and regulations inclusive of collective bargaining, promote employees' rights and practice fair employment. In trying to resolve labour disputes, the Company has the potential of encountering disruptions to operations and productivity due to employee strikes, employee dissatisfaction and low morale leading to decreased job performance. Failure to effectively manage labour relations can negatively impact the Company's image and relationships with stakeholders and therefore we try as much to mitigate against such.

8 DECENT WORK AND ECONOMIC GROWTH

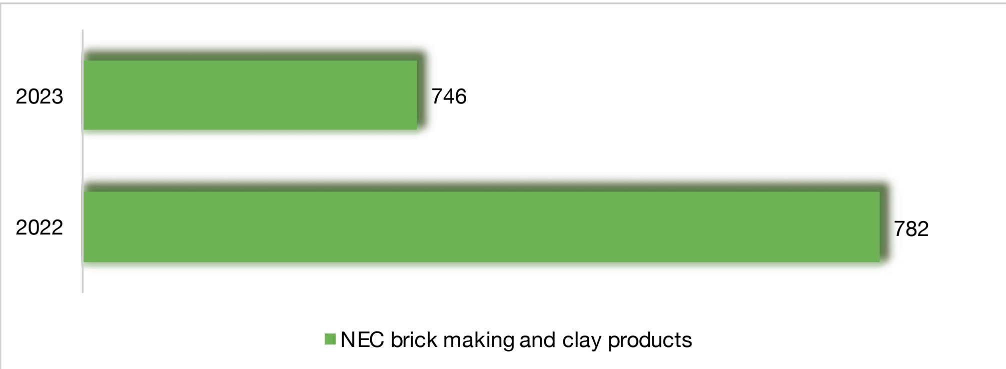
The Company has a Human Resources Policy which helps us engage with our employees through work council meetings. We uphold employees' rights through fair wages, safe working conditions, and freedom of association. Willdale Limited maintains and promotes open and transparent communication channels with employees and their representatives in good and bad times. We promote employee engagement and participation in decision-making processes through employee forums and committees to enhance labour relations.

We engage in dialogue and consultations with employees and their representatives to gather feedback on the effectiveness of labour relations initiatives. The Company measures the effectiveness of its actions through employee turnover rate and the number of grievances filed and resolved.

Collective Bargaining

Willdale Limited is committed to adhering to its Code of Conduct, which is registered and approved with the Ministry of Labour and Social Welfare. We conduct departmental daily meetings, monthly works council meetings to assist with compliance. We make great efforts to track issues raised by NECs and to comply with CBAs. Our goal is to be a leader in labour relations management with a target of zero industrial action.

Our CBA headcount was as follows:



Occupational Health and Safety

Occupational health and safety (OHS) is a crucial aspect for Willdale's operations. It involves creating and maintaining a safe and healthy work environment for employees, minimising the risk of workplace accidents, injuries, illnesses, morale, and productivity.

3 GOOD HEALTH AND WELL-BEING

We have a SHEQ Policy that guides us on our occupational health and safety management and we commit to comply with OHS legal obligations. Our goal is to minimise and eliminate occupational injuries with a target of zero tolerance for injuries and ill health with less than 1.0 Lost Time Injury Rate (LTIR). A low number of Lost Time Injury Rate (LTIR) indicates our performance towards set goals and targets.

We use a variety of processes to identify potential hazards, assess the effectiveness of our policies and procedures, and make improvements where necessary. These include conducting internal and external audits, regular inspections, management reviews, and committee meetings. We aim to ensure that all responsible sections respond to findings within 2 weeks and implementation within 1 month. Turnaround time for response to findings and implementation of corrective actions indicates our efforts in reducing occupational health and safety issues.

The effectiveness of corrective actions is still to be done satisfactorily for some sections, but all departments can now articulate the processes to correct anomalies well i.e., Non-conformance system. Non-conformances are addressed across all departments to prevent the same problem from recurring. To enhance this, a holistic approach was designed where a finding from one section becomes a finding for all. Our LTIR for 2023 was 0.84 which is an improvement of 12.5% from 2022. As a Company, we are slowly making progress towards Zero tolerance for injuries year after year. We are proud to report that for the reporting period, most departments' rating on the closure rate of non-conformances is satisfactory.

Our OHS figures for FY2023 are below:

	Unit	2023	2022	2021
Recordable Work-related Injuries	Count	47	13	30
Lost Days due to injury	Count	67	49	87
Property Damage	Count	5	9	12
High consequence injuries (MTC)	Count	0	13	4
First Aid Cases	Count	34	13	4
Safety Training Days	Count	45	44	19

Occupational Health and Management System

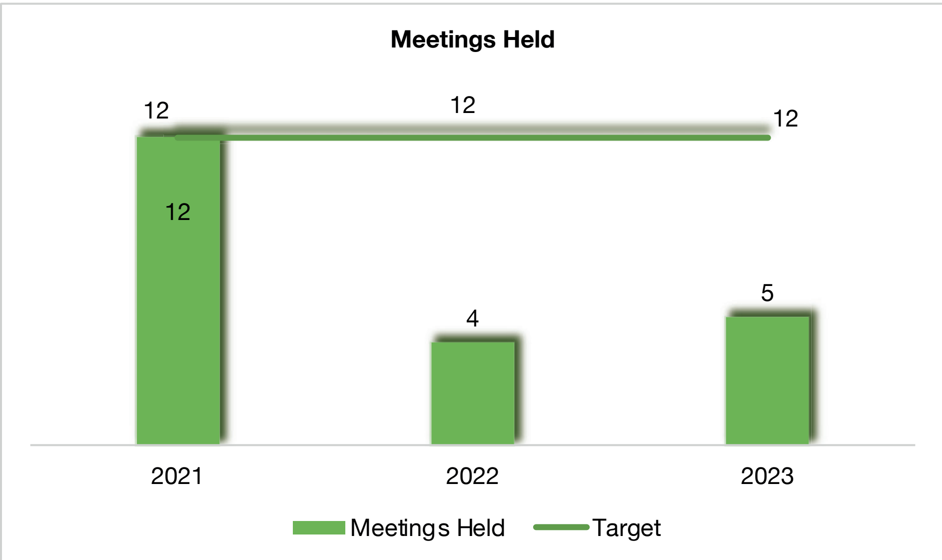
We implemented ISO 45001:2018 Occupational Health and Safety (OHS) Management Systems, in which we were certified, to ensure a systematic approach to injury and illness prevention. Employees participate in the identification of hazards and coming up with effective control measures, they report incidents, implement documented safe work processes, and participate in continual improvement of safety programs.

Hazard Identification and Risk Assessment, (HIRA)

Employees discuss and identify work-related hazards during daily safety talks, which are then reported in the monthly SHE representative report for each section. Hazards identified are discussed during SHE Committee meetings. To protect employees from reprisals, the Workers Committee is the most suitable platform where employees can freely relay information anonymously. Employees conduct Pre-Task risk assessments before they start work activities. Where they pick threatening conditions, they are free to refuce to work in unsafe conditions until control measures are in place.

We have an Incident Investigation process which uses Fishbone analysis to promote an effective Root cause analysis process. Actions to prevent recurrence are identified and followed up for implementation, and new risks are updated on the existing Risk Register for continual improvement. We engage external experts on issues to do with occupational health services where necessary. Otherwise the SHE department identifies health hazards and mitigates them accordingly.

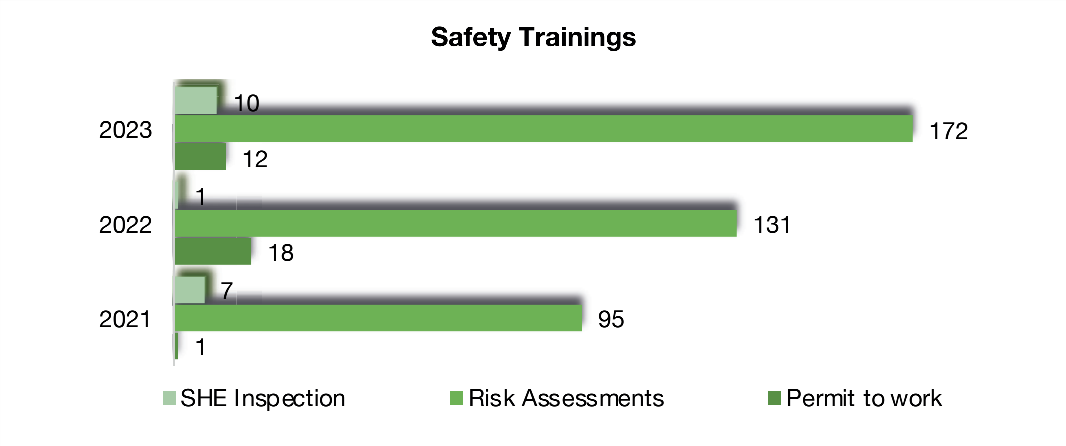
During FY2023, we conducted the following Safety, Health & Environment Committee Meetings:



Employees training on Occupational Health and Safety

During the year, employees were trained in the process of hazard identification, assessment and evaluation of risks, a critical OHS tool. Induction at recruitment is done to accustom employees to the general hazards in the environment and work-specific hazards are highlighted by the supervisor at commencement of work.

In FY2023, our safety trainings were as follows:



Promotion of Employee health

The Company organises annual health awareness days for both men and women at which experts present on health risks like cancer, reproductive health, hypertension, diabetes and mental health. All employees are afforded time during working hours to attend these sessions. h, hypertension, diabetes and mental health. All employees are afforded time during working hours to attend these sessions.

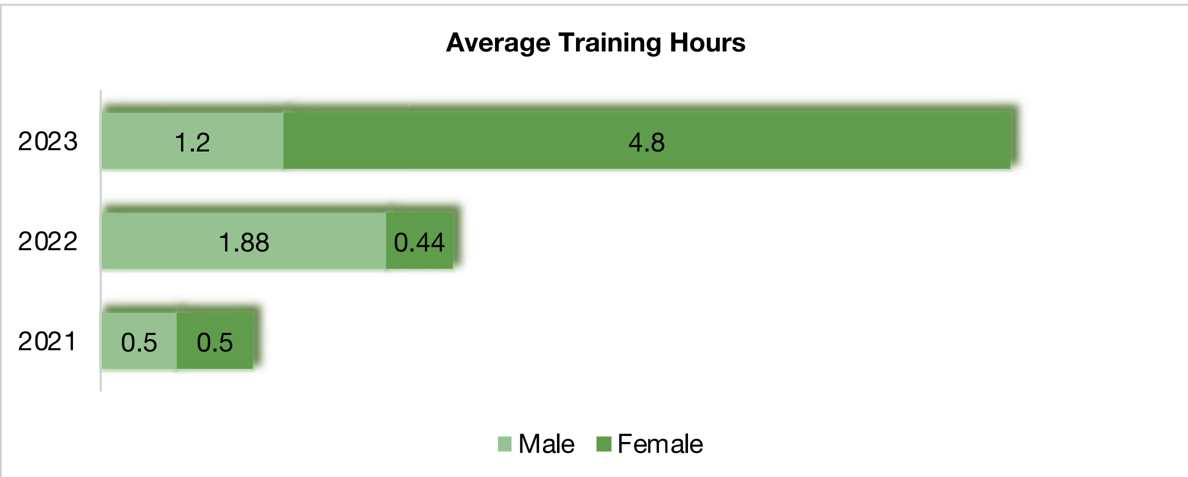
Training and Development

Willdale Limited recognises the importance of managing employee skills development, conducting career development reviews, and providing transition assistance. By investing in training initiatives, we enhance staff efficiency, foster motivation, and promote the production of high-quality work. Increased employee knowledge through training leads to the generation of innovative ideas. Career advancement opportunities and promotions for employees have fostered a positive work environment and have enhanced employee retention and loyalty. However, holding training sessions results in increased workloads which leads to a temporary decrease in productivity and disruption to work schedules and project timelines.

Willdale Limited has a Human Resource Policy which details the training policy and procedures. Every year we draft a training calendar for all our employees in their respective departments. We regularly review and update our training programs to align with industry best practices and emerging market trends. The Company is dedicated to providing necessary resources and support to employees during their training and development journeys. We established effective communication channels and regular feedback mechanisms to address any potential communication gaps in terms of training. Further, we conduct performance reviews and offer targeted coaching and mentoring to employees who may have faced challenges during training sessions. We recognise and reward employees who have demonstrated enhanced skills and contributions as a result of training and development initiatives.

We conduct internal audits and evaluations of training programs to assess effectiveness in improving employee skills and performance. Collection of feedback from employees through surveys and focus groups as well as filling in of individual evaluation training forms has assisted in gauging employee satisfaction as a result of the training and development initiatives. This is aimed at getting the best out of our employees by upgrading their skills which in turn results in quality work. We intend to improve employee retention rate by 10% through effective training and career development opportunities. Job performance improvement after training programs, the number of employees who voluntarily engage in additional training beyond the required programs and training participation rates are crucial in identifying the effectiveness of our training programmes. Lessons learnt from training evaluations, employee feedback, and industry trends was incorporated into the Company's operational policies and procedures to enhance the effectiveness and relevance of training and development initiatives.

Our average training per employee for FY2023 was as follows:



Bricks handover to Makumbi Mission

SOCIO-ECONOMIC CONTRIBUTIONS

SOCIO-ECONOMIC CONTRIBUTIONS

Investing in community and economic development involves allocating of resources to initiatives that promote the growth, well-being, and sustainability of communities. By strategically investing in these areas, communities can experience economic growth, job creation, improved quality of life, social equity, and attract further investments and talent.

Local Communities

As Willdale, we understand the importance of engaging with and managing the impacts of our operations on the surrounding communities. We provide much-needed employment opportunities and essential services, such as water and electricity. We recognise that there are negative effects on the environment, including air pollution emanating from smoke during the brick firing process and dust formed from clearing the ground to lay bricks. Additionally, land degradation from clay extraction gullies is hazardous to the locals.

To address the concerns of our activities on local communities, we implemented a comprehensive Safety, Health, and Environment (SHE) Policy. The Policy is committed to reducing our greenhouse gas emissions and negative environmental impact, particularly the smoke generated during our operations. We regularly evaluate the effectiveness of our environmental management practices through a combination of internal and external audits and periodic reviews.

Our ultimate goal is to create a safe operating environment for both the communities and the employees. We actively monitor the number of fines and complaints received from the community and the Environmental Management Agency (EMA) to gauge the effectiveness of our efforts.

Corporate Social Responsibility

Willdale Limited is committed to upholding the principles of Corporate Social Responsibility (CSR) and endeavours to create a positive impact on the environment, economy, and society. Our efforts which include community engagement, stakeholder involvement, and support for community projects, have led to business growth and an empowered community. While we understand that there may be potential negative consequences, such as disrupting local communities during operations, we actively strive to mitigate these concerns by promoting responsible practices throughout our supply chain and business relationships.

We implemented a Corporate Social Responsibility (CSR) Policy to guide our efforts and we actively contribute to local communities through a wide range of CSR initiatives and donations, specifically tailored to address their pressing needs. To ensure that our CSR initiatives have the desired impact, we conduct stakeholder consultations to understand community needs and align our initiatives accordingly. We are determined to prioritise prompt and fair resolution of complaints and grievances related to CSR issues. In cases where negative impacts are identified, we collaborate with affected communities and relevant organisations to develop remediation plans and provide necessary support. Moreover, we make annual donations to support community projects, ensuring that our CSR initiatives generate positive impacts.

Willdale Limited takes several steps to ensure that it adheres to its policies. These measures include conducting regular internal audits and assessments. The Company sets objectives that concentrate on ongoing community support and increased donations. To monitor our progress, we use metrics such as completed community projects, financial donations, and employee satisfaction.

Our CSR contribution was as follows:

Theme and SDG	Purpose	Material/Support	Beneficiaries	US$
Education	Promoting education and learning accessibility.	Branded water	St Marknocks, Midlands State University (MSU).	1,230
		Bricks	Rockview Junior school; Gomo Primary; Herbert Chitepo; Beta Primary; Atlantic Academy; Makumbi Mission; Rungwave.	10,010
Health	Enhancing healthcare access and strengthening the healthcare system.	Bricks	Eyes4zimbabwe Cancer Centre.	1,350
Orphanages	Assisting vulnerable and orphaned individuals.	Bricks	Rainbow Children's Village	2,600
ART	Promoting local arts.	Bricks	StarBrite	2,600
Public Institutions	Promoting public service provision	Cash	Zimbabwe Prisons and Correctional Services. Parliament of Zimbabwe.	200
		Water	Judicial Service Commission; Women's Affairs.	70
		Bricks		5,284
Community	Enhancing community well-being and development.	Bricks	Methodist Church Zimbabwe Johanne Masowe Girl Guides Association Holy Name Catholic Maereersa	6,700
Total				**30,044**

Economic Performance

Managing economic performance is essential for achieving business success. This involves optimising profitability, economic contribution, cost management, and operational performance. Consistently enhancing economic performance enables us to increase returns to our shareholders, maintain compliance with regulatory requirements, and ensure timely payments of administrative costs. However, cash flow constraints can pose significant challenges to meeting our obligations and operational objectives. Thus, developing effective strategies to manage economic performance while mitigating associated risks is crucial for our Company's sustained growth.

For the effective management of economic performance, Willdale Limited has a Financial Management Policy in place. The Company strives to provide adequate cash flow to cater for day-to-day expenses, capital expenditure, statutory obligations and returns to shareholders.

Willdale Limited developed an effective and robust costing system to manage cost to budget levels in terms of spending. We continuously conduct market survey, to ensure our products are fairly priced in the market. We ensure optimum and efficient allocation of cash resources available and maintain operations reports to monitor performance and identify variances. In addition, our financial management system ensures that suppliers are paid within the agreed terms. Budgeting and budgetary control have been essential parts of our operations and have assisted in attaining budgeted profit levels and reducing overdrafts.

Economic Value Generation and distribution

Willdale distributes economic value generated in different forms such as employee remuneration and benefits, taxes, interests and dividends payments, and operating costs. Direct economic value generated and distributed for FY2023 is presented on pages 65 to 95 of the financial statements.

Tax

Tax management is a crucial aspect of our financial strategy. It involves planning, implementing and monitoring the tax obligations and opportunities that arise from our business activities. We aim to minimise the tax burden and maximise the tax benefits while complying with the relevant laws and regulations. Tax management covers various areas, such as corporate income tax, value-added tax, withholding tax, and tax disputes.

8 DECENT WORK AND ECONOMIC GROWTH

Approach to tax

We disclose our tax information to the relevant authorities and stakeholders in a clear and timely manner. We seek to optimise our tax position by taking advantage of available incentives and reliefs while avoiding aggressive or abusive tax planning practices. Our tax strategy supports our business objectives and reflects the corporate values of integrity, responsibility and sustainability. To effectively manage our tax affairs, we need to have a clear understanding of our tax position, risks and opportunities, as well as the latest developments in the tax environment.

Tax Governance, Control and Risk Management

We strive to comply with applicable tax laws and regulations, as well as to uphold the highest standards of transparency and accountability. We established a robust tax policy framework that guides our decision-making and reporting processes and ensures that we pay our fair share of taxes in Zimbabwe. The tax governance and control framework are evaluated through the use of internal and external audits. We monitor and mitigate the tax risks that may arise from our business activities, and seek to resolve any tax disputes in a timely and constructive manner. The Board is responsible for ensuring compliance with the tax strategy.

Stakeholder Engagement on tax matters

We are committed to maintaining an open and constructive dialogue with tax authorities, regulators, and other stakeholders on tax matters that affect our Company. We have regular communication with ZIMRA to ensure that our tax affairs are always current. We also attend tax seminars and invite tax consultancy firms to advise us on certain tax aspects.

Country-by-Country Reporting

The below tax payments relate to our obligations in Zimbabwe where we only operate:

	2023 ZWL	2022 ZWL	2021 ZWL
Corporate Tax	191,612,725	412,971,615	68,819,340
PAYE	1,618,567,058	119,181,016	32,826,331
Withholding Tax	224,289,562	37,463,668	12,094,228
IMTT	392,635,001	53,510,961	14,350
Total Tax Paid	**2,427,104,346**	**623,135,260**	**22,668,573**

	Inflation Adjusted September 2023 ZWL	Inflation Adjusted September 2022 ZWL
Revenue	36,925,906,774	17,955,485,774
Operating loss	(6,911,860,165)	(1,254,837,935)
Net assets	104,057,898,953	53,480,908,284
Operating cash generated	3,577,343,862	1,379,665,395
Basic Earnings per share (cents)	467.047	339.589
Diluted earnings per share (cents)	467.047	339.589
Number of ordinary shares in issue	1,778,001,428	1,778,001,428
Weighted average number of ordinary shares in issue	1,778,001,428	1,778,001,428

FINANCIAL REPORTS

Summary of Financial Statements

	September 2023 ZWL	September 2022 ZWL
STATEMENT OF FINANCIAL POSITION		
Property, plant & equipment	76,169,184,580	44,357,885,974
Investment property	14,984,352,429	10,588,581,431
Investments at fair value through (FVTOCI)	25,390,444,599	5,787,455,700
Right-of-use asset	55,560,112	115,987,950
Current assets	26,596,155,260	9,619,305,565
Total Assets	**143,195,696,980**	**70,469,216,620**
Trade and other payables	(16,712,536,187)	(5,540,953,366)
Borrowings	(915,155,372)	(103,081,459)
Lease payable	(572,547,510)	(198,087,519)
Taxation payable	(1,061,312,888)	-
Deferred taxation	(19,876,246,071)	(11,146,185,993)
Net Assets	**104,057,898,953**	**53,480,908,284**
Share capital	62,062,841	62,062,841
Asset revaluation reserve	50,568,531,876	26,689,814,515
Fair value reserve of financial asset	21,843,117,986	3,220,278,532
Accumulated profits	31,584,186,250	23,508,752,396
Shareholders' funds	**104,057,898,953**	**53,480,908,284**

Statement Of Comprehensive Income

	September 2023 ZWL	September 2022 ZWL
Revenue	36,925,906,774	17,955,485,774
Operating loss	(6,911,860,165)	(1,254,837,935)
Fair value gain on investment property	4,395,770,999	5,574,037,658
Interest income	5,782,962	19,089,178
Interest expense	(56,375,724)	(10,589,337)
Monetary gain	11,453,026,149	192,338,645
Profit before tax	**8,886,344,221**	**4,520,038,209**
Taxation	(582,236,988)	1,517,862,913
Profit for the year	**8,304,107,233**	**6,037,901,122**
Other comprehensive income	**42,501,556,815**	**17,748,302,362**
Total comprehensive income for the year	**50,805,664,048**	**23,786,203,484**

Statement Of Cashflows

	September 2023 ZWL	September 2022 ZWL
Cash generated from operating activities	3,577,343,862	1,379,665,395
Net interest paid	(19,233,245)	19,089,178
Tax Paid	(191,612,725)	(412,979,615)
Cash payments for interest portion of lease liability	(31,359,517)	(10,589,337)
Net cash generated from operations	3,335,138,375	975,185,621
Cash utilised in investing activities	(2,192,969,103)	(507,893,769)
Cash utilised in financing activities	(307,887,871)	(538,217,543)
Net increase in cash and cash equivalents	**834,281,401**	**(70,925,691)**

DIRECTORS RESPONSIBILITY FOR FINANCIAL REPORTING

The Directors of the company are responsible for the preparation and integrity of the annual financial statements and related information contained in this report.

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

Preparation of financial statements

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

Compliance with Companies Act and Other Businesses Act

(Chapter 24:31) and Statutory instruments (SI 33/99 and SI 62/99)

These financial statements which have not been prepared based on IFRS due to non-compliance with IAS21and IFRS13 and are in agreement with the underlying books and records and have been properly prepared in accordance with the accounting policies set out in note 2 of the financial statements, and comply with the disclosure requirements of the Companies and Other Business Entities Act (Chapter 24:31) and the relevant regulations made there under.

Compliance with International Financial Reporting Standards (IFRS)

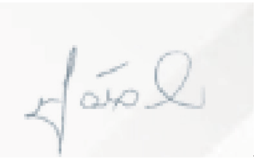
The financial statements have not been prepared in accordance with International Financial Reporting Standards due non-compliance with IAS 21, “Effects of Changes in Foreign Exchange Rates” and IFRS13- Fair Value Measurement

Going concern

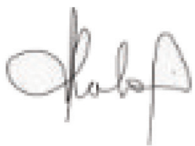
The Directors have assessed the ability of the Company to continue operating as a going concern and believe that the preparation of these financial statements on a going concern basis is appropriate.

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

These financial statements have been approved by the Board of Directors and are signed on its behalf by the Chairman and Chief Executive Officer on 28 December 2023.



Chief Executive Officer ______________________



Chairman of the Board ______________________

DIRECTORS' REPORT

The Directors have pleasure in submitting their report and the financial statements of the Company for the year ended 30 September 2023.

Authorised Share Capital

The authorised share capital of the company as at 30 September 2023 was ZWL 88,900 at historical cost (Eighty eight thousand and nine hundred) divided into 3 000 000 000 (three billion) ordinary shares of ZWL 0.00005 each at historical cost and 3,255,000 (three million two hundred and fifty five thousand) 10% redeemable cumulative preference shares of ZWL 0.0001 each.

Issued Share Capital

As at 30 September 2023 the issued share capital of the company was ZWL 62,062,841 in inflation adjusted terms divided into 1 778 001 428 ordinary shares of ZWL 0.00005 each .

The balance of the authorised, but unissued, share capital comprising 1 221 998 572 ordinary shares remained under the control of the directors.

Property, Plant and Equipment

Capital expenditure during the year amounted to ZWL$ 2.2 billion (2022:ZWL534 million).

Directorate

The names of the directors in office at the date of this report, as well as the name and business and postal address of the Secretary, are set out on page 15 and 103.

Directors' Fees

A resolution will be proposed at the Annual General Meeting to approve directors' fees amounting to ZWL297 million in respect of the year under review.

Auditors

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

Financial Reporting

The financial statements have been prepared in accordance with International Financial Reporting Standards except for non-compliance with IAS 21, "Effects of Changes in Foreign Exchange Rates" and IFRS13, "Fair Value Measurement ".

Going Concern

The Company posted an after tax profit of ZWL 8.3 billlion in the current financial year (2022: ZWL6 billion). Net current assets as at 30 September 2023 were ZWL8 billion. Although the operating environment is characterised by high inflation, shortages of foreign currency and rapidly changing government policies, the business has sufficient resources and suitable strategies to continue operating as a going concern for the foreseeable future based on the assessment peformed by the directors.

- The Directors have assessed the ability of the company to continue as a going concern on a continuous basis and believe that the going concern assumption used in the preparation of the financial statements is appropriate because of the following:

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

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

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

The financial position of the company, its cash flows, liquidity and borrowing facilities are described in the Summary of financial Statements on page 59. In addition, note 18 to the financial statements includes the company's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments; and its exposure to credit and liquidity risk.

Corporate Governance

The Finance and Audit Committee, chaired by non-executive director Mrs. P Chadoka, has met regularly. The Remuneration Committee chaired by Mr. B K Mataruka and the Operations and Strategy Committee chaired by Mr. U Duske have met as and when necessary. Board meetings have been held every quarter and additional board meetings were held to deal with urgent issues. The Annual General Meeting was held on 30 March 2023.

During the year notices were sent to shareholders containing the abridged financial results for the year ended 30 September 2023 and for the six months to 31 March 2023.

Chief Executive Officer ______________________________

Chairman of the Board ______________________________

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INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF WILLDALE LIMITED

Report on the Audit of the Inflation Adjusted Financial Statements

Adverse Opinion
We have audited the inflation adjusted financial statements of **WILLDALE LIMITED** set out on pages 65 to 95, which comprise the inflation adjusted statement of financial position as at 30 September 2023, inflation adjusted statement of profit or loss and other comprehensive income, inflation adjusted statement of changes in equity and inflation adjusted statement of cash flows for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, because of the significance of the matters described in the basis for Adverse Opinion section of our report, the accompanying inflation adjusted financial statements do not present fairly the financial position of the company as at 30 September 2023, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Adverse Opinion

a. Non-compliance with International Financial Reporting Standard 13 (IFRS 13)- Fair Value Measurement

The Company had property, plant and equipment, investment property and investment at fair value through other comprehensive income carried at ZWL 76,072,319,446, ZWL14,984,352,429 and ZWL 25,390,444,599 as at 30 September 2023 respectively. In prior and current periods, the Company engaged an external valuer to value property, plant and equipment and investments. The valuer valued the property, plant and equipment and investments in United States dollars and the values were converted to ZWL using the official exchange rate. This may not give a reasonable indication of fair value as defined by IFRS 13 "Fair Value Measurement," (IFRS 13). IFRS 13 paragraph 2 defines fair value as 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 (exit price). In the current environment, it is not likely that the ZWL price derived from translating the USD value at the official exchange rate would be the price at which a ZWL denominated transaction would occur. Accordingly, we were unable to determine whether adjustments to the carrying amounts of property, plant and equipment, investment property and investment at fair value through other comprehensive income were appropriate in these circumstances.

b. Noncompliance with International Financial Reporting International Financial Reporting Standard 21 (IAS 21) – The Effects of Changes in Foreign Exchange Rates

i. IAS 21 requires all foreign currency transactions to be recorded, on initial recognition in the functional currency by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction. The Company did not use the spot exchange rates on the dates of the transactions to translate foreign currency denominated sales. The financial impact of the non-compliance with IAS 21 could not be established but it is material to the financial statements. Accordingly, we cannot express an opinion on the completeness and accuracy of the recorded revenue and exchange gains and losses.

ii. The Company did not comply with IAS 21 in the determination of its functional currency. Whilst the Company assessed and determined that its functional currency changed from ZWL to USD during the period based on the indicators stated in IAS 21, the Company did not effect the change in functional currency as management was still monitoring the legal and macroeconomic developments in the country. The financial impact of the non-compliance with IAS 21 could not be determined but it is considered to be material to the financial statements.

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 Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (Parts A and B), together with other ethical requirements that are relevant to our audit of the financial statements in Zimbabwe, and we have fulfilled our other ethical responsibilities in accordance with these requirements. 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 financial statements. Except for the matters described in the Basis for Adverse of Opinion section, we have determined that there are no other key audit matters to communicate in our report.

Other Information
The directors are responsible for other information. The other information comprise the Chairman's Statement, Director's Report, Corporate Governance report and Sustainability Report, which we obtained prior to the date of this report and the Annual Report, which is expected to be made available to us after that date.

Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance or conclusion thereon.

In connection with our audit of the Financial Statements our responsibility is to read the other information and in doing so consider whether the other information is materially inconsistent with the 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 have obtained prior to the date of the Auditors' Report, we conclude that there is a material misstatement of the other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of directors for the financial statements
The directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company'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 Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements
Our objective is to obtain 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 International Auditing Standards (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 the financial statements.

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

- Identify and assess risks of material misstatements 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 the internal controls.
- Obtain an understanding of the internal control relevant to the audit in order to design audit procedures in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal controls.
- Evaluate the appropriateness of the accounting policies used and the reasonableness of the accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether material uncertainty exists related to events or conditions that may cast significant doubt on the entity'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 our audit report. However, future events or conditions may cause the company to cease or continue as a going concern.
- Evaluate the overall presentation, structure and content of financial statements, including the disclosures, and whether the 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 company to express an opinion on the financial statements. We are responsible for the directing, supervision and performance of the company 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 communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these 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 legal and regulatory requirements
In our opinion, due to the impact of the matters discussed in the Basis for Adverse Opinion Section of our report, the financial statements of the Company are not properly drawn up in accordance with the requirements of Section 193(1)(a) of the Companies and Other Business Entities Act (Chapter 24:31).

The audit engagement partner on the audit resulting in this independent auditors report is Davison Madhigi (PAAB Practicing Number 0610).

BDO Zimbabwe

BDO Zimbabwe
Chartered Accountants

Davison Madhigi (CA(Z))
Partner
Registered Public Auditor
PAAB Certificate Number 0610

29 December 2023

Willdale Limited
Statement of profit or loss and other comprehensive income
for the year ended 30 september 2023

	NOTES	Inflation Adjusted September 2023 ZWL	September 2022 ZWL
Revenue from contracts with customers	3.1	**36,925,906,774**	**17,955,485,774**
Cost of sales		(26,460,192,229)	(14,415,266,882)
Gross profit		**10,465,714,545**	**3,540,218,892**
Selling and distribution expenses		(2,507,608,049)	(1,007,347,981)
Administrative expenses		(7,888,482,075)	(3,504,058,764)
Expected credit loss		(125,960,773)	(49,297,970)
Exchange loss		(7,336,169,787)	(444,754,353)
Other income	3.2	480,645,974	210,402,241
Operating loss	**3.3**	**(6,911,860,165)**	**(1,254,837,935)**
Fair value gain on investment property		4,395,770,999	5,574,037,658
Interest income	4.2	5,782,962	19,089,178
Interest expense	4.1	(56,375,724)	(10,589,337)
(Loss) / Profit before monetary gain		**(2,566,681,928)**	**4,327,699,564**
Monetary gain		11,453,026,149	192,338,645
Profit before tax		**8,886,344,222**	**4,520,038,209**
Income tax (expense) /credit	5	(582,236,988)	1,517,862,913
Profit after tax		**8,304,107,234**	**6,037,901,122**
Other comprehensive income-not to be recycled to profit or loss in subsequent periods			
Fair value adjustment on investments at FVTOCI	9.2	19,602,988,899	2,286,828,320
Revaluation surplus		31,719,868,971	20,691,187,987
Tax thereon		(8,821,301,055)	(5,229,713,945)
Other comprehensive income net of tax		**42,501,556,815**	**17,748,302,362**
Total comprehensive income for the year		**50,805,664,049**	**23,786,203,484**
Basic earnings per share - cents	6	467.047	339.589
Headline earnings per share - cents		470.274	339.628

Willdale Limited
Statement of profit or loss and other comprehensive income
for the year ended 30 september 2023

	NOTES	Inflation Adjusted September 2023 ZWL	September 2022 ZWL
Assets			
Non current assets		**116,599,541,720**	**60,849,911,055**
Property, plant and equipment	8.1	76,169,184,580	44,357,885,974
Right-of-use asset	8.3.1	55,560,112	115,987,950
Investment Property	8.4	14,984,352,429	10,588,581,431
Investments at fair value through other comprehensive income (FVTOCI)	9	25,390,444,599	5,787,455,700
Current assets		**26,596,155,260**	**9,619,305,565**
Inventories	10	12,650,799,235	6,128,838,033
Trade and other receivables	11	12,633,766,355	2,964,555,149
Current tax refundable	5	-	48,604,114
Cash and cash equivalents		1,311,589,670	477,308,269
Total assets		**143,195,696,980**	**70,469,216,620**
Equity and liabilities			
Equity		**104,057,898,953**	**53,480,908,284**
Share capital	14	62,062,841	62,062,841
Asset revaluation reserve		50,568,531,876	26,689,814,515
Fair value of financial asset revaluation reserve		21,843,117,986	3,220,278,532
Accumulated profits		31,584,186,250	23,508,752,396
Non current liabilities		**20,714,085,787**	**11,304,656,009**
Deferred tax	15	19,876,246,071	11,146,185,993
Long term Borrowings	16	402,754,902	-
Lease liability	8.3.2	435,084,814	158,470,016
Current liabilities		**18,423,712,241**	**5,683,652,328**
Trade and other payables	17	15,743,494,372	5,206,371,546
Lease liability -current portion	8.3.2	137,462,696	39,617,503
Provisions	17.1	969,041,815	334,581,820
Short term Borrowings	16	512,400,470	103,081,459
Current tax payable	5	1,061,312,888	-
Total liabilities		**39,137,798,028**	**16,988,308,337**
Total equity and liabilities		**143,195,696,980**	**70,469,216,620**

Chief Executive Officer

Chairman of the Board
29 December 2023

Statement Of Changes In Equity For The Year Ended 30 September 2023

Inflation Adjusted

	Share capital	Assets revaluation reserve	Fair Value revaluation reserve	Accumulated profit	Total equity
	ZWL	ZWL	ZWL	ZWL	ZWL
As at 1 October 2021	**62,062,841**	**11,113,539,398**	**1,037,685,261**	**17,983,157,205**	**30,196,444,705**
Total Comprehensive Income for the Year	-	15,576,275,117	2,182,593,271	6,037,912,704	23,796,781,091
Dividend paid	-	-	-	(512,317,513)	(512,317,513)
As at 30 September 2022	**62,062,841**	**26,689,814,515**	**3,220,278,532**	**23,508,752,396**	**53,480,908,283**
Total Comprehensive Income for the Year	-	23,878,717,361	18,622,839,454	8,304,107,234	50,805,664,049
Dividend paid	-	-	-	(228,673,380)	(228,673,380)
As at 30 September 2023	**62,062,841**	**50,568,531,876**	**21,843,117,986**	**31,584,186,250**	**104,057,898,952**

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

Dividend
The directors resolved to pay a final dividend of US$0.0084 cents per share for the year ended 30 September 2023.

Willdale Limited
Statement Of Cashflows For
The Year Ended 30 September 2023

	NOTES	September 2023 ZWL	September 2022 ZWL
Profit before tax		8,886,344,222	4,520,038,209
Adjustments for non-cash items:			
Effects of IAS 29 restatement		1,878,250,581	(262,482,295)
Fair value adjustment on investment property	8.4	(4,395,770,999)	(5,574,037,658)
Right of Use Ammortization	8.3.1	70,101,692	17,101,132
Depreciation	8.1	2,050,051,071	2,499,295,175
Loss on disposal of property, plant and equipment	8.1	57,364,120	686,555
Interest expense on lease liability	8.3.2	31,359,517	10,589,337
Interest expense	4.1	25,016,207	-
Interest income	4.2	(5,782,962)	(19,089,178)
Cashflow before changes in working capital		**8,596,933,449**	**1,192,101,277**
Working capital changes			
Increase in inventories		(6,521,961,202)	(345,528,012)
Increase in accounts receivable		(9,669,211,206)	(1,502,971,086)
Increase in other provisions		634,459,995	56,854,425
Increase in accounts payable		10,537,122,826	1,979,208,791
Cash generated from operating activities		**3,577,343,862**	**1,379,665,395**
Interest paid		(25,016,207)	-
Interest received	4.2	5,782,962	19,089,178
Cash payments for interest portion of lease liability	8.3.2	(31,359,517)	(10,589,337)
Income tax paid		(191,612,725)	(412,979,615)
Net cash generated during the year		**3,335,138,375**	**975,185,621**
Investing activities			
Proceeds from sale of property, plant and equipment		-	25,871,061
Purchase of property, plant and equipment	8.1	(2,192,969,103)	(533,764,830)
Cashflow from investing activities		**(2,192,969,103)**	**(507,893,769)**
Financing activities			
Dividend paid		(228,673,380)	(512,317,513)
Cash payments for principal portion of lease liability	8.3.2	(79,214,491)	(25,900,030)
Net cash outflows from financing activities		**(307,887,871)**	**(538,217,543)**
Net increase in cash and cash equivalents		**834,281,401**	**(70,925,691)**
Cash and cash equivalents at the beginning of the year		**477,308,269**	**548,233,960**
Cash & cash equivalents at the end of the year		**1,311,589,670**	**477,308,269**

1. General Information

1.1 Nature of business

Willdale Limited is a leading clay brick manufacturer and distributor in Zimbabwe.

1.2 Currency

The financial statements are expressed in Zimbabwe Dollars (ZWL$) which is both the functional and presentation currency.

The directors considered the following key attributes of a functional currency as guided by the provisions of International Accounting Standard (IAS) 21: Effects of Changes in Exchange Rates:

- The currency that mainly influences sales prices for goods and services;
- The currency of the competitive forces and regulations that mainly determine the sales prices of goods and services;
- The currency that mainly influences labour, material and other costs of providing goods and services;
- The currency in which funds from financing activities are generated; and
- The currency in which receipts from operating activities are usually retained.

Having considered the above attributes, the directors concluded that the United States Dollars (US$) is the functional currency of the Company. However, it was not changed as the Directors are assessing macroeconomic factors.

2. Accounting Policies

2.1 Basis of preparation

The principal accounting policies adopted in the preparation of the consolidated financial statements are set out below. The policies have been consistently applied to all the years presented, unless otherwise stated.

These financial statements have been prepared in accordance with International Financial Reporting Standards, International Accounting Standards and Interpretations (collectively IFRSs).

The preparation of financial statements in compliance with adopted IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies. The areas where significant judgments and estimates have been made in preparing the financial statements and their effect are disclosed in note 3.

The financial statements have been prepared on a historical cost basis, except for the financial instruments classified as financial instruments at fair value through profit or loss.

2.1.2 Accounting convention

International Accounting Standard 29

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

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

The restatement was based on conversion factors derived from the Reserve Bank of Zimbabwe website. The indices and conversion factors used to restate the financial statements as at 30 September 2023 are shown below:

		CPI	Conversion Factor
2022	Sept	12,713.1208	3.5177
2022	Oct	13,113.9526	3.4102
2022	Nov	13,349.4224	3.3500
2022	Dec	13,672.9069	3.2708
2023	Jan	13,819.6672	3.2360
2023	Feb	13,849.2039	3.2291
2023	Mar	13,949.9895	3.2058
2023	Apr	15,480.1743	2.8889
2023	May	18,704.6192	2.3909
2023	Jun	42,710.7168	1.0471
2023	Jul	46,633.7976	0.9590
2023	Aug	42,659.9713	1.0483
2023	Sep	44,720.8591	1.0000

Hyper-inflation adjustment approach - Statement of profit or loss and other comprehensive income

Other income

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

Depreciation

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

- The depreciation expense was recalculated based on the restated opening balances factoring in the hyper-inflated
- Monetary assets and liabilities at Balance Sheet date are not restated since they are already stated in terms of the additions and disposals.
- Non-monetary assets and liabilities and components of shareholders equity are restated by applying the relevant monthly conversion factors.
- The fair value measurements were determined at year end and thus there is no need to restate the fair value

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

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

Land and buildings

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

Deferred tax liability

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

Inventory

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

Trade receivables

- The amounts constitute a monetary asset and thus there was no restatement on the balances.
  Prepayments
- The amounts constitute a non-monetary asset and the balance was restated based on the applicable adjustment factor. The resulting differences were accounted for as part of the net-monetary gain in profit or loss.

Cash and bank

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

Trade payables

- The amounts constitute a monetary liability and thus there was no restatement on the balances.
  Contract liabilities (revenue received in advance)
- The amount constitutes a non-monetary liability and it was hyper-inflated at the applicable adjustment factor. The resulting differences were accounted for as part of the net-monetary gain in profit or loss.

Provisions

- The provisions were separated into monetary and non-monetary .
- There was no hyper-inflation adjustment on the monetary provisions.

Loans and borrowings

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

Statement of Cash flows

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

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

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

Share Capital

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

Hyper-inflation adjustment approach- Statement of cash flow

The amounts were segregated into the respective months in which the cashflows actually occurred and the applicable monthly adjustment factor used.

2.3 Changes in accounting policy and interpretations

2.3.1 New standards, interpretations and amendments effective on or after 1 January 2022.

a) New standards, interpretations and amendments adopted on or after 1 January 2022

The following amendments are effective for periods beginning on or after 1 January 2022:

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

The entity applied these standards and amendments for the first-time, which are effective for annual periods beginning on or after 1 January 2022. These new amendments and interpretations issued by the IASB, have had no material effect on the entity's financial statements.

Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37)

IAS 37 defines an onerous contract as a contract in which the unavoidable costs (costs that the Entity has committed to pursuant to the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The amendments to IAS 37.68A clarify, that the costs relating directly to the contract consist of both:

- The incremental costs of fulfilling that contract- e.g. direct labour and material; and
- An allocation of other costs that relate directly to fulfilling contracts: e.g. Allocation of depreciation charge on property, plant and equipment used in fulfilling the contract.

The Entity, prior to the application of the amendments, did not have any onerous contracts.

Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16)

The amendment to IAS 16 prohibits an entity from deducting from the cost of an item of PP&E any proceeds received from selling items produced while the entity is preparing the asset for its intended use (for example, the proceeds from selling samples produced during the testing phase of a manufacturing facility after it has been constructed but before start of commercial production). The proceeds from selling such samples, together with the costs of producing them, are now recognised in profit or loss.

These amendments had no impact on the year-end financial statements of the Entity as there were no sales of such items produced by property, plant and equipment made available for use on or after the beginning of the earliest period presented.

Annual Improvements to IFRS Standards 2018-2020 (Amendments to IFRS 1 and IFRS 9).

- A subsidiary that uses the exemption in paragraph D16(a) of IFRS 1 may elect, in its financial statements, 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 IFRSs, 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 paragraph D16(a).

- The amendment in IFRS 9 clarifies which fees an entity includes when it applies the '10 per cent' test in assessing 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.

References to Conceptual Framework (Amendments to IFRS 3).
IFRS 3:11 amended to refer to the – 2018 version of the Conceptual Framework for Financial Reporting. IFRS 3 has also been amended in respect of the specific requirements for transactions and other events within the scope of IAS 37 or IFRIC 21:
For a provision or contingent liability that would be within the scope of IAS 37, the acquirer shall apply 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, the acquirer shall apply IFRIC 21 to determine whether the obligating event that gives rise to a liability to pay the levy has occurred at the acquisition date.
The acquirer shall not recognise a contingent asset at the acquisition date.

2.2.2 New standards, interpretations and amendments not yet effective
There are a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods that the Entity has decided not to adopt early. These amendments are effective for the periods beginning on or after 1 January 2023. The entity has not carried an assessment of whether the new standards and amendments will have a material impact on its financial statements.

The following amendments are effective for periods beginning or after 29 February 2023:
- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2);
- Definition of Accounting Estimates (Amendments to IAS 8);
- Deferred Tax Related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12); and
- Insurance Contracts (IFRS 17).

The following amendments are effective for periods beginning on 29 February 2024:
- IFRS 16 Leases (Amendment – Liability in a Sale and Leaseback);
- IAS 1 Presentation of Financial Statements (Amendment – Classification of Liabilities as Current or Non-current); and
- IAS 1 Presentation of Financial Statements (Amendment – Non-current Liabilities with Covenants).

The Entity is currently assessing the impact of these new accounting standards and amendments. The Entity does not believe that the amendments to IAS 1 will have a significant impact on the classification of its liabilities.

The Entity does not expect any other standards issued by the IASB, but not yet effective, to have a material impact on the Entity.

- Annual Improvements to IFRS Standards 2018-2020 (Amendments to IAS 41).

The requirement in IAS 41 for entities to exclude cash flows for taxation when measuring fair value has been removed. 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.

- ***Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2):***

o The amendments require that an entity discloses its material accounting policies, instead of its significant accounting policies.
o Further amendments explain how an entity can identify a material accounting policy.
o Examples of when an accounting policy is likely to be material are added.
o To support the amendment, the Board has also developed guidance and examples to explain and demonstrate the application of the 'four-step materiality process' described in IFRS Practice Statement 2.

- ***Classification of Liabilities as Current or Non-current — Deferral of Effective Date (Amendment to IAS 1).***
  - In January 2020, the IASB issued amendments to IAS 1, which clarify the criteria used to determine whether liabilities are classified as current or non-current.
  - The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current.
  - These amendments clarify that current or non-current classification is based on whether an entity has a right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period.
  - The amendments also clarify that ‘settlement’ includes the transfer of cash, goods, services, or equity instruments unless the obligation to transfer equity instruments arises from a conversion feature classified as an equity instrument separately from the liability component of a compound financial instrument.
  - The amendments were originally effective for annual reporting periods beginning on or after 1 January 2022. However, in May 2020, the effective date was deferred to annual reporting periods beginning on or after 1 January 2023.

- **Definition of Accounting Estimates (Amendments to IAS 8).**
  - 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”.
  - Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty.
  - The amendments clarify that a change in accounting estimate that results from new information or new developments is not the correction of an error.

- **Deferred Tax Related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12).**
  - The amendments clarify that the initial recognition exemption does not apply to transactions in which equal amounts of deductible and taxable temporary differences arise on initial recognition.

- **IFRS 17 Insurance Contracts (effective 1 January 2023).**
  - In June 2020, the IASB issued amendments to IFRS 17, including a deferral of its effective date to 1 January 2023. IFRS 17 requires insurance liabilities to be measured at a current fulfilment value and provides a more uniform measurement and presentation approach for all insurance contracts.
  - These requirements are designed to achieve the goal of a consistent, principle-based accounting for insurance contracts.
  - IFRS 17 supersedes IFRS 4 Insurance Contracts as of 1 January 2023.

2.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.3.1 Taxes

- Income tax expense represents the sum of the tax currently payable and deferred tax.
- Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax assets to be recovered.
- Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on the tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.
- Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in relation to the underlying transaction either in other comprehensive income or directly in equity.
- Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity.

2.3.2 Current income tax

- Current income tax is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of comprehensive income because of items of income or expenses that are taxable or deductible in other years and items that are never taxable or deductible.
- Current income tax relating to items recognised directly in other comprehensive income or equity is recognised in other comprehensive income or equity and not in profit or loss for the period. Management periodically evaluates positions taken in the tax returns with respect to situation in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.
- Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the tax authorities.
- The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the end of the reporting period.

2.3.2 Deferred Tax

- Deferred tax is provided for using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax liabilities are recognised for all taxable differences.
- Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary difference and the carry forward of unused tax credits and unused tax losses can be utilized.
- The carrying amount of deferred tax assets are reassessed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized

2.4 Value added tax

- Revenue, expenses and assets are recognised net of the amount of value added tax except;
- Where value added tax incurred on a purchase of assets or services is not recoverable from the tax authority, in which case the value added tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable.

The net amount of value added tax from, or payable to the tax authority is included as part of receivables or payables in the statement of financial position.

2.5 Cost of Sales
Cost of sales refers to the direct costs attributable to the production of the goods or supply of services by an entity. It is also commonly known as the “cost of goods sold (COGS)”.

Cost of sales measures the cost of goods produced or services provided in a period by an entity. It includes the cost of the direct materials used in producing the goods, direct labour costs used to produce the good, along with any other direct costs associated with the production of goods.

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

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

The following exchange rates were used as at year end

30 September 2023 1US$: ZWL5466.7466

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

2.7 Property, Plant and Equipment

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

Depreciation is calculated on the following basis over the useful life of the assets.
- Brickfield land - is amortised on the basis of utilisation of clay against the total estimated clay reserves remaining
- Industrial and commercial buildings -2% of cost
- Plant and machinery - based on usage hours
- Computers, furniture and fittings and motor vehicles varying between 10% and 33% of cost

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

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

In applying IAS 29 where revaluation is done, accumulated depreciation is eliminated. Depreciation for all assets is restated using inflation indices. The opening balances have been restated using the closing index for 2023 while assets purchased during the year have been converted using the indices applicable on the date of purchase. The opening revaluation reserve was eliminated against equity.

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

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

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

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the property, plant and equipment. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices of investments or other available fair value indicators.

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

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

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

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised. The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year end, and adjusted prospectively if appropriate.

2.8 Employee benefits

2.8.1 Retirement benefits

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

2.8.2 Short term employee benefits

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

2.9 Inventories

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

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

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

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

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

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

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

The company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g warranties, customer loyalty points). In determining the transaction price for the sale of goods, the company considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

If the consideration in a contract includes a variable amount, the company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when associated uncertainty with variable consideration is subsequently resolved.

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

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

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

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

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

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

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

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

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

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

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

Financial assets at amortised cost (debt instruments)
Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.
The Company's financial assets at amortised cost includes trade receivables, staff debtors, cash and cash equivalents.
Financial assets designated at fair value through OCI (equity instruments)

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

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

Derecognition
A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e., removed from the Company's statement of financial position) when:
- The rights to receive cash flows from the asset have expired or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received

cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

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

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

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

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

Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

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

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

Subsequent measurement
For purposes of subsequent measurement, financial liabilities are classified in two categories:
- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings) Financial liabilities at fair value through profit or loss

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

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

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

Financial liabilities at amortised cost (Trade payables)
This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or

premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss. This category generally applies to interest-bearing loans and borrowings.

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

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

2.19 Lease policy applicable before 1 October 2019
The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at inception date, whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in any arrangement. Leases are classified as finance leases whenever the terms of the lease transfers substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

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

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

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

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy described as follows : based on the lowest level input that is significant to the fair value measurement as a whole:
- **Level 1—**Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- **Level 2—**Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- **Level 3—**Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

2.20 Current versus non-current classification
The Company presents assets and liabilities in statement of financial position based on current/non-current classification. An asset is classified as current when it is:
- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

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

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.
Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.21 Segment Information

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

2.22. Critical accounting judgments and key sources of estimation uncertainty

2.22.1 Estimation uncertainty

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

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

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

2.22.3 Revaluation of land, Buildings and Investment property

The Company's Directors carried out a revaluation of land and buildings in September 2022. Fair value is determined by reference to open market value in use. Refer to note 8 for the carrying amount of land and buildings and the key assumptions applied in determining the fair value of land and buildings.

2.22.4 Impairment of non-financial assets

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

2.22.5 Allowance for credit losses

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

Simplified approach

The simplified approach is used to assess for expected credit losses for trade receivables, contract assets and lease receivables. The method uses a provision matrix which determines the expected default rate which is determined by taking into consideration historical and forward-looking information.
The expected default rate is determined separately for each market in which the Company operates as each market faces a different economic and operating environment being granted and the fact that customers have been paying consistently in the year under review

2.22.6 Allowance Brick losses

At the end of each financial year a physical stock count of unfired and fired bricks is conducted. Variances are investigated and netted off to cost of sales.

2.22.7 Provision for environmental rehabilitation

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

2.22.8 Estimation of clay reserves
A topographical survey was done in 2009 which estimated clay reserves to last at least 20 years based on the then production levels. However achieved extrusion levels have been less than anticipated thereby lengthening the lifespan of the reserves. Current estimates of clay reserves are derived from that topographical survey. As at 30 September 2023 clay reserves are estimated to last another 15 years.

2.23 Shareholders' equity

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

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

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

2.24 Investment property
The Company's investment property is revalued annually to open market value, with changes in the carrying value recognised in the statement of comprehensive income.
Rent receivable is recognised on a straight-line basis over the period of the lease. Where an incentive (such as a rent free period) is given to a tenant, the carrying value of the investment property excludes any amount reported as a separate asset as a result of recognising rental income on this basis.

Willdale Limited
Notes to the financial statements

		Inflation Adjusted	
		September 2023 ZWL	September 2022 ZWL
3.1	Revenue from contracts with customers		
	Income from sale of bricks*	**36,925,906,774**	**17,955,485,774**
	*All revenue is recognised at a point in time and was all generated in Zimbabwe		
3.2	Other income:		
	Loss on disposal of property, plant and equipment	(57,364,120)	(686,557)
	Rental income - lease of space for base station and idle land	45,561,077	76,608,766
	Transport and handling proceeds	456,713,544	128,153,990
	Sundry - Sale of scrap, and rubble	35,735,473	6,326,041
		480,645,974	**210,402,241**
3.3	Operating profit		
	The following items have been charged in arriving at the operating profit:		
	Audit fees	387,505,228	233,613,929
	Directors' emoluments - fees	297,334,329	121,357,699
	Rent	83,181,229	-
	Legal expenses	856,812,805	17,778,825
	Depreciation	**(2,050,051,071)**	**(2,499,299,973)**
	Brickfield land and buildings	(556,002,924)	(374,878,890)
	Plant and equipment	(1,101,146,718)	(1,400,058,963)
	Motor Vehicles	(377,503,708)	(629,187,564)
	Computers, furniture and fittings	(15,397,721)	(95,174,557)
	Staff costs	**12,359,516,095**	**4,313,653,461**
	- Salaries and wages	10,823,391,603	3,397,336,702
	- Pension - NSSA	260,872,266	189,040,371
	- Leave pay	449,132,883	347,312,209
	- Medical aid	132,097,289	90,811,413
	- Bonuses	229,194,177	102,725,680
	- Transport	204,106,439	82,763,668
	- Standard development and training levy	75,594,776	33,169,691
	- Workers compensation insurance fund (WCIF) and NEC expenses	185,126,662	70,493,727
4	Interest expense/ income		
4.1	Expense		
	Interest on trade payables	(25,016,207)	-
4.2	Income		
	Interest on bank balances	5,782,962	19,089,178
	Interest is calculated using the effective interest rate method.		
5	Income tax expense		
	Current tax expense	673,477,964	260,927,145
	Deferred tax	(91,240,976)	(1,778,790,058)
	Total income tax expense	**582,236,988**	**(1,517,862,913)**
	Tax rate reconciliation		
	Profit before tax	8,886,344,222	4,520,038,208
	Notional tax on profit at 24.72%	2,196,704,292	1,117,353,445

	Inflation Adjusted September 2023 ZWL	September 2022 ZWL
Tax rate reconciliation (ctnd)		
Donations	1,977,600	6,956,590
Intermediary money transfer tax	153,060,449	78,516,971
Legal fees	211,804,125	4,394,918
Fines and penalties	190,003	-
Canteen	165,757,295	-
Teas and refreshments	122,442,981	-
Miscellanous and general expenses	25,339,283	-
Interest on lease liability	22,491,808	-
Other non deductable expenses	60,269,263	-
Effect of income being taxed at different tax rates	(2,377,800,112)	(2,725,084,836)
Total tax	**582,236,988**	**(1,517,862,913)**
Current tax liability		
Opening balance	(48,604,114)	510,605,697
Tax charge for the year	673,477,964	260,927,645
Tax paid	(191,612,725)	(412,979,615)
Exchange loss	635,396,115	-
Effects of IAS 29 restatement	(7,344,352)	(407,157,841)
Closing Balance	**1,061,312,888**	**(48,604,114)**

6. Earnings per share

6.1 Basic earnings per share

Basic (loss) / earnings per share amounts are calculated by dividing the net profit / (loss) for the year attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the year.

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

The calculation of earnings per share is based on the following figures:

	Inflation Adjusted 2023 ZWL	2022 ZWL
6.3 Profit attributable to holders- (basic and diluted earnings)	8,304,107,234	6,037,901,122
6.4 Weighted average number of shares used for basic and diluted earnings per share	1,778,001,428	1,778,001,428

6.5 Reconciliation of Basic Earnings to Headline earnings

Headline earnings report a company's income from operations, trading, and investments only. Headline earnings therefore exclude certain one-time or exceptional items such as write-offs, profit/loss on asset disposals.

	ZWL	ZWL
Profit for the year attributable to equity holders	8,304,107,234	6,037,901,122
Loss on disposal (Note 3.2)	57,364,120	686,557
Headline earnings	**8,361,471,354**	**6,038,587,679**
Basic profit per share (cents)	467.047	339.589
Headline profit per share (cents)	470.274	339.628

7 Segment information

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

8 PROPERTY, PLANT AND EQUIPMENT

8.1 Property, plant and equipment - 2023

Inflation Adjusted

	Land and Buildings ZWL	Plant and Equipment ZWL	Motor Vehicles ZWL	Computers, Furniture & Fittings ZWL	Total ZWL
Cost / valuation					
At 1 October 2022	37, 279,801,385	5,297,996,604	1,773,556,680	313,322,542	44,664,677,211
Additions	-	1,235,868,856	872,177,602	84,922,645	2,192,969,103
Revaluation	31,163,866,047	-	-	-	31,163,866,047
Disposals	-	-	(57,364,120)	-	(57,364,120)
At 30 September 2023	**68,443,667,432**	**6,533,865,460**	**2,588,370,162**	**398,245,187**	**77,964,148,241**
Accumulated depreciation and impairment losses					
At 1 October 2022	-	-	-	(306,791,237)	(306,791,237)
Charge for the year	(556,002,924)	(1,101,146,718)	(377,503,708)	(15,397,721)	(2,050,051,071)
Disposals	-	-	-	5,875,723	5,875,723
Revaluation	556,002,924	-	-	-	556,002,924
At 30 September 2023	**-**	**(1,101,146,718)**	**(377,503,708)**	**(316,313,235)**	**(1,794,963,661)**
Carrying amount at 30 September 2023	**68,443,667,432**	**5,432,718,742**	**2,210,866,454**	**81,931,952**	**76,169,184,580**
Carrying amount at 30 September 2022	**37,279,801,385**	**5,297,996,604**	**1,773,556,680**	**6,531,304**	**44,357,885,973**

Property, plant and equipment - 2022

	Land and Buildings ZWL	Plant and Equipment ZWL	Motor Vehicles ZWL	Computers, Furniture & Fittings ZWL	Total ZWL
Cost / valuation					
As at 1 October 2021	19,628,345,987	6,508,627,295	3,109,966,851	281,911,345	29,528,851,479
Additions	-	340,390,758	161,962,876	31,411,196	533,764,830
Revaluation	17,651,455,398	(1,551,021,449)	(1,467,413,205)	-	14,633,020,744
Disposals	-	-	(30,959,841)	-	(30,959,841)
At 30 September 2022	**37,279,801,385**	**5,297,996,604**	**1,773,556,680**	**313,322,541**	**44,664,677,212**
Accumulated depreciation and Impairment losses					
At 1 October 2021	-	(1,791,324,256)	(1,867,119,744)	(211,616,680)	(3,870,060,680)
Charge for the year	(374,878,890)	(1,400,058,963)	(629,187,564)	(95,174,558)	(2,499,299,974)
Disposals	-	-	4,402,173	-	4,402,173
Revaluation	374,878,890	3,191,383,219	2,491,905,135	-	6,058,167,244
At 30 September 2022	**-**	**-**	**-**	**(306,791,238)**	**(306,791,238)**
Carrying amount at 30 September 2022	**37,279,801,385**	**5,297,996,604**	**1,773,556,680**	**6,531,304**	**44,357,885,974**
Carrying amount at 30 September 2021	**19,628,345,987**	**4,717,303,039**	**1,242,847,106**	**70,294,666**	**25,658,790,798**

8.2 Revaluation of land and buildings

Fair value of the properties was determined by using the market comparable method. This means that valuations performed by the valuer are based on active market prices, significantly adjusted for difference in the nature, location or condition of the specific property. As at the date of revaluation on 30 September 2023, the properties' fair values are based on valuations performed by Rawson Properties, accredited independent valuers.

Significant unobservable valuation input:	Range	Range
Price per square metre	ZWL6,833 - ZWL8,583	US$1.25 - US$1.57

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

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

	2023 ZWL	**2022 ZWL**
Cost	111,037,878	185,916,200
Accumulated depreciation and impairment	(84,211,451)	(74,878,322)
Carrying amount	**26,826,427**	**111,037,878**

8.3 Leases

Nature of leasing activities (in the capacity as lessee) The company leases property from which it operates from.

General Description
All leases are accounted for by recognising a right-of-use asset and a lease liability except for leases of low value assets and leases with a duration of 12 months or less.

8.3.1 Right-of-Use Assets

	ZWL 2023	**Inflation Adjusted ZWL 2022**
At 1 October 2022	115,987,950	-
Additions	9,673,854	133,089,115
Depreciation for the year	(70,101,692)	(17,101,165)
At 30 September 2023	**55,560,112**	**115,987,950**

8.3.2 Lease Liabilities

At 1 October 2022	59,322,062	-
Additions	9,673,854	37,225,462
Interest expense	31,359,517	10,589,337
Foreign exchange movements	551,406,568	176,172,747
Lease payments	(79,214,491)	(25,900,030)
At 30 September	**572,547,510**	**198,087,517**

Maturity analysis of future lease payments outstanding at the reporting date :

	ZWL 2023	**ZWL 2022**
Between 1 year and 2 years	137,462,696	39,617,503
Over 2 years	435,084,814	158,470,016
Carrying amount at 30 September	**572,547,510**	**198,087,519**

8.4 Investment Property

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

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

	ZWL 2023	ZWL 2022
Opening balance	10,588,581,431	5,014,543,772
Fair Value gain	4,395,770,999	5,574,037,658
Closing balance	**14,984,352,429**	**10,588,581,431**

At 30 September 2023, there were no restrictions on the realisability of investment property or the remittance of income and proceeds of disposal. There are currently no obligations to construct or develop the existing investment properties.

9 Investments at Fair Value Through Other Comprehensive Income

	2023	2022
Investment in Smart Surburb	25,390,444,599	5,787,455,700

Investment in SMART SUBURB

On 1 December 2018, the company purchased 18.45% of the voting rights in a property development project,Smart Surburb,a Special Purpose Vehicle for ZWL76 million. The consideration was settled from the proceeds received from the sale of land. The entity does not have significant influence in Smart Suburb investment as they do not have the power to participate in the financial and operating policy decision making of the vehicle.

The investment is held as accounted for as Equity Security at Fair Value through Other Comprehensive Income as the company intends to hold the investment for long term strategic purposes. Smart suburb consists of property that is land measuring 190.2ha(1,902,000sqm) which is set for future property development. The only underlying asset in Smart suburb is the land hence fair value of land determines fair value of the investment. The fair value of the interest in Smart Suburb an unlisted company, was estimated by applying market approach. The fair value estimates measurements used for valuation of Smart Suburb are based on adjusted observable inputs in the market such as

- Price per square metre (2023 USD 3.89- USD8.0 2022 USD3.89-USD8.0
- Exchange rate (2023 USD: ZWL5,466.7466 2022 USD:ZWL628.8922

Significant Unobservable inputs to valuation

The significant unobservable inputs used in the fair value measurement categorized within level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at 30 September 2023

	Valuation Technique	Significant Unobservable inputs to valuation	Range (weighted average) 2023 (2022)	Sensitivity of the input to Fair value
Non listed Equity Investment-Property Sector	Market Approach	Price per square metre	**2023** USD 3.89- USD8.0 **2022** 2.65-USD6 .5	5%(2023: 5%) increase/(decrease) in valuation per square metre would result in an increase/(decrease) in fair value by 2023 1,269,522,230 (2022:ZWL289,372,785 5%(2022: 5%) increase/(decrease) in the exchange rate would result in an increase/(decrease) in fair value by
		Exchange rate	2023 1 USD: ZWL5466.7466 2022 1USD:ZWL628.8922	2023 1,269,522,230 (2022:ZWL289,372,785)

Fair Value Reconciliation	
Balance as at 30 September 2022	5,787,455,700
Fair Value Adjustment	19,602,988,899
Closing Balance as 30 September 2023	**25,390,444,599**

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

The land has freely permitted uses such as wholesaling, industrial buildings and storage warehouses. Special consent uses include creches, shops and corporate offices to mention but a few. Key assumptions for the measurements of Smart Suburb include the following:

(a) Marketability of the property; the land is fit for purpose and there are no restrictive conditions

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

(c) Town planning; the property is not adversely affected by town council properties and it complies with statutory and local authority requirements

(d) Title and tenure; The title deeds are duly registered

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

The Lot was valued at USD$23.19 million by independent valuers. The significant unobservable inputs that have been used to measure Investment in Smart Suburb are as follows:

- Willdale's percentage shareholding of 18.45% in Smart Suburb
- Total value of Smart suburb of USD$23.19 million
- Exchange rate of USD$1: 5466.7466 ZWL as at 30 September 2023 (2022 USD:ZWL 621.8922)

Significant increase (decrease) in the estimated total value of Smart suburb or exchange rate in isolation would result in a significantly higher (lower) fair value.

	Inflation Adjusted	
	September 2023 ZWL	**September 2022 ZWL**
10 Inventories		
Raw materials	799,612,914	227,311,287
Work in progress	3,760,962,011	2,888,773,223
Finished goods	4,251,305,645	1,644,211,326
Consumables	3,856,531,856	1,374,690,464
	12,668,412,426	6,134,986,301
Provision for Obsolete Stock	17,613,191	6,148,268
	12,650,799,235	**6,128,838,033**

Raw materials, Work in Progress and consumables are valued at cost while finished goods are valued at the lower of cost and net realisable value.
During 2023 ZWL26.4 billion (2022: ZWL14.4 billion) was recognised as an expense for inventories sold during the year. This is recognised in cost of sales.

11. Trade and other receivables

	ZWL 2023	**ZWL 2022**
Trade receivables	671,619,562	96,356,856
Less: provision for impairment of trade receivables	(143,360,456)	(58,193,381)
Net Trade receivables	528,259,106	38,163,475
Other Receivables:		
Staff debtors	-	57,366,986
Less: provision for impairment of staff debtors	-	(3,460,027)
	-	53,906,958
Total financial assets other than cash and cash equivalents classified as amotised cost		
Prepayments	**12,105,507,249**	**2,872,484,716**
Total Trade and other receivables	**12,633,766,355**	**2,964,555,149**

The carrying value of trade and other receivables classified as loans and other receivables approximates their fair value. The movement in the impairment allowance has been included in the operating expense line item in profit or loss.

The net carrying amount of trade receivables is considered a reasonable approximate of fair value. No interest is charged on outstanding debtors. See Note 18 on credit risk of trade receivables, which discusses how the company manages and measures credit quality of trade receivables that are neither past due nor impaired. All the company's trade and other receivables have been reviewed for indicators of impairment.

Impairment of trade and other receivables

The Company applies the IFRS 9 simplified approach to measuring expected credit losses using a lifetime expected credit loss provision for trade and other receivables. To measure expected credit losses on a collective basis, trade and other receivables are grouped based on similar credit risk

The expected loss rates are based on the company's historical credit losses. The historical loss rates are then adjusted for current and forward looking information on macroeconomic factors affecting the company's clients. The maro economic factors include inflation rate, GDP growth and loan default rates.

As at 30 September 2022 the expected loss provision and other receivables is as follows:

			Inflation Adjusted
	Staff loans ZWL	**Trade Receivables ZWL**	**Total ZWL**
Balance at the beginning of the year	13,026	16,926,687	16,939,713
Movement in allowance for credit losses during the year	3,775,015	122,645,728	126,420,743
Balance at the end of the year	**3,788,041**	**139,572,415**	**143,360,456**

13 Cash and cash equivalents

	September 2023 ZWL	September 2022 ZWL
Bank balances	1,311,589,670	302,806,300
Cash on hand	-	174,501,969
Total	**1,311,589,670**	**477,308,269**

Equity		
Authorised	**ZWL**	**ZWL**
3,000,000,000 (2020: 3,000,000,000) of US$0.00005 cents each	52,455,620	52,455,620
Issued and fully paid		
1 778 001 428 ordinary shares of US$0.00005 cents each	62,062,841	62,062,841

15 Deferred tax

15.1 Deferred tax movement

	September 2023 ZWL	**Inflation Adjusted September 2022 ZWL**
Balance at beginning of year	11,146,185,993	7,695,265,521
Movement through Profit or Loss	(91,240,976)	(1,778,793,474)
Movement Through Other Comprehensive Income	8,821,301,055	5,229,713,945
Balance at end of year	**19,876,246,071**	**11,146,185,993**

15.2 Deferred tax analysis

	ZWL 2023	ZWL 2022
Property, plant and equipment	18,539,912,703	10,540,330,079
Investment property	749,217,622	529,429,163
Lease Liability	(141,533,744)	(48,967,096)
Investment at Fair Value Through Other Comprehensive Income	1,269,522,230	289,372,896
Provisions	(239,547,137)	(82,708,484)
Right of use asset	13,734,460	28,672,355
Unrealised exchange (loss)/gain	(315,060,062)	(109,942,920)
Deferred tax liability	**19,876,246,071**	**11,146,185,993**

16 Borrowings

	2023	2022
Nedbank Zimbabwe Limited	402,754,902	-
CBZ Bank Ltd	512,400,470	103,081,459
	915,155,372	103,081,459

Maturity analysis of the borrowings payments outstanding at the reporting date :

	2023 ZWL	2022 ZWL
Between 1 and 2 year	512,400,470	103,081,459
Over 2 years	402,754,902	-
Carrying amount at 30 September	915,155,372	103,081,459

The amount is a pre existing CBZ bricks arrangement and does not attract interest. The arrangement does not have tenure or further conditions except the bank collecting the outstanding bricks. The company obtained a loan of USD157,872 from Nedbank Zimbabwe Limited to purchase tipper trucks for clay haulage.

The loan is secured by the purchased tipper trucks . The loan is payable over 36 months and attracts interest at 13% per annum.

Trade and other payables

		2023 ZWL	2022 ZWL
17	Trade payables	3,925,728,019	713,606,978
	Accruals and other payables	998,430,998	974,653,420
	Brick deposits	10,164,413,207	2,775,839,590
	Total financial liabilities, excluding loans and borrowings, classified as financial liablities	15,088,572,224	4,464,090,002
	Statutory payables	654,922,148	742,281,545
	Total Trade and other payables	**15,743,494,372**	**5,206,371,547**

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

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

17.1 Provisions

	Leave Pay	Audit Fees	Inflation Adjusted Rehabilitation	Total
At 1 October 2022	**208,360,532**	**114,070,217**	**12,151,713**	**334,582,461**
Utilised during the year	(267,400,523)	(101,331,550)	(2,585,670)	(371,317,743)
Arising during the year	805,114,000	202,663,100	(2,000,003)	1,005,777,097
At 30 September 2023	**746,074,009**	**215,401,767**	**7,566,040**	**969,041,815**
At 1 October 2021	**189,494,966**	**36,761,928**	**51,469,845**	**277,726,738**
Utilised during the year	208,360,533)	(158,232,038)	(13,792,096)	(380,384,667)
Arising during the year	227,226,099	235,540,327	(25,526,035)	437,239,749
At 30 September 2022	**208,360,532**	**114,070,217**	**12,151,713**	**334,581,820**

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

18 Financial Risk Management Objectives and Policies

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

18.1 Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (monetary assets or liabilities are denominated in a foreign currency).

The Company is exposed to foreign exchange risk arising from the volatility of the ZWL against the US Dollar. The Company manages its foreign currency risk by balancing its foreign denominated assets and liabilities so that any negative movements in one are compensated by positive movements in the other.

18.2 Liquidity risk

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

The table below summarises the maturity profile of the Company's assets and liabilities at 30 September 2023:

2023	Within 3 months ZWL	Between 4 & 12 months ZWL	More than 12 months but less than 5 years ZWL	Total ZWL
LIABILITIES				
Provisions	969,041,815	-	-	969,041,815
Borrowings	128,100,118	384,300,353	402,754,902	915,155,372
Trade and other payables	15,088,572,224	-	-	15,088,572,224
	16,185,714,157	**384,300,353**	**402,754,902**	**16,972,769,411**
ASSETS				
Financial assets				
Accounts receivable	528,259,106	-	-	528,259,106
Cash & cash equivalents	1,311,589,670	-	-	1,311,589,670
	1,839,848,776	**-**	**-**	**1,839,848,776**

2022	Within 3 months ZWL	Between 4 & 12 months ZWL	More than 12 months but less than 5 years ZWL	Total ZWL
LIABILITIES				
Provisions	334,581,820	-	-	334,581,820
Trade and other payables	5,206,371,546	-	-	5,206,371,546
	5,540,953,366	**-**	**-**	**5,540,953,366**

Inflation Adjusted

	Within 3 months ZWL	Between 4 & 12 months ZWL	More than 12 months but less than 5 years ZWL	Total ZWL
ASSETS				
Financial assets				
Accounts receivable	38,163,475	-	-	38,163,475
Cash and Cash Equivalents	477,308,269	-	-	477,308,269
	515,471,744	**-**	**-**	**515,471,744**

18.3 Financial instruments by category

A summary of the financial instruments held by category is provided below:

	AT FAIR VALUE THROUGH OCI 2023	AT FAIR VALUE THROUGH OCI 2022	AT AMORTISED COST 2023	AT AMORTISED COST 2022
FINANCIAL ASSETS				
Bank and cash balances	-	-	1,311,589,670	477,308,269
Trade and other receivables	-	-	12,633,766,355	2,964,555,149
Investments at FVTOCI	25,390,444,599	5,787,455,700	-	-
	25,390,444,599	**5,787,455,700**	**13,945,356,025**	**3,441,863,418**
	2023	**2022**		
FINANCIAL LIABILITIES				
Trade other payables	15,743,494,372	5,206,371,547	-	-
Lease liability	572,547,510	198,087,519	-	-
Provisions	969,041,815	334,581,820	-	-
Borrowings	915,155,372	103,081,459	-	-

18.4 Credit risk

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

It is the weighting of these different scenarios that forms the basis of a weighted average probability of default that is used to determine whether credit risk has significantly increased.

Write off policy

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

18.5 Capital Management

Capital includes ordinary shares and reserves attributable to the company's shareholders. The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

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

Capital Management

	INFLATION ADJUSTED September 2023 ZWL	September 2022 ZWL
Share Capital	62,062,841	62,062,841
Revaluation reserves	72,411,649,862	29,910,093,047
Accumulated profit	31,584,186,250	23,508,752,396
	104,057,898,953	**53,480,908,284**

19 Fair value measurement

The following tables provide the fair value measurement hierarchy of the Company's assets and liabilities.
Fair value measurement hierarchy for assets and liabilities as at 30 September 2023:

INFLATION ADJUSTED

	Total ZWL	Quoted prices in active markets (Level 1) ZWL	Significant observable inputs (Level 2) ZWL	Significant unobservable inputs (Level 3) ZWL
Assets measured at fair value:				
Investment Property (Note 8)	14,984,352,429	-	-	14,984,352,429
Investment in Smart Suburb (Note 9)	25,390,444,599	-	-	25,390,444,599
Revalued property, plant and equipment (Note 8):				
Land and buildings	68,443,667,432	-	-	68,443,667,432

There have been no transfers between Level 1, level 2 and Level 3 during the period.

	Total ZWL	Level 1 ZWL	Level 2 ZWL	Level 3 ZWL
Liabilities measured at fair value:				
Liabilities for which fair values are disclosed:				
Convertible preference shares	-	-	-	-
2022				
Assets measured at fair value:				
Investment property (Note 8.4)	10,588,581,431	-	-	10,588,581,431
Investment in Smart Suburb (Note 9)	5,787,455,700	-	-	5,787,455,700
Land and buildings (Note 8.1)	37,279,801,385	-	-	37,279,801,385

There have been no transfers between Level 1 and Level 2 during the period.

Revaluation of Land and Buildings

The entity engaged an accredited independent professional valuer, to determine the fair value of its land and buildings. Fair value is determined by reference to market value which is the price at which similar properties cost in the market. The date of revaluation was 30 September 2023.

The fair valuation of land and buildings were done in USD$ and then converted to the functional currency at the closing interbank rate. The interbank exchange rate does not meet the definition of a market exchange rate.

Where there is an active market for the property, it is valued at fair value determined by reference to market-based evidence. This means that valuations performed by the valuer are based on active market prices, adjusted for any differences in the nature, location and condition on the specified property. In coming up with the valuations, management considered the highest and best use of the properties. Valuation techniques for properties incorporate various underlying assumptions. These assumptions include, inter alia, the capitalization rate for residential and commercial properties, rental per square metre, discount rates. The use of different valuation techniques and assumptions could produce significantly different estimates of fair value.

Significant unobservable valuation input: Range
Price per square meter $1.25 – $1.57 (2022: $1.25 – $1.57)
Exchange rate $US1: ZWL 5,466.7466 (2022 , $US1: ZWL 628.8922)
Significant increases (decreases) in estimated price per square metre in isolation would result in a significantly higher (lower) fair value.

The price per square metre has not been changing significantly over the past year due to the location of the land and buildings of the company therefore no sensitivity has been presented for the price per suare metre.The input which is significantly sensitive to change is the exchange rate and the table below illustrates the sensitivity of the Fair value of Land and Buildings to 10 percentage points increase in exchange rates assuming all other inputs remain unchanged.The sensitivity rate of 10 percentage points represents the Directors assessment of a reasonably possible change.

Investment in SmartSurburb

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

Key assumptions include the following:

(a) an assumed a discount rate range of 20–25 per cent;
(b) an assumed a terminal value based on a range of terminal projected EBITDA multiples between 3 and 5 times
(c) assumed financial multiples of companies deemed to be similar to SmartSurbub; and
(d) assumed adjustments because of the lack of control or lack of marketability that market participants would consider when estimating measuring the fair value of the 18.5% interest in SmartSurburb

Inflation Adjusted

20 Capital Expenditure

	September ZWL 2023	**September ZWL** 2022
Authorised and contracted for	2,192,969,103	533,764,830
Authorised but not yet contracted for	10,539,887,445	2,218,257,015
	12,732,856,548	**2,752,021,844**

The capital expenditure will be financed from internal resources.

21 Related party disclosures

Related parties	Nature of Relationship
Scotia Holdings (Private) Limited	Common Control
Professional Security services	Common Control
Mike Harris (Private) Limited	Common Control
Aitoc Motors (Private) Limited	Common Control
Super Tiles (Private) Limited	Common Control
Mrs R.T Mujuru	Shareholder
Mr R Kaukonde	Shareholder
Umuzi Properties (Private) Limited	Common Control
Mr N Matonda	Key Management
Mr M Munginga	Key Management

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

	September 2023 ZWL	**September 2022 ZWL**
Short term employee benefits	2,526,448,829	492,486,960
Post employment benefits - NSSA	18,493,522	5,351,660
	2,544,942,351	**497,838,620**

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

21.2 Volume of transactions with related parties
Inflation Adjusted

	2023 Security ZWL	2023 Car repairs ZWL	2023 Brick sales ZWL	September 2023 ZWL
Professional Security	179,546,305	-	-	179,546,305
Mike Harris (Private) Limited	-	14,451,413	1,061,414	15,512,827
Mr B Mataruka	-		40,155,326	40,155,326
Mr N Matonda	-	-	11,034,271	-
Mr M Munginga	-	-	21,175,692	-
Umuzi Properties (Private) Limited	-	-	138,974,025	138,974,025
	179,546,305	**14,451,413**	**212,400,728**	**374,188,483**

	2022 Rental ZWL	**2022 Car repair ZWL**	**2022 Brick sales ZWL**	**September 2022 ZWL**
Scotia Holdings (Private) Limited	-	-	2,070,677	2,070,677
Mike Harris (Private) Limited	-	8,478,368	-	8,478,368
Mrs R.T Mujuru	-	-	171,048	171,048
Mr R Kaukonde	-	-	5,256,420	5,256,420
Mr N Matonda	-	-	36,895,783	36,895,783
Umuzi Properties (Private) Limited	-	-	2,775,884	2,775,884
	-	**8,478,368**	**47,169,812**	**55,648,179**

Amounts due from Related parties

	September 2023 ZWL	**September 2022 ZWL**
Professional Security Services (Private) Limited	962,475	(87,230,261)
Mike Harris (Private) Limited	-	(8,478,368)
R.T Mujuru	82,591,608	33,185,421
Total	**83,554,083**	**(62,523,208)**

The sales to and purchases from related parties are made at terms equivalent to those that prevail in arms length transactions. Outstanding balances at the year end are unsecured, interest free and settlement occurs in cash.

Unless otherwise stated, none of the transactions incorporate special terms and no guarantees were given or received for the period ended 30 September 2023. The Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

22 Post Employment Benefits

National Social Security Authority (NSSA)
All employees are members of the National Social Security Authority Scheme which is a contributory pension scheme.

The scheme is administered by the National Social Security Authority. This scheme was promulgated under the National Social Security Authority Act of 1989. The company's obligations under the scheme are limited to specific contributions as legislated from time to time and are presently 4.5% of pensionable emoluments. Contributions during the year were ZWL53, 739, 765.

23. Going Concern

The Company incurred an operating loss of ZWL6.9 billion in the current financial year and a profit after tax of (ZWL8.3 billion) (2022: ZWL 6 billion). Current assets exceeded current liabilities by ZWL 8.1billion as at 30 September 2023 (2022 ZWL 3.9 billion).

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

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

24. Approval of Financial Statements

The Financial Statements were approved by the board of Directors on 28 December 2023.

Shareholders Information

Top 20 As At 30 September 2023

RANK	ACCOUNT NAME	SHARES	% OF TOTAL
1	DAHAW TRADING (PRIVATE) LIMITED	703,274,220	39.55
2	RANUS INVESTMENTS (PRIVATE) LIMITED	402,617,371	22.64
3	OLD MUTUAL LIFE ASSURANCE COMPANY OF ZIMBABWE LIMITED	273,077,603	15.36
4	NYARADZO FUNERAL ASSURANCE COMPANY	74,242,207	4.18
5	MEGA MARKET (PVT) LTD	67,536,025	3.80
6	ETOLL AFRICA (PRIVATE) LIMITED	20,704,000	1.16
7	WILHELM HENRY ALFRED HANS-ALBERT KUHLMANN,	12,000,000	0.67
8	DRAWCARD ENTEPRISES (PVT) LTD,	11,989,036	0.67
9	MUZIKA RUBI HOLDINGS (PVT) LTD	11,801,284	0.66
10	DUSKE, KEIDO	10,219,439	0.57
11	REMO NOMINEES (PRIVATE) LIMITED	8,722,857	0.49
12	MATARANYIKA, PHILLIP	8,462,582	0.48
13	STANBIC NOMINEES (PRIVATE)LIMITED	8,048,364	0.45
14	PROFESSIONAL SECURITY PVT LTD	5,889,494	0.33
15	REVOLTA, ANRDEW JAMES	5,461,339	0.31
16	J SOFT (PVT) LTD	4,951,100	0.28
17	WILLIAM OVER PHOTOGRAPHIC (PRIVATE) LIMITED	4,366,630	0.25
18	PUBLIC SERVICE PF - PLATINUM	4,196,924	0.24
19	KAMBA, THOMPSON TOGAREPI	3,358,803	0.19
20	REACON SERVICES (PVT) LTD	3,141,547	0.18
	OTHER	133,940,603	7.53
	Total Number of Shares	**1,778,001,428**	**100**

Notice To Members

Notice is hereby given that the Annual General Meeting of Willdale Limited will be held in the Boardroom, Willdale Administration Block, 19.5km peg Lomagundi Road, Mount Hampden on Thursday 04 April 2024 at 10.00 hours for the purpose of transacting the following business:

Ordinary Business

1 To receive and adopt the financial statements and report of the Directors for the year ended 30 September 2023;

2 To approve the fees for the Directors;

3 To re-appoint BDO Zimbabwe, Chartered Accountants, as auditors for the ensuing year. BDO Zimbabwe Chartered Accountants have been the appointed external auditors of the Company since October 2020;

4 To approve audit fees for the year ended 30 September 2023;

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

5.1 Paidamoyo Patience Chadoka
Paida is a seasoned business leader who has contributed immensely to the dairy industry in Zimbabwe and the region. Currently she is the CEO of the Zimbabwe Association of Dairy Farmers.

5.2 Brian Kudzai Mataruka
Brian is a practising lawyer and a partner with Gill, Godlonton and Gerrans. He sits on boards of several companies.

The re-election of directors will be by separate resolutions.

A member entitled to attend and vote at the meeting may appoint one or more proxies to attend, vote and speak in their stead.

The proxy need not be a member of the company.

To be effective, the proxy form must be lodged at the company's registered office at least forty-eight hours before the appointed time for the Meeting.

By Order of the Board

M Munginga
Company Secretary
13 March 2024

Proxy Form

I/We of………

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

appoint………………..………

of……

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

of……

"or failing him/her, the Chairman of the Meeting as my/our proxy, to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held on 11 March,

2024 at 11:00hrs in the Boardroom, Willdale Administration Block, Teneriffe Factory 19,5 km peg Lomagundi Road, Mount Hampden, Harare."

Signed this…………………………………………..day

of……………………………………………….….2024

Signature of Member……

i) Note, in terms of section 129 of the Companies Act (Chapter 24:03) as amended, any member entitled to attend and vote at the above mentioned meeting is entitled to appoint a proxy, who need not be a member, to attend and vote and speak, on a poll, vote in his/her stead.

ii) Section 77 of the Company's Articles of Association provides that instruments of proxy must be signed and returned to reach the Registered Office of the Company not less than forty-eight hours before the time for the holding of the meeting.

ANNEXURES

GRI Content Index					
GRI Standard	Disclosure	Page number(s)	Omission		
			Part Omitted	Reason	Explanation
GRI 101: Foundation 2016					
General Disclosures					
	Organisational profile				
	102-1 Name of the organisation	Cover			
	102-2 Activities, brands, products, and services	7			
	102-3 Location of headquarters	103			
	102-4 Location of operations	6, 103			
	102-5 Ownership and legal form	6			
	102-6 Markets served	7			
	102-7 Scale of the organisation	10			
	102-8 Information on employees and other workers	47-51			
	102-9 Supply chain	42			
	102-10 Significant changes to the organisation and its supply chain	42			
	102-11 Precautionary Principle or approach	24-26, 33,90			
	102-12 External initiatives	53-54			
	102-13 Membership of associations	8			
	Strategy				
	102-14 Statement from senior decision-maker	11			
	Ethics and integrity				
	102-16 Values, principles, standards, and norms of behaviour	4			
	Governance				
	102-18 Governance structure	20			
	Stakeholder engagement				
	102-40 List of stakeholder groups	29			
	102-41 Collective bargaining agreements	49			
	102-42 Identifying and selecting stakeholders	29			
	102-43 Approach to stakeholder engagement	29			
	102-44 Key topics and concerns raised	29			
	Reporting practice				
	102-45 Entities included in the consolidated financial statements.	6			
	102-46 Defining report content and topic Boundaries	5			
	102-47 List of material topics	30			
	102-48 Restatements of information	5			
	102-49 Changes in reporting	5			
	102-50 Reporting period	5			
	102-51 Date of most recent report	-			

GRI Content Index					
GRI Standard	Disclosure	Page number(s)	Omission		
			Part Omitted	Reason	Explanation
	102-52 Reporting cycle	-			
	102-53 Contact point for questions regarding the report	5			
	102-54 Claims of reporting in accordance with the GRI Standards	5			
	102-55 GRI content index	98-101			
	102-56 External assurance	5			
GRI 101: Foundation 2016					
General Disclosures					
GRI 102: General Disclosures 2016	**Organisational profile**				
	102-1 Name of the organisation	**Cover**			
	102-2 Activities, brands, products, and services	7			
	102-3 Location of headquarters	103			
	102-4 Location of operations	6, 103			
	102-5 Ownership and legal form	6			
	102-6 Markets served	7			
	102-7 Scale of the organisation	10			
	102-8 Information on employees and other workers	47-51			
	102-9 Supply chain	42			
	102-10 Significant changes to the organisation and its supply chain	42			
	102-11 Precautionary Principle or approach	24-26, 33,90			
	102-12 External initiatives	53-54			
	102-13 Membership of associations	8			
Strategy					
	102-14 Statement from senior decision-maker	11			
GRI 102: General Disclosures 2016	**Ethics and integrity**				
	102-16 Values, principles, standards, and norms of behaviour	4			
	Governance				
	102-18 Governance structure	20			
	Stakeholder engagement				
	102-40 List of stakeholder groups	29			
	102-41 Collective bargaining agreements	49			
	102-42 Identifying and selecting stakeholders	29			
	102-43 Approach to stakeholder engagement	29			
	102-44 Key topics and concerns raised	29			
	Reporting practice				
	102-45 Entities included in the consolidated financial statements.	6			
	102-46 Defining report content and topic Boundaries	5			
	102-47 List of material topics	30			

GRI Content Index						
GRI Standard	**Disclosure**	**Page number(s)**	**Omission**			
			Part Omitted	**Reason**	**Explanation**	
	102-48 Restatements of information	5				
	102-49 Changes in reporting	5	There were changes in the list of material topics			
	102-50 Reporting period	5	The reporting period for this report is from 1 October 2022 to 30 September 2023			
	102-51 Date of most recent report	-	30 September 2022			
	102-52 Reporting cycle	-	We report on annual basis			
	102-53 Contact point for questions regarding the report	5				
	102-54 Claims of reporting in accordance with the GRI Standards	5	The report has been prepared in accordance with GRI Standards Core option.			
	102-55 GRI content index	98-101				
	102-56 External assurance	5				
Material Topics						
200 series (Economic topics)						
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	5,30-32				
	103-2 The management approach and its components	54				
	103-3 Evaluation of the management approach	54				
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	58-95				
	201-3 Defined benefit plan obligations and other retirement plans	48				
Indirect Economic Impacts						
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	5,30-32				
	103-2 The management approach and its components	53				
	103-3 Evaluation of the management approach	54				
GRI 203: Indirect Economic Impacts 2016	203-2 Significant indirect economic impacts	54				
Procurement Practices						
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	5,30-32				
	103-2 The management approach and its components	42				
	103-3 Evaluation of the management approach	42				

GRI Content Index					
GRI Standard	Disclosure	Page number(s)	Omission		
			Part Omitted	Reason	Explanation
300 series (Environmental topics)					
Energy					
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	5,30-32			
	103-2 The management approach and its components	41			
	103-3 Evaluation of the management approach	41			
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	42			
	302-2 Energy consumption outside of the organisation	42			
Water					
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	5,30-32			
	103-2 The management approach and its components	41			
	103-3 Evaluation of the management approach	41			

GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	51			
Diversity and Equal Opportunity					
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	5,30-32			
	103-2 The management approach and its components	24			
	103-3 Evaluation of the management approach	24			
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees				
Freedom of Association and Collective Bargaining					
	103-1 Explanation of the material topic and its Boundary	5,30-32			
	103-2 The management approach and its components	49			
	103-3 Evaluation of the management approach	49			

Corporate Information

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Mount Hampden

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Harare
Factory

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Teneriffe
19.5km peg.
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Transfer Secretaries
First Transfer Secretaries (Pvt) Ltd
1 Armagh Road
Eastlea, Harare

Auditors
BDO
Chartered Accountants
(Zimbabwe)
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Harare

Factory
Teneriffe
19.5km peg.
Lomagundi Road
Mount Hampden

Bankers

CBZ Bank
Avondale Branch
Harare

ZB Bank
Avondale Branch
Harare

FBC Bank
FBC Centre Branch
Harare

NBS
Samora Machel Avenue Branch
Harare

Nedbank
Jason Moyo/ Corner Third Street
Harare

Legal Practitioners

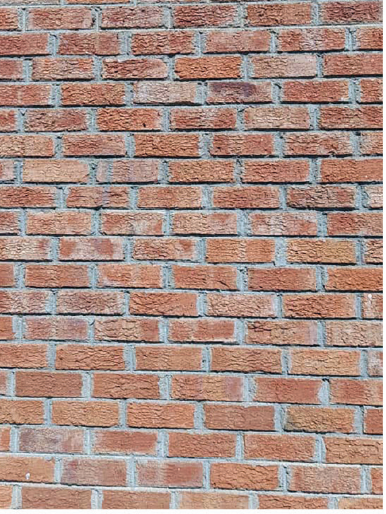
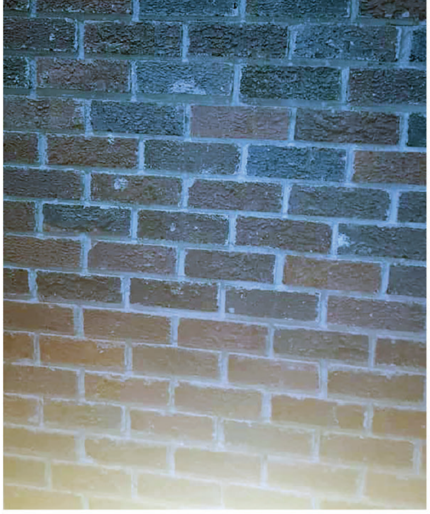
Mhishi & Nkomo
Legal Practice
86 McChlery Avenue
Eastlea
Harare

Honey & Blanckenberg
200 Herbert Chitepo Avenue
Harare

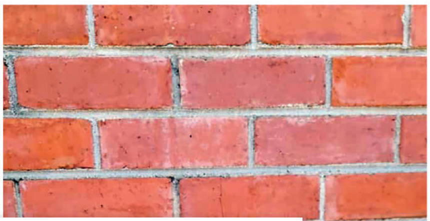
Muzangaza. Mandaza
& Tomana
Mercury House
Jason Moyo Avenue
Harare

Sustainability Consultants

Institute for Sustainability Africa
65 Whitwell Road
Borrowdale West
Harare






Willdale
Limited

Quality • Durability • Diversity

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