MORGAN & CO MADE IN ZIMBABWE EXCHANGE TRADED FUND AUDITED ABRIDGED FINANCIAL STATEMENTS FOR PERIOD ENDED 31 DECEMBER 2023

Asset Manager's Report

The Made in Zimbabwe ETF (ETF) had a fair performance in 2023, with a growth of 691.21%. This was in comparison to the Zimbabwe Stock Exchange All Share Index, which grew by 981.54% in the same year. As a result, the Made in Zimbabwe ETF was ranked second out of the five listed ETFs. However, in terms of liquidity, it was ranked fourth among the ETFs, with a daily average traded volume of 27,516.24 units.

The ETF primarily invests in Zimbabwean manufacturing companies, with a possibility of investing 20% in companies outside this scope. Despite facing challenges such as persistent power cuts, foreign currency shortages, and an increasingly informalized economy, the manufacturing sector has shown resilience. Looking ahead, the sector is expected to continue growing, supported by ongoing innovations, recapitalizations, and a focus on the informal sector. This is further reinforced by the extension of the multicurrency regime until 2030.

On behalf of the Fund Manager



27 March 2024

STATEMEN [®]	T OF FI	NANCIAL	POSITION
As at 31 De	cembe	er 2023	

As at 31 December 2023					
		Inflation Adj	usted	Historic	al
		2023	2022	2023	2022
	Note	ZWL	ZWL	ZWL	ZWL
Assets		4 335 197 268	9 046 703 487	4 335 197 268	1 884 711 953
Equity investments	4	4 150 874 099	8 902 795 615	4 150 874 099	1 854 731 431
Accounts receivables	5	-	90 012 968	-	18 752 523
Cash and cash equivalents	6	184 323 169	53 894 903	184 323 169	11 227 998
TOTAL ASSETS		4 335 197 268	9 046 703 487	4 335 197 268	1 884 711 953
Hall Haldana Fronds		4 211 7// 700	0.004 (70.400	4 211 7// 700	1 000 102 427
Unit Holders Funds		4 311 766 798	9 024 678 402	4 311 766 798	1 880 123 437
Net assets attributable to unit holders		4 311 766 798	9 024 678 402	4 311 766 798	1 880 123 437
Liabilities		23 430 470	22 025 085	23 430 470	4 588 516
Accounts payables	7	23 430 470	22 025 085	23 430 470	4 588 516
TOTAL EQUITY AND LIABILITIES		4 335 197 268	9 046 703 487	4 335 197 268	1 884 711 953

Signed on behalf of the Fund by



STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME For the year ended 31 December 2023

		Inflation Adju		Historica	
	Mada	2023	2022	2023	2022
	Note	ZWL	ZWL	ZWL	ZWL
Investment income		2 470 720 327	(4 876 861 262)	9 524 159 323	(498 987 961)
Dividend Income		274 122 013	106 415 909	115 813 077	11 899 177
Realised gains from trading equity instruments	4,2	8 742 965 530	227 359 701	5 297 358 285	71 754 040
Exchange Gains		95 494 442	-	95 494 442	-
Net changes in fair value on financial assets at fair value through Profit and Loss	4,1	(6 641 861 658)	(5 210 636 871)	4 015 493 519	(582 641 178)
Operating Expenses		(112 111 920)	(110 631 354)	(50 850 707)	(12 370 538)
Investment Management Fees		56 682 422	52 615 373	21 812 210	5 883 328
Trustees and Custodial Fees	8	17 214 926	14 100 697	6 163 185	1 576 707
Transfer Secretary Fees		985 781	919 050	379 343	102 766
Audit Fees		16 787 987	30 600 446	16 787 987	3 421 670
Other Operating Expenses	9	20 440 803	12 395 788	5 707 982	1 386 068
Operating profit/ (loss)		2 358 608 408	(4 987 492 616)	9 473 308 616	(511 358 499)
Net Monetary Loss		3 760 926 816	(4 191 896 738)	-	
Profit/ (loss) for the year		6 119 535 223	(9 179 389 353)	9 473 308 616	(511 358 499)
Increase/ (decrease) in net assets					
attributable to unit holders		6 119 535 223	(9 179 389 353)	9 473 308 616	(511 358 499)
Basic Earnings per unit (ZWL)					
Units in issue	11	494 417 400	494 417 400	494 417 400	494 417 400
Basic earnings /(loss) per unit		12.38	(18.57)	19.16	(1.03)
Diluted earnings /(loss) per unit		12.38	(18.57)	19.16	(1.03)

STATEMENT OF CHANGES IN NET ASSETS OF UNIT HOLDERS

For the year ended 31 December 2023

INFLATION ADJUSTED	Units in issue ZWL	Undistributed income ZWL	Total ZWL
Balance as at 01 June 2022 Unit holders contribution: Equity Investments Cash Changes in net assets attributable to unit holders	18 199 805 011 4 262 745	- - - (9 179 389 353)	18 199 805 011 4 262 745 (9 179 389 353)
Balance as at 31 December 2022	18 204 067 756	(9 179 389 353)	9 024 678 402
Redemption of units during the year Changes in net assets attributable to unit holders	(2 918 616 954)	(7 913 829 873) 6 119 535 223	(10 832 446 827) 6 119 535 223
Balance as at 31 December 2023	15 285 450 801	(10 973 684 003)	4 311 766 798
HISTORICAL			
Balance as at 01 June 2022 Unit holders contribution: Equity Investments Cash Changes in net assets attributable to unit holders	2 390 921 936 560 000	- - - (511 358 499)	2 390 921 936 560 000 (511 358 499)
Balance as at 31 December 2022	2 391 481 936	(511 358 499)	1 880 123 437
Redemption of units during the year Changes in net assets attributable to unit holders	(1 897 255 895) -	(5 144 409 360) 9 473 308 616	(7 041 665 255) 9 473 308 616
Balance as at 31 December 2023	494 226 041	3 817 540 757	4 311 766 798

STATEMENT OF CASH FLOWS For the year ended 31 December 2023

	Inflation Adju	usted	Historica	ıl
	2023	2022	2023	2022
Note	ZWL	ZWL	ZWL	ZWL
	2 359 409 409	(4 087 402 414)	0 473 309 414	(511 358 499)
	2 000 000 400	(4 707 472 010)	7 47 5 5 6 6 1 6	(311 030 477)
4,2	(8 742 965 530)	(227 359 701)	(5 297 358 285)	(71 754 040)
	6 641 861 658	5 210 636 871	(4 015 493 519)	582 641 178 [°]
	257 504 535	(4 215 445)	160 456 812	(471 361)
	90 012 968	(90 012 968)	18 752 523	(18 752 523)
	1 405 386	22 025 085	18 841 954	4 588 516
	348 922 888	(72 203 330)	198 051 290	(14 635 369)
41	(2 939 967 686)	(2 176 897 741)	(792 598 486)	(285 980 677)
		(2 170 077 741)		311 284 044
.,_	138 471 434	(2 176 897 741)	(24 956 118)	25 303 367
		3 104 182		560 000
	-			560 000
	487 394 322	(2 245 994 889)	173 095 171	11 227 998
	(356 966 056)	2 299 889 792		-
	53 894 903	-	11 227 998	-
6	184 323 169	53 894 903	184 323 169	11 227 998
	4,1 4,1 4,2	Note 2023 ZWL 2 358 608 408 4,2 (8 742 965 530) 6 641 861 658 257 504 535 90 012 968 1 405 386 348 922 888 4,1 (2 939 967 686) 4,2 3 078 439 119 138 471 434 487 394 322 (356 966 056) 53 894 903	Note ZWL ZWL ZWL	Note 2023

Trustee's Statement

The management company, Zimnat Asset Management Company [Private] Limited, has managed the scheme in compliance with the regulatory requirements stipulated in the Collective Investment Schemes Act of 1997 [Chapter 24:19], the Trust Deed and the Prospectus. They have fully complied with the reporting requirements and have discharged their responsibilities in all respects. The financial statements for the period ended 31 December 2023 were authorised for issue on 27 March 2024.

On behalf of the Trustee

Atrapara Tinashe Mapara

27 March 2024

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 December 2023

General Information

Reporting entity

The Morgan & Co Made In Zimbabwe Exchange Traded Fund is registered and domiciled in Zimbabwe. The Fund commenced trading on 16 June 2022. The investment objective of the Fund is to provide investment results that, before fees and expenses, closely correspond to the performance of the Zimbabwe Based Manufacturing Companies whose revenues are primarily derived from manufacturing processes.

Basis of preparation
Statement of Compliance
The Exchange Traded Fund's financial statements for the period ended 31 December 2023 have been prepared in accordance with the requirements of International Financial Reporting Standards (IFRS), the Zimbabwe Stock Exchange Listing Requirements and the manner required by the Zimbabwe Companies and Other Business Entities Act (Chapter 24:31)

Reporting Currency
The Fund's functional and presentation currency is Zimbabwean Dollar (ZWL). The inflation adjusted financial statements represent the principal financial statements of the fund. Historical cost financial statements have been presented as supplementary information to the restated financial

IAS 29 requires that the financial statements prepared in the currency of a hyperinflationary economy be stated in terms of the measuring unit current at the balance sheet date, and that corresponding figures for previous periods be restated in the same terms.

The restatement of the historical cost numbers is based on the conversion factors derived from the Total Consumption Poverty Lines (TCPL) issued by the Zimbabwe Statistical Office (ZIMSTATS). The Fund Manager believes the TCPL best represents average price movements in the economy during 2023 and has thus applied it in the preparation of these Financial Statements. The indices and conversion factors used to restate the accompanying Financial Statements as at 31 December 2023 are given below:

Date	Indices	Conversion factor
01.01.2023	13,672.91	4.8054
31.12.2023	65,703.19	1
Average		2.62

Auditors statement

4,1

4,2

11

Additions statements and the complete set of financial statements of Morgan & Co. Made in Zimbabwe Exchange Traded Fund for the year ended 31 December 2023, which have been audited by Kreston Zimbabwe Chartered Accountants, signed by Modern Mutumwa, PAAB Practicing Certificate Number: 0540 and an unqualified opinion has been issued thereon.

Exchange Traded Fund's Investments	Number	ZWL	Inflation adjusted	ZWL Historical
Quoted investments as at 31 December 2023	of Shares	Market Price	Market Value	Market Value
Local shares ZSE	or snares	Market Frice	Market value	Market value
Innscor Africa Limited	4 400	2 686	11 818 743	11 818 743
British American Tobacco Zimbabwe	11 754	13 100	153 977 400	153 977 400
	39 087 700	13 100	312 701 600	312 701 600
Starafricacorporation Limited	367 508		1 289 705 821	
Delta Corporation Limited		3 509		1 289 705 821
Afdis	148 088	2 600	385 028 800	385 028 800
Hippo Valley Estates Limited	166 322	1 900	316 011 800	316 011 800
Nampak Zimbabwe Limited	4 455 684	295	1 314 426 780	1 314 426 780
Amalgamated Regional Trading (ART) Holdings Ltd	4 520 955	64	289 341 120	289 341 120
Morgan & Company (ZWL)	3 749 137	9	33 742 233	33 742 233
TSL ZWL	27 798	1 100	30 577 800	30 577 800
Zimplow ZWL	50	242	12 087	12 087
Proplastic ZWL	5	608	3 040	3 040
Lafarge Cement Zimbabwe Limited	94 100	144	13 526 875	13 526 875
Total quoted equity investments	52 633 501		4 150 874 099	4 150 874 099
Quoted investments as at 31 December 2022				
Local shares ZSE				
Innscor Africa Limited	39 400	3 429	134 970 026	28 118 488
British American Tobacco Zimbabwe	17 946	13 451	241 120 240	50 232 905
Starafricacorporation Limited	39 087 700	10	397 403 738	82 791 657
Delta Corporation Limited	1 376 900	1 729	2 377 803 581	495 371 031
Hippo Valley Estates Limited	1 206 322	877	1 057 323 118	220 273 553
Nampak Zimbabwe Limited	33 254 068	43	1 438 185 623	299 619 153
Amalgamated Regional Trading Holdings Ltd	47 485 555	67	3 191 059 671	664 797 770
Lafarge Cement Zimbabwe Limited	94 100	691	64 929 618	13 526 875
Total quoted equity investments	122 561 991		8 902 795 615	1 854 731 431
• • •				

	Inflation A	djusted	Histor	rical
	2023	2022	2023	2022
	ZWL	ZWL	ZWL	ZWL
Quoted Investments Reconciliations				
Opening Balance	13 023 917 479	-	1 854 731 431	-
Quoted investments purchased	2 939 967 686	20 376 702 752	792 598 486	2 676 902 613
Quoted investments disposed	(5 171 149 408)	(2 142 148 402)	(2 511 949 338)	(239 530 004)
	10 792 735 757	18 234 554 350	135 380 580	2 437 372 610
Fair Value (loss)/ profit	(6 641 861 658)	(5 210 636 871)	4 015 493 519	(582 641 178)
Closing Balance	4 150 874 099	13 023 917 479	4 150 874 099	1 854 731 431
Gain on disposals				
Sale of Investments - Unit Redemption	10 835 675 819	_	7 041 665 255	_
- Cash	3 078 439 119	2 369 508 102	767 642 368	311 284 044
Cost price of sold Investments	(5 171 149 408)	(2 142 148 402)	(2 511 949 338)	(239 530 004)
Cost pileo of sold investments	8 742 965 530	227 359 701	5 297 358 285	71 754 040
	0 / 12 / 00 000		0 211 000 200	
Accounts Receivables	•	90 012 968	-	18 752 523
Dividends Receivable	_	57 116 595	_	11 899 177
Trade Receivables	_	32 896 374	_	6 853 346
Cash and Cash Equivalents	184 323 169	53 894 903	184 323 169	11 227 998
Accounts Payables	23 430 470	22 025 085	23 430 470	4 588 516
Accounts i dyubies	23 430 470	22 023 063	23 430 470	4 300 310
Trade payables	1 815 728	-	1 815 728	-
Management Fees Provision	3 983 348	3 988 046	3 983 348	830 835
Transfer Secretary Fees Provision	482 109	493 282	482 109	102 766
Trustee Fees Provision	361 299	746 391	361 299	155 497
Custodial Fees Provision	_	373 195	_	77 748
Audit Fees Provision	16 787 987	16 424 170	16 787 987	3 421 670
Trustees and Custodial Fees	17 214 926	14 100 697	6 163 185	1 576 707
Trustee Fees	10 990 050	9 400 465	4 004 196	1 051 138
Custodial Fees	6 224 876	4 700 232	2 158 989	525 569
Other Operating Expenses	20 440 803	12 395 788	5 707 982	1 386 068
Bank Charges	78 647	9 967 572	61 154	1 114 551
Sundry Charges	14 093 722	7 70/ 3/2	3 320 577	1 114 331
License Fees	6 268 435	2 428 215	2 326 251	271 517
FICELISE LEES	6 266 433	2 420 213	2 320 231	2/131/

Going Concern The fund's ability to continue as a going concern is dependent on the fund's ability to increase its business and maintaining profitability. The unit holders have committed to inject funds into the business in order for the fund to continue meeting its working capital needs. It is on this basis that the financial statements are prepared on a going concern basis.

Earnings per unit		Inflation Adjusted		Historical	
		2023 ZWL	2022 ZWL	2023 ZWL	2022 ZWL
Pr	ofit/ (loss) for the year	6 119 535 223	(9 179 389 353)	9 473 308 616	(511 358 499)
Ui W H	umber of unit used in calculating Earnings per unit nits in issue eighted average number of units in issue for pasic earnings per unit eighted average number of units in issue for diluted earnings per unit	494 417 400 494 417 400 494 417 400			

Basic Earnings per unit Basic earnings per is calculated by dividing the net profit attributable to unit holders of the fund by the average number of units in issue during the year

Diluted Earnings per unit Diluted earnings per unit is calculated by dividing the net profit attributable to unit holders of the fund by the weighted average number of units in issue during the year plus the weighted average number of units that would be issued on conversion of all the dilutive potential units in to units.

		Inflation A 2023 ZWL	Adjusted 2022 ZWL	Histo 2023 ZWL	rical 2022 ZWL
11.1	Basic Earnings per unit (ZWL) Basic earnings /(loss) per unit Diluted earnings /(loss) per unit	12.38	(18.57)	19.16	(1.03)
11.2		12.38	(18.57)	19.16	(1.03)

Events after the reporting date Subsequent to 31 December 2023, on the 9th of February 2024, Zimnat Asset Management (Pvt) Ltd as the Portfolio Manager in conjunction with CBZ Trustee Services, who are the trustees of the Morgan & Co Made in Zimbabwe ETF declared a dividend of USD 0.00506 cents per unit payable in respect of the qualifying ETF units. The dividend was paid out of the USD dividends received in the ETF counter components in the very even 2023.

The dividend was payable on or about the 12th of March 2024 to unitholders in the ETF's register at the close of business on the 8th of March 2024. The dividend was paid by direct transfers or other approved forms as per the following timetable:

rideria was paid by direct transiers of other approved forms as per the following little rable.	
of announcement ate to Trade — cum dividend Trade Ex Dividend scord Date	09-Feb-24 05-Mar-24 06-Mar-24 08-Mar-24
nd Per Share	12-Mar-24 USD 0.00506
ad Amount	USD 25 000

ZIMSTATS stopped publishing Consumer Price Index (CPI) therefore Total Consumption Proverty Lines per person per month (TCPL) prescribes a new method of measurement of inflation rate. The (TCPL) will be used to inflate Zimbabwean Dollar (ZWL). The new TCPL will use a method of averaging yearly inflation figures based on the 2 main currencies in circulation namely the United States Dollar (USD) and the Zimbabwe Dollar (ZWL). The TCPL will result in challenges in applying IAS29: Financial Reporting in Hyperinflationary environment leading possibly to adverse opinions for entities that have the ZWL as the functional currency going into the unforseeable future.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MORGAN & CO MADE IN ZIMBABWE EXCHANGE TRADED FUND

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Unqualified Opinion

We have audited the financial statements of Morgan & Co Made In Zimbabwe Exchange Traded Fund set out on pages 7 to 15, which comprise the statements of financial position as at 31 December 2023, and the separate statements of comprehensive income, separate statements of changes in reserve and statements of cash flows for the period then ended, and the notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the financial statements present fairly, in all material respects the financial position of Morgan & Co Made In Zimbabwe Exchange Traded Fund as at 31 December 2023, and its financial performance and its cash flows for the period then ended in accordance with International Financial Reporting Standards and in the manner required by the Securities and Exchange Act (Chapter 24:25).

Basis for Unqualified Opinion

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

Material Uncertainty Related to Going Concern

Our review of the managements' responsibility statement set on page 2, relating to going concern, we have nothing to report having performed our review. As noted within the Managements' Responsibility statement on page 2, the management have concluded that it is appropriate to prepare financial statements using the going concern basis of accounting. The going concern basis presumes that the company has adequate resources to remain in operation and that the management intend it to do so, for at least one year from the date of financial statements were signed. As part of our audit, we have assessed that the managements' use of a going concern basis is appropriate. However, because not all future events or conditions can be predicted, these statements are not guaranteed as to the fund's ability to continue as a going concern.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion of these matters. However, there were no key audit matters.



Other information

Other information consists of the management's responsibility statement included in the financial statements, other than the Fund's financial statements and our auditor's report thereon. The management are responsible for the other information.

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

In connection with our audit of the Fund's 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 obtained prior to the date of this auditor's, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibilities for the Financial Statements

The management of Morgan & Co Made In Zimbabwe Exchange Traded Fund are responsible for the preparation and fair presentation of the fund financial statements in accordance with IFRS and for such internal control as the management 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 management are responsible for assessing the Fund'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 management either intend to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Fund 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 ISA's will always detect a material misstatement when it exists. Misstatements can arise from 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 Fund financial statements.

As part of an audit in accordance with ISA's we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risk of material misstatement of the Fund 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, intention omission, misrepresentations, or the override or internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedure that are appropriate in the circumstance, but not for the purpose of expressing an opinion on the effectiveness on the Fund internal controls

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors
- Conclude on the appropriates of the fund's' use of the going concern basis of accounting and based on the audits evidence obtained, whether a material uncertainty exits related to events or conditions that may cast significant doubt on the fund's ability to continue as a going concern. If we conclude that a materials uncertainty exits, we are required to draw attention in our auditor report to the related disclosure 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 date of our auditors' report. However, future events or conditions may cause the fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosure, 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 fund's' activities within the fund to express an opinion on the financial statements. We remain solely responsible for our audit opinion.

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

We also provide the fund with a statement that we have complied with relevant ethical requirement regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with Directors, we determined those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulations 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 the other legal and regulatory Requirements.

In our opinion, the financial statements have in all material respects been properly prepared in compliance with disclosure requirements of the Securities and Exchange Act (Chapter 24:25).

The engagement partner on the audit resulting in this independent auditor's report is Mr. Modern Mutumwa (PAAB Practicing Certificate Number: 0540).

KRESTON ZIMBABWE CHARTERED ACCOUNTANTS REGISTERED PUBLIC AUDITORS

CINETION

HARARE