

OLD MUTUAL ZIMBABWE STOCK EXCHANGE TOP TEN EXCHANGE TRADED FUND

Abridged Audited Financial Statements For the Year Ended 31 December 2023



DO GREAT THINGS EVERY DAY

THE FUND MANAGER'S STATEMENT OF RESPONSIBILITY

The Fund Manager, Old Mutual Investment Group Zimbabwe (Private) Limited (OMIG), has pleasure in presenting the financial statements of the Old Mutual Zimbabwe Stock Exchange (ZSE) Top Ten Exchange Traded Fund ("the Fund") for the year ended 31 December 2023. The Fund is an investment vehicle for various clients whose funds are pooled together with the objective to:

- provide investment results that, before fees and expenses, closely correspond to the performance of ZSE Top Ten Index; and
- provide the unit holder with a steady growth of income and capital in the medium to long term period.

Responsibility

The Fund Manager is responsible for the preparation, integrity and objectivity of inflation adjusted financial statements, comprising the statement of financial position as at 31 December 2023, the statements of comprehensive income, cash flows, changes in net assets of unit holders and the notes to the financial statements for the year then ended, which include a summary of significant accounting policies and other explanatory notes, in accordance with International Financial Reporting Standards (IFRSs) and the requirements of the Collective Investments Schemes Act (Chapter 24:19) and the Trust Deed, that fairly present the state of affairs of the Fund at the end of each financial period.

The OMIG Board set standards and management implement systems of internal control, accounting and information systems aimed at providing reasonable assurance that assets are safeguarded, and the risk of error, fraud or loss is reduced in a cost effective manner and make appropriate accounting estimates. These controls, contained in established policies and procedures, include the proper delegation of responsibilities and authority within a clearly defined framework, effective accounting procedures and adequate segregation of duties.

Compliance with legislation

These financial statements, which have been prepared on an inflation adjusted basis, are based on the application of inflation indices on underlying accounting records which were maintained on the historical cost convention (except for fair value measurement where applicable) agree with the underlying books and records. They have been properly prepared in accordance with the accounting policies set out in note 2 and comply with the disclosure requirements of the Collective Investments Schemes Act (Chapter 24:19).

The primary financial statements of the Fund are prepared based on IAS29 "Financial Reporting in Hyperinflationary Economies". These financial statements comply with IAS29 in all material respects. The Fund, in accordance with trends observed in the rest of the economy, has seen an increasing proportion of transactions denominated in United States Dollars, a currency which is not subject to hyperinflation. This has presented some practical challenges in the preparation of the financial statements, and it is the view of the Fund Manager that IAS29 did not fully envisage a situation where a Hyperinflationary Economy effectively has other currencies besides the local currency in official circulation as mediums of exchange and also in use in determining the price of goods and services. Users of the financial statements are advised to consider the implications of the multicurrency environment on the business.

Compliance with the International Financial Reporting Standards

The financial statements are prepared with the aim of complying fully with International Financial Reporting Standards (IFRSs). IFRSs comprise interpretations adopted by the International Accounting Standards Board (IASB), which includes standards adopted by the International Accounting Standards Board (IASB) and interpretations developed by the International Financial Reporting Interpretations Committee (IFRIC) or by the former Standing Interpretations Committee (SIC). Complying with IFRSs achieves consistency with the financial reporting framework adopted by the Fund Manager's ultimate parent company, Old Mutual Limited, which is incorporated in South Africa. Using a globally recognized reporting framework also allows comparability with similar businesses and consistency in the interpretation of the financial statements.

In 2019, the emergence of hyperinflation resulted in the adoption of inflation adjusted accounts prepared in terms of International Accounting Standard 29 (IAS29) "Financial Reporting in Hyperinflationary Economies", as the primary basis of reporting.

Accordingly, 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 statements as per Pronouncement 01/2019 issued by the Public Accountants and Auditors Board on 11 October 2019.

Financial Highlights

The operating results and financial position of the Fund are set out in the statement of comprehensive income, statement of financial position, statement of changes in net assets, statement of cash flows and the accompanying notes.

The Fund recorded an inflation adjusted net income attributable to unitholders of ZWL\$2,492,250,347 for the year (2022: net loss of ZWL\$6,258,731,818).

Dividend

The fund did not declare a dividend for the financial year ending 31 December 2023

Going concern

The Fund Manager has assessed the ability of the Fund to continue operating as a going concern and believe that the preparation of financial statements using the going concern assumption is no longer appropriate. The financial statements have been prepared on a liquidation basis, following the trading as a closed fund since 1 March 2023. The Trustee and the Fund Manager issued a cautionary statement to the Fund's unitholders and members of the public that, as a result of changes in the composition of the Index, there are considerations underway that could have a material effect on the future of the Fund.

Fund Manager's responsibilities for the financial statements

The OMIG Audit, Risk and Compliance Committee (ARCC), together with the Group Internal Audit, play an integral role in matters relating to financial and internal control, accounting policies, reporting and disclosure.

Based on the above, the Fund Manager is satisfied that no material breakdown in the operation of the systems of internal control and procedures has occurred during the period under review.

The Fund Manager has ensured that the Fund has complied with the laws and regulations in all material respects.

It is the responsibility of the independent auditors to express an opinion on the financial statements. Their statement to the participants of the Fund is set out below.

Business address
Mutual Gardens
100 The Chase (West)
Emerald Hill
Harare

Postal address
Private Bag A6101
Avondale
Harare

Approval of the annual financial statements

These financial statements were prepared under the supervision of Faith Mundeta PAAB Registration number: 0710. The Fund Manager's statement of responsibility and the financial statements were approved on 25 March 2024 and are signed by:

Marjorie Mayida
Fund Manager

28 March 2024

THE TRUSTEE'S REPORT

Stanbic Investor Services Zimbabwe is the Trustee for the Old Mutual Zimbabwe Stock Exchange Top Ten Exchange Traded Fund ("the Fund") in terms of the Collective Investment Schemes Act (Chapter 24:19) and the Trust Deed.

In terms of the Trust Deed, the Trustee is a person or an entity who holds the assets of the Fund in trust for the participants. It is the duty of the Trustee to take reasonable care to ensure that the Fund is managed by the Fund Manager in accordance with the Collective Investment Schemes Act (Chapter 24:19) and the Trust Deed, in relation to the pricing of, and dealings in, units in the Fund; the application of income of the Fund; and the investments applicable to the Fund.

The Trustee is required to satisfy themselves on reasonable grounds and on a continuing basis that the Fund Manager has maintained and is maintaining sufficient financial records. The Trustee takes into their custody or under their control, all the capital property of the Trust and hold it in trust for the unit holders in accordance with the Trust Deed and, hence, the Trustee along with the Fund Manager, are responsible for taking all reasonable steps for the prevention and detection of fraud, error and non-compliance with law and regulations.

Under the Collective Investment Schemes Act (24:19), the Trustee is required to keep accurate accounts and records. Pursuant to the Trust Deed, this duty is devolved to the Fund Manager who is required to keep, in accordance with the requirements of the law proper, books of accounts and records showing all transactions effected on behalf of the Fund and arrange for the audit and delivery of financial statements to the Trustee. The Trustee may accept and shall not be bound to verify the financial statements produced by or on behalf of the Fund Manager unless the Trustee has actual notice of any irregularity.

Conclusion

Having carried out such procedures as we consider necessary to discharge our responsibilities as the Trustee of the Fund, based on the information available to us and the explanations provided, we report that in all material aspects the Fund, acting through the Fund Manager:

- (i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Fund's units and the application of the Fund's income in accordance with the Collective Investments Schemes Act (Chapter 24:19) and the Trust Deed; and
- (ii) has observed the investment and restrictions of the scheme.

Trustees
Stanbic Investor Services Zimbabwe
59 Samora Machel Avenue
Harare.

28 March 2024

INDEPENDENT AUDITOR'S STATEMENT

These abridged inflation-adjusted financial statements should be read in conjunction with the complete set of the inflation-adjusted financial statements as at the end and for the year ended 31 December 2023.

The financial statements have been audited by Messrs Deloitte & Touche Chartered Accountants (Zimbabwe) ("Deloitte"), who have issued an unqualified opinion. The auditor's report on the Inflation-adjusted financial statements, from which these abridged inflation-adjusted financial statements are extracted, is available for inspection at the Fund's registered office.

The opinion included a key audit matter in respect of net assets attributable to unit holders.

The engagement Partner responsible for the audit was Mr Lawrence Nyajeka, PAAB Practice Certificate Number 0598.



Statement of Comprehensive Income for the year ended 31 December 2023

Note	Audited Inflation Adjusted		*Unaudited Historical	
	2023 ZWL	2022 ZWL	2023 ZWL	2022 ZWL
Investment income/(loss)	3 164 722 038	(6 103 786 665)	6 880 357 572	426 784 610
Dividend income	232 334 697	116 351 052	157 810 563	18 711 520
Foreign exchange gains	189 749 443	22 658 659	169 238 312	4 715 205
Fair value gains on equity investments	1 250 786 594	(7 042 411 165)	6 238 411 632	288 176 744
Gain from sale of shares	1 491 851 304	799 614 789	314 897 065	115 181 141
Operating expenses	(181 608 714)	(130 820 018)	(114 502 197)	(16 853 124)
Management fees	(49 038 210)	(55 442 568)	(25 735 292)	(6 227 837)
Trustee's fees	(8 563 555)	(9 904 277)	(4 459 837)	(1 088 271)
Audit fees	(102 876 377)	(56 533 988)	(67 176 719)	(7 826 318)
Transfer Secretary fees	(13 978 802)	(4 422 941)	(13 232 814)	(846 421)
Other expenses	(7 151 770)	(4 516 244)	(3 897 535)	(864 277)
Net (loss)/income attributable to unit holders before monetary loss	2 983 113 324	(6 234 606 683)	6 765 855 375	409 931 486
Loss on net monetary items	(490 862 977)	(24 125 135)	-	-
Net income	2 492 250 347	(6 258 731 818)	6 765 855 375	409 931 486
Earnings/(loss) per unit				
Basic and diluted (cents)	1 668	(3 854)	4 628	255

Statement of Financial Position As at 31 December 2023

Note	Audited Inflation Adjusted		*Unaudited Historical	
	2023 ZWL	2022 ZWL	2023 ZWL	2022 ZWL
ASSETS				
Cash and cash equivalents	298 216 887	218 543 801	298 216 887	45 478 368
Equity investments	7 552 781 570	5 322 470 229	7 552 781 570	1 107 591 514
Total assets	7 850 998 457	5 541 014 030	7 850 998 457	1 153 069 882
LIABILITIES				
Accounts payable	66 339 670	43 132 921	66 339 670	8 975 843
Intercompany payable	19 927 974	2 945 152	19 927 974	612 878
Total liabilities	86 267 644	46 078 073	86 267 644	9 588 721
Net Assets	7 764 730 813	5 494 935 957	7 764 730 813	1 143 481 161
Net assets attributable to unit holders	7 764 730 813	5 494 935 957	7 764 730 813	1 143 481 161

Statement of Changes in Net Assets of Unit Holders for the year ended 31 December 2023

	Units in issue ZWL	Undistributed income/(loss) ZWL	Total ZWL
31 December 2023			
Opening net assets attributable to unit holders	6 246 285 388	(751 349 431)	5 494 935 957
Net profit attributable to unit holders	-	2 492 250 347	2 492 250 347
Distribution to unit holders	-	(70 459 307)	(70 459 307)
Redemption of units during the year	(151 996 184)	-	(151 996 184)
Closing net assets attributable to unit holders	6 094 289 204	1 670 441 609	7 764 730 813
31 December 2022			
Opening net assets attributable to unit holders	4 411 492 973	5 477 199 771	9 888 692 744
Net loss attributable to unit holders	-	(6 258 731 818)	(6 258 731 818)
Distribution to unit holders	-	30 182 616	30 182 616
Issue of units during the year	1 834 792 415	-	1 834 792 415
Closing net assets attributable to unit holders	6 246 285 388	(751 349 431)	5 494 935 957
Unaudited Historical			
31 December 2023			
Opening net assets attributable to unit holders	311 880 541	831 600 620	1 143 481 161
Net profit attributable to unit holders	-	6 765 855 375	6 765 855 375
Distribution to unit holders	-	(45 801 607)	(45 801 607)
Redemption of units during the year	(98 804 116)	-	(98 804 116)
Closing net assets attributable to unit holders	213 076 425	7 551 654 388	7 764 730 813
31 December 2022			
Opening net assets attributable to unit holders	178 779 636	419 841 999	598 621 635
Net profit attributable to unit holders	-	409 931 486	409 931 486
Distribution to unit holders	-	1 827 135	1 827 135
Issue of units during the year	133 100 905	-	133 100 905
Closing net assets attributable to unit holders	311 880 541	831 600 620	1 143 481 161

Statement of Cash Flows for the year ended 31 December 2023

	Audited Inflation Adjusted		*Unaudited Historical	
	2023 ZWL	2022 ZWL	2023 ZWL	2022 ZWL
Cash flows from operating activities				
Net income	2 492 250 347	(6 258 731 818)	6 765 855 375	409 931 486
Non-cash items movements and adjustments to net income	(1 384 958 567)	7 019 752 506	(6 372 583 605)	(292 891 949)
Changes to working capital	40 021 382	250 757 098	76 643 925	21 979 165
Net cash from operating activities	1 147 313 162	1 011 777 786	469 915 695	139 018 702
Cash flows from investing activities				
Net Purchase of investments	(979 524 747)	(2 748 201 903)	(206 778 424)	(237 259 722)
Net cash outflow from investing activities	(979 524 747)	(2 748 201 903)	(206 778 424)	(237 259 722)
Cash flows from financing activities				
Net cash inflow from purchases of units by unit holders	(151 996 184)	1 834 792 415	(98 804 116)	133 100 905
Distribution to unit holders	(70 459 307)	30 182 616	(45 801 607)	1 827 135
Net cash inflow from financing activities	(222 455 491)	1 864 975 031	(144 605 723)	134 928 040
Effects on exchange rate fluctuations on cash held	134 340 162	22 658 658	134 206 971	4 715 205
Net increase in cash and cash equivalents	79 673 086	151 209 572	252 738 519	41 402 225
Cash and cash equivalents at beginning of year	218 543 801	67 334 229	45 478 368	4 076 143
Cash and cash equivalents at end of year	298 216 887	218 543 801	298 216 887	45 478 368

*The historic amounts are shown as supplementary information. The historic information does not comply with International Financial Reporting Standards in that it has not taken account of the requirements of International Accounting Standard 29: Financial Reporting in Hyperinflationary Economies. As a result, the auditors have not expressed an opinion on the historic financial information.

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

1. General Information

1.1 Reporting entity

The Old Mutual Zimbabwe Stock Exchange Top Ten Exchange Traded Fund is registered and domiciled in Zimbabwe. The Fund commenced trading on 1 January 2021. The financial statements have been prepared on a liquidation basis, following the trading as a closed fund since 1 March 2023.

1.2 Fund objectives

The objectives of the Fund are:
 · To provide investors with an investment that balances long term capital growth and regular income; and
 · To provide a medium risk profile by spreading investments over several sectors of the economy.

1.3 Fund Managers

The Fund Manager is Old Mutual Investment Group Zimbabwe (Private) Limited (OMIG). OMIG is a subsidiary of Old Mutual Zimbabwe Limited (OMZIL)

1.4 Risk factor

This is a moderate risk Fund. The Fund value fluctuates in line with the share prices on the Zimbabwe Stock Exchange, whose prices are affected by the performance of the companies, the economic and political outlook environment. The diversification of the asset classes in the portfolio minimizes specific asset risks.

1.5 Fund administration

The Fund is exposed to a mix of financial risks resulting predominantly from the top ten listed counters on the Zimbabwe Stock Exchange. Financial risk is limited by the regulatory environment. The CIS Act (Chapter 24:19) has strict and specific regulations as to what instruments may and may not be held. The Fund is also governed by a Trust Deed, which commits it to a specific investment objective.

The Securities and Exchange Commission of Zimbabwe approves the creation of the Fund and reviews compliance by the Fund Manager at least annually. Regular checks are performed by the independent Trustee as well as the compliance function of the Fund Manager to ensure compliance with investment mandates and limitations specified in the Trust Deed and the regulations determined under the Collective Investments Scheme Act (Chapter 24:19). The Trustee is the custodian of units in issue as required by the Collective Investment Schemes Act (Chapter 24:19).

The Custodian is responsible for maintaining the Fund bank capital account and executing investments as directed by the Fund Manager.

2. Accounting Policies

2.1 Basis of preparation

The Fund's functional and presentation currency is Zimbabwean Dollars. 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 statements.

For restated financial statements to be prepared after 1 February 2023 the Fund Manager is using the movements in the Poverty Datum Line (PDL) (alternatively called the Total Consumption Poverty Line (TCPL) which is also published by ZIMSTAT, which measures the amount required to purchase both non-food and food items for a family at the poverty line. By analysing the correlation between the movement in PDL and the officially published ZWL CPI from January 2021 to December 2022, we observed a strong relationship with a correlation coefficient of 0.99. While IAS 29 provides for the use of exchange rate movements as a proxy for inflation where a general price index is not available, we did not observe a strong relationship between ZWL CPI and the exchange rate movements over the last two financial reporting periods. Consequently, the estimated CPI after February 2023 has been derived by adjusting the last published ZWL CPI (published in January 2023) by the monthly movement of the PDL. The indices and conversion factors used to restate the accompanying financial statements as at 31 December 2023 are given below:

Dates	Indices	Conversion Factors
31/12/2023	65 704.40	1
31/12/2022	13 672.91	4.8054
31/12/2021	3 977.48	16.5191

2.2 Revenue

Revenue comprises dividend income, realised and unrealised gains on investments

2.3 Management fees

Management fees are calculated based on the rate approved by the Fund Manager and the unitholders. In 2023, management fees are calculated using a rate of 0.5% per annum based on fund value under management, with the accrual being done on a monthly basis.

2.4 Trustee's fees

Trustee's fees are calculated using a rate of 0.1% per annum based on fund value under management, with the accrual being done monthly and payment effected on a monthly basis.

3. Dividends Received

	Audited Inflation Adjusted 2023 ZWL	2022 ZWL	*Unaudited Historical 2023 ZWL	2022 ZWL
CBZ	26 415 303	5 297 076	20 661 806	701 985
Delta Corp Limited	112 098 390	49 462 144	89 092 492	8 650 977
OK Zimbabwe	1 059 021	-	793 378	-
Hippo Valley	1 269 365	-	266 987	-
Innscore Africa Limited	58 854 173	33 570 460	30 655 337	5 131 565
National Foods	-	15 142 544	-	2 330 168
Simbisa	-	12 878 828	-	1 896 825
FBC	20 793 315	-	11 775 394	-
Axia	6 315 833	-	3 262 448	-
British American Tobacco	5 529 297	-	1 302 721	-
Total Dividends received	232 334 697	116 351 052	157 810 563	18 711 520

4. Exchange Traded Fund's Investments

	Number of shares	Market price ZWL Cents	Market value ZWL	Market value ZWL
Quoted investments as at 31 December 2023				
Local shares ZSE				
CBZ	370 679	317 500	1 176 905 825	1 176 905 825
FBC	427 504	90 605	387 339 999	387 339 999
BAT Zimbabwe	14 745	1 310 000	193 159 500	193 159 500
OK Zimbabwe	699 848	21 384	149 658 576	149 658 576
Delta Corp Limited	800 244	350 933	2 808 318 036	2 808 318 036
EcoCash Holdings (formerly Cassava)	1 353 927	17 618	238 534 047	238 534 047
Econet Wireless Zimbabwe Limited	1 462 510	84 595	1 237 214 430	1 237 214 430
Hippo Valley	19 999	190 000	37 998 099	37 998 099
Foreign Equities				
Axia	433 674	48 838	211 796 757	211 796 757
Innscore	413 933	268 608	1 111 856 301	1 111 856 301
Total quoted equity investments			7 552 781 570	7 552 781 570
Quoted investments as at 31 December 2022				
Local shares ZSE				
CBZ	358 438	13 500	232 531 313	48 389 130
BAT Zimbabwe	14 106	279 911	189 739 665	39 484 306
Delta Corp Limited	896 274	35 977	1 549 539 410	322 454 917
EcoCash Holdings (formerly Cassava)	1 778 924	4 008	342 633 297	71 301 053
Econet Wireless Zimbabwe Limited	1 780 266	9 628	823 637 487	171 396 711
Hippo Valley	132 543	18 260	116 302 627	24 202 259
Innscore Africa Limited	391 195	71 367	1 341 598 776	279 183 042
Foreign Equities				
National Foods	46 969	119 947	270 729 210	56 338 009
Simbisa	385 930	24 575	455 758 444	94 842 087
Total quoted equity investments			5 322 470 229	1 107 591 514

5. Total net assets attributable to unit holders -units in issue

	Audited Inflation Adjusted ZWL\$	Unaudited Historical ZWL\$
Opening Issued units 1 January 2022		
143 625 247 units/Average price \$1.24	4 411 492 973	178 779 636
Issued in 2022		
21 309 596 units/Average price ZWL\$ 6.25 each	1 834 792 415	133 100 905
Closing Issued units 31 December 2022	6 246 285 388	311 880 541
164 934 843 units		
Redeemed in 2023		
19 735 849 units/Average price ZWL\$ 4.87 each	(151 996 184)	(98 804 116)
Closing Issued units 31 December 2023	6 094 289 204	213 076 425
145 198 994 units		

Supplementary information to the abridged financial statements

Analysis of unit holder balances at 31 December 2023 on the secondary market

Category	Number of unitholders	Market value	Price (cents)	Number of units
0 to 5 000	1,300	60,866,602	41.68440	1,460,177
5 001 to 10 000	124	38,615,636	41.68440	926,381
10 001 to 20 000	109	64,786,895	41.68440	1,554,224
20 001 to 50 000	75	96,887,259	41.68440	2,324,305
50 001 to 100 000	32	96,146,069	41.68440	2,306,524
100 001 to 250 000				



**Old Mutual Zimbabwe Stock Exchange Top Ten Exchange Traded Fund
Financial Statements
for the year ended 31 December 2023**

**OLD MUTUAL ZIMBABWE STOCK EXCHANGE TOP TEN EXCHANGE TRADED FUND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

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Note: Unless stated otherwise, all the financial amounts are presented in Zimbabwean dollars (ZWL).

**OLD MUTUAL ZIMBABWE STOCK EXCHANGE TOP TEN EXCHANGE TRADED FUND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

GENERAL INFORMATION

NATURE OF BUSINESS

Old Mutual Unit Zimbabwe Stock Exchange Top Ten Exchange Traded Fund ("the Fund") holds the shares in the top ten Zimbabwe Stock Exchange (ZSE) shares and the aim is to distribute the net dividends after taking all the dividends received from the listed equities the Fund has invested in.

FUND MANAGER REGISTERED OFFICE

Mutual Gardens
100 The Chase (West)
Emerald Hill
Harare
Zimbabwe

POSTAL ADDRESS

PO Box 70
Harare
Zimbabwe

REGISTRATION NUMBER

39156/2008

TRUSTEES REGISTERED OFFICE

Stanbic Investor Services Zimbabwe
59 Samora Machel Avenue
Harare
Zimbabwe

BANKERS

Stanbic Investor Services Zimbabwe
59 Samora Machel Avenue
Harare
Zimbabwe

AUDITORS

Deloitte & Touche
West Block, Borrowdale Office Park, Borrowdale Road,
Borrowdale
Harare
Zimbabwe

PREPARATION SUPERVISED BY

Faith Mundeta
PAAB Registration number: 0710

**OLD MUTUAL ZIMBABWE STOCK EXCHANGE TOP TEN EXCHANGE TRADED FUND
THE FUND MANAGER'S STATEMENT OF RESPONSIBILITY
FOR THE YEAR ENDED 31 DECEMBER 2023**

The Fund Manager, Old Mutual Investment Group Zimbabwe (Private) Limited (OMIG), has pleasure in presenting the financial statements of the Old Mutual Zimbabwe Stock Exchange Top Ten Exchange Traded Fund ("the Fund") for the year ended 31 December 2023. The Fund is an investment vehicle for various clients whose funds are pooled together.

- The investment objective of the Fund is to provide investment results that, before fees and expenses, closely correspond to the performance of Zimbabwe Stock Exchange (ZSE) Top Ten Index; and
- The Fund aims to provide the unit holder with a steady growth of income and capital in the medium to long term period.

Responsibility

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The OMIG Board set standards and management implements systems of internal control, accounting and information systems aimed at providing reasonable assurance that assets are safeguarded, and the risk of error, fraud or loss is reduced in a cost-effective manner, as well as making appropriate accounting estimates. These controls, contained in established policies and procedures, include the proper delegation of responsibilities and authority within a clearly defined framework, effective accounting procedures and adequate segregation of duties.

Compliance with legislation

These financial statements, which have been prepared on an inflation adjusted basis, are based on the application of inflation indices on underlying accounting records which were maintained on the historical cost convention (except for fair value measurement where applicable) and are in agreement with the underlying books and records. The financial statements have been properly prepared in accordance with the accounting policies set out in note 2 and comply with the disclosure requirements of the Collective Investments Schemes Act (Chapter 24:19).

Compliance with IFRSs

The financial statements are prepared with the aim of complying fully with International Financial Reporting Standards (IFRSs). IFRSs comprise interpretations adopted by the International Accounting Standards Board (IASB), which includes standards adopted by the International Accounting Standards Board (IASB) and interpretations developed by the International Financial Reporting Interpretations Committee (IFRIC) or by the former Standing Interpretations Committee (SIC). Complying with IFRSs achieves consistency with the financial reporting framework adopted by the Fund Manager's ultimate parent company, Old Mutual Limited, which is incorporated in South Africa. Using a globally recognized reporting framework also allows comparability with similar businesses and consistency in the interpretation of the financial statements.

In 2019, the emergence of hyperinflation resulted in the adoption of inflation adjusted accounts prepared in terms of International Accounting Standard 29 (IAS29) "Financial Reporting in Hyperinflationary Economies", as the primary basis of reporting.

Accordingly, 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 statements as per Pronouncement 01/2019 issued by the Public Accountants and Auditors Board on 11 October 2019.

The operating results and financial position of the Fund are set out in the statement of comprehensive income, statement of financial position, statement of changes in net assets of unit holders, statement of cash flows and the accompanying notes.

**OLD MUTUAL ZIMBABWE STOCK EXCHANGE TOP TEN EXCHANGE TRADED FUND
THE FUND MANAGER'S STATEMENT OF RESPONSIBILITY (continued)
FOR THE YEAR ENDED 31 DECEMBER 2023**

Financial highlights

The Fund recorded an inflation adjusted net income attributable to unit holders of ZWL\$2 492 250 347 for the year (2022: net loss of ZWL\$6 258 731 818).

The Fund, in accordance with trends observed in the rest of the economy, has seen an increasing proportion of transactions denominated in United States Dollars, a currency which is not subject to hyperinflation. Users of the financial statements are advised to consider the implications of the multicurrency environment on the business and are also referred to supplementary information on page 29 for further disclosure.

Going concern

The Fund Manager has assessed the ability of the Fund to continue operating as a going concern and believe that the preparation of financial statements using the going concern assumption is no longer appropriate. The Fund has been operating as a closed fund since 1 March 2023. As a result of changes in the composition of the Index, and migration of some companies that traditionally made up the top ten, the Fund Manager approved a plan that could have a material effect on the future of the Fund. The Fund is currently operation under a cautionary statement to that effect issued on 19 March 2024.

Fund Manager's responsibilities for the financial statements

The OMIG Audit, Risk and Compliance Committee (ARCC), together with the Group Internal Audit (GIA), play an integral role in matters relating to financial and internal control, accounting policies, reporting and disclosure.

Based on the above, the Fund Manager is satisfied that no material breakdown in the operation of the systems of internal control and procedures has occurred during the period under review.

The Fund will consistently adopt appropriate and recognised International Financial Reporting Standards (IFRSs). The financial statements are based on the statutory records that are maintained under the historical cost convention except for financial assets and liabilities that are carried at fair value.

The Fund Manager has ensured that the Fund has complied with the laws and regulations in all material respects.

It is the responsibility of the independent auditors to express an opinion on the financial statements. Their report to the participants of the Fund is set out on pages 5-8.

Trustees

The Trustees who held office during the period were Stanbic Investor Services Zimbabwe.

The Fund Manager's statement of responsibility and the financial statements were approved on 25 March 2023 and are signed by:


.....
Fund Manager

28 March 2024

**OLD MUTUAL ZIMBABWE STOCK EXCHANGE TOP TEN EXCHANGE TRADED FUND
THE TRUSTEE'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023**

Trustee's responsibilities for the financial statements

Stanbic Investor Services Zimbabwe is the Trustee for the Old Mutual Zimbabwe Stock Exchange Top Ten Exchange Traded Fund ("the Fund") in terms of the Collective Investment Schemes Act (Chapter 24:19) and the Trust Deed.

In terms of the Trust Deed, the Trustee is a person or an entity who hold the assets of the Fund in trust for the participants. It is the duty of the Trustee to take reasonable care to ensure that the Fund is managed by the Fund Manager in accordance with the Collective Investment Schemes Act (Chapter 24:19) and the Trust Deed, in relation to the pricing of, and dealings in, units in the Fund; the application of income of the Fund; and the investments applicable to the Fund.

The Trustee is required to satisfy themselves on reasonable grounds and on a continuing basis that the Fund Manager has maintained and is maintaining sufficient financial records. The Trustee takes into their custody or under their control, all the capital property of the Trust and hold it in trust for the unit holders in accordance with the Trust Deed and, hence, the Trustee along with the Fund Manager, are responsible for taking all reasonable steps for the prevention and detection of fraud, error and non-compliance with law and regulations.

Under the Collective Investment Schemes Act (24:19), the Trustee is required to keep accurate accounts and records. Pursuant to the Trust Deed, this duty is devolved to the Fund Manager who is required to keep, in accordance with the requirements of the law proper, books of accounts and records showing all transactions effected on behalf of the Fund and arrange for the audit and delivery of financial statements to the Trustee. The Trustee may accept and shall not be bound to verify the financial statements produced by or on behalf of the Fund Manager unless the Trustee has actual notice of any irregularity.

Conclusion

Having carried out such procedures as we consider necessary to discharge our responsibilities as the Trustee of the Fund, based on the information available to us and the explanations provided, we report that in all material aspects the Fund, acting through the Fund Manager:

- (i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Fund's units and the application of the Fund's income in accordance with the Collective Investments Schemes Act (Chapter 24:19) and the Trust Deed; and
- (ii) has observed the investment and restrictions of the scheme.

Trustees
Stanbic Investor Services Zimbabwe
59 Samora Machel Avenue
Harare

28 March 2024

**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF OLD MUTUAL UNIT TRUSTS TOP TEN EXCHANGE TRADED FUND
REPORT ON THE AUDIT OF THE INFLATION ADJUSTED FINANCIAL STATEMENTS**

Opinion

We have audited the inflation adjusted financial statements of Old Mutual Unit Trusts Top Ten Exchange Traded Fund ("the Fund") set out on pages 9 to 27 which comprise the inflation adjusted statement of comprehensive income in liquidation, inflation adjusted statement of financial position in liquidation as at 31 December 2023, inflation adjusted statement of changes in net assets of unit holders in liquidation and the inflation adjusted statement of cash flows in liquidation for the year then ended, and the notes to the inflation adjusted financial statements, including a summary of material accounting policy information.

In our opinion, the accompanying inflation adjusted financial statements present fairly, in all material respects, the inflation adjusted financial position of the Fund as at 31 December 2023, and its inflation adjusted financial performance and its inflation adjusted cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRS" and "IFRS") in the manner required by the Collective Investments Schemes Act (Chapter 24:19) and the Trust Deed.

Basis of Opinion

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

Emphasis of Matter

We draw attention to note 11 of the financial statements in liquidation, which indicates that the Fund has been operating as a closed fund since 1 March 2023. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the inflation adjusted financial statements of the current period. These matters were addressed in the context of our audit of the inflation adjusted financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matters described in the basis of opinion section, we have determined the matters below to be the key audit matter to be communicated in our report:



**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF OLD MUTUAL UNIT TRUSTS TOP TEN EXCHANGE TRADED FUND**

REPORT ON THE AUDIT OF THE INFLATION ADJUSTED FINANCIAL STATEMENTS

Key audit matters (continued)

Key audit matter	How the matter was addressed in the audit
Net assets attributable to unitholders	
<p>Included in the inflation adjusted statement of changes in net assets of unit holders as at 31 December 2023 are the closing net assets attributable to the unit holders amounting to ZWL\$ 7 764 730 813 (2022: ZWL\$ 5 494 935 957).</p> <p>The accounting policy and disclosures for units in issue attributable to unit holders is included in note 11. The balance is indicative of the unit holders' investments in the Fund.</p> <p>Net assets attributable to unit holders has been considered a key audit matter as a result of the significant volumes of units in issue, the frequency of issuing and redemption of units and the materiality of the balances in relation to the financial statements as a whole.</p>	<p>To respond to the key audit matter, we performed the following procedures:</p> <ul style="list-style-type: none"> • We evaluated the design and tested the implementation of controls management has put into effect relating to the issuing and redemption of units; • We confirmed units in issue from the Trustee and compared this to the ledger; • We performed completeness test for units in issue; • We recomputed the value of units in issue as per the client numbers and compared this to the value we confirmed from Stanbic; • We performed an analytical expectation and expressed variances of monetary values in issue as percentages of total value of investment for the fund; • We inspected underlying supporting documentation to determine the gross market value of the units in issue; and • We assessed adequacy of the disclosures in the inflation adjusted financial statements for compliance with International Accounting Standard (IAS) 1, Presentation of financial statements. <p>Based on our procedures we found that the net assets attributable to unit holders were appropriately accounted for.</p>

Other Information

The Fund Manager is responsible for the other information. The other information comprises the Fund Manager's statement of responsibility, Trustees' report, the analysis of unit holder balances at year end, the foreign currency denominated balances and transactions, and the historical financial information as required by the Collective Investments Schemes Act (Chapter 24:19) and the Trust Deed, which we obtained prior to the date of this auditor's report. The other information does not include the financial statements and our auditor's report thereon.

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

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

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

**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF OLD MUTUAL UNIT TRUSTS TOP TEN EXCHANGE TRADED FUND**

REPORT ON THE AUDIT OF THE INFLATION ADJUSTED FINANCIAL STATEMENTS

Responsibilities of the Fund Manager for the Inflation Adjusted Financial Statements.

The Fund Manager is responsible for the preparation and fair presentation of the inflation adjusted financial statements in accordance with International Financial Reporting Standards and the requirements of the Collective Investments Schemes Act (Chapter 24:19), the Trust Deed and for such internal control as the Fund Manager determines it necessary to enable the preparation of inflation adjusted financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the inflation adjusted financial statements, the Fund Manager is 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 Fund Manager either intend to liquidate the Fund or to cease operations, or have no realistic alternative but to do so.

Our objectives are to obtain reasonable assurance about whether the inflation adjusted financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these inflation adjusted financial statements.

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

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

- Identify and assess the risks of material misstatement of the inflation adjusted financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Fund Manager.
- Conclude on the appropriateness of the Fund Manager's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the inflation adjusted financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the inflation adjusted financial statements, including the disclosures, and whether the inflation adjusted financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF OLD MUTUAL UNIT TRUSTS TOP TEN EXCHANGE TRADED FUND**

REPORT ON THE AUDIT OF THE INFLATION ADJUSTED FINANCIAL STATEMENTS

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

We communicate with the Fund Manager 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 Fund Manager with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards applied.

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

REPORT ON OTHER LEGAL AND REGULATORY MATTERS

The financial statements of the Fund are properly drawn up in accordance with the requirements of the Collective Investments Schemes Act (Chapter 24:19).

Debitte A Touche

Chartered Accountants (Zimbabwe)

Per. Lawrence Nyajeka

Partner

PAAB Practice Certificate Number 0598

Harare

Zimbabwe

Date: 29 March 2024

OLD MUTUAL ZIMBABWE STOCK EXCHANGE TOP TEN EXCHANGE TRADED FUND
STATEMENT OF COMPREHENSIVE INCOME IN LIQUIDATION
FOR THE YEAR ENDED 31 DECEMBER 2023

		Audited Inflation Adjusted	Audited Inflation Adjusted	*Unaudited Historical	*Unaudited Historical
	Note	2023 ZWL\$	2022 ZWL\$	2023 ZWL\$	2022 ZWL\$
Investment income / (loss)		3 164 722 038	(6 103 786 665)	6 880 357 572	426 784 610
Dividend income	5.1	232 334 697	116 351 052	157 810 563	18 711 520
Foreign exchange gains		189 749 443	22 658 659	169 238 312	4 715 205
Fair value (loss) / gain on equity investments	6	1 250 786 594	(7 042 411 165)	6 238 411 632	288 176 744
Gain from sale of shares		1 491 851 304	799 614 789	314 897 065	115 181 141
Operating expenses		(181 608 714)	(130 820 018)	(114 502 197)	(16 853 124)
Management fees	8.1	(49 038 210)	(55 442 568)	(25 735 292)	(6 227 837)
Trustee's fees	8.1	(8 563 555)	(9 904 277)	(4 459 837)	(1 088 271)
Audit fees		(102 876 377)	(56 533 988)	(67 176 719)	(7 826 318)
Transfer Secretary fees		(13 978 802)	(4 422 941)	(13 232 814)	(846 421)
Other expenses	3	(7 151 770)	(4 516 244)	(3 897 535)	(864 277)
Net income/(loss) attributable to unit holders before monetary loss		2 983 113 324	(6 234 606 683)	6 765 855 375	409 931 486
Loss on net monetary items		(490 862 977)	(24 125 135)	-	-
Net income/(loss) attributable to unit holders		2 492 250 347	(6 258 731 818)	6 765 855 375	409 931 486
Earnings/(loss) per unit					
Basic and diluted (cents)	11.1	1 668	(3 854)	4 628	255

*The historic amounts are shown as supplementary information. The historic information does not comply with International Financial Reporting Standards in that it has not taken account of the requirements of International Accounting Standard 29: Financial Reporting in Hyperinflationary Economies. As a result, the auditors have not expressed an opinion on the historic financial information.

OLD MUTUAL ZIMBABWE STOCK EXCHANGE TOP TEN EXCHANGE TRADED FUND
STATEMENT OF FINANCIAL POSITION IN LIQUIDATION
AS AT 31 DECEMBER 2023

	Note	Audited Inflation Adjusted 2023 ZWL\$	Audited Inflation Adjusted 2022 ZWL\$	*Unaudited Historical 2023 ZWL\$	*Unaudited Historical 2022 ZWL\$
ASSETS					
Cash and cash equivalents	4	298 216 887	218 543 801	298 216 887	45 478 368
Equity investments	5	7 552 781 570	5 322 470 229	7 552 781 570	1 107 591 514
Total assets		7 850 998 457	5 541 014 030	7 850 998 457	1 153 069 882
LIABILITIES					
Accounts payable	7	66 339 670	43 132 921	66 339 670	8 975 843
Intercompany payable	8.2	19 927 974	2 945 152	19 927 974	612 878
Total liabilities		86 267 645	46 078 073	86 267 645	9 588 721
Net Assets		7 764 730 813	5 494 935 957	7 764 730 813	1 143 481 161
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS					
Net assets attributable to unit holders		7 764 730 813	5 494 935 957	7 764 730 813	1 143 481 161
Total net assets attributable to unit holders		7 764 730 813	5 494 935 957	7 764 730 813	1 143 446 161

Mandaga
Fund Manager
[Signature]
Trustee

28 March 2024

*The historic amounts are shown as supplementary information. The historic information does not comply with International Financial Reporting Standards in that it has not taken account of the requirements of International Accounting Standard 29: Financial Reporting in Hyperinflationary Economies. As a result, the auditors have not expressed an opinion on the historic financial information.

OLD MUTUAL ZIMBABWE STOCK EXCHANGE TOP TEN EXCHANGE TRADED FUND
STATEMENT OF CHANGES IN NET ASSETS OF UNIT HOLDERS IN LIQUIDATION
FOR THE YEAR ENDED 31 DECEMBER 2023

Audited Inflation Adjusted

	Units in issue ZWL\$	Undistributed income/(loss) ZWL\$	Total ZWL\$
31 December 2023			
Opening net assets attributable to unit holders	6 246 285 388	(751 349 431)	5 494 935 957
Net profit attributable to unit holders		2 492 250 347	2 492 250 347
Distribution to unit holders	-	(70 459 307)	(70 459 307)
Redemption of units during the year	(151 996 184)	-	(151 996 184)
Closing net assets attributable to unit holders	6 094 289 204	1 670 441 609	7 764 730 813
31 December 2022			
Opening net assets attributable to unit holders	4 411 492 973	5 477 199 771	9 888 692 744
Net profit attributable to unit holders	-	(6 258 731 818)	(6 258 731 818)
Distribution to unit holders		30 182 616	30 182 616
Issue of units during the year	1 834 792 415	-	1 834 792 415
Closing net assets attributable to unit holders	6 246 285 388	(751 349 431)	5 494 935 957

*The historic amounts are shown as supplementary information. The historic information does not comply with International Financial Reporting Standards in that it has not taken account of the requirements of International Accounting Standard 29: Financial Reporting in Hyperinflationary Economies. As a result, the auditors have not expressed an opinion on the historic financial information

**OLD MUTUAL ZIMBABWE STOCK EXCHANGE TOP TEN EXCHANGE TRADED FUND
STATEMENT OF CHANGES IN NET ASSETS OF UNIT HOLDERS IN LIQUIDATION (continued)
FOR THE YEAR ENDED 31 DECEMBER 2023**

*Unaudited Historical

	Units in issue ZWL\$	Undistributed income ZWL\$	Total ZWL\$
31 December 2023			
Opening net assets attributable to unit holders	311 880 541	831 600 620	1 143 481 161
Net profit attributable to unit holders		6 765 855 375	6 765 855 375
Distribution to unit holders	-	(45 801 607)	(45 801 607)
Redemption of units during the year	(98 804 116)	-	(98 804 116)
Closing net assets attributable to unit holders	<u>213 076 425</u>	<u>7 551 654 388</u>	<u>7 764 730 813</u>
31 December 2022			
Opening net assets attributable to unit holders	ZWL\$ 178 779 636	ZWL\$ 419 841 999	ZWL\$ 598 621 635
Net profit attributable to unit holders		409 931 486	409 931 486
Distribution to unit holders	-	1 827 135	1 827 135
Issue of units during the year	133 100 905	-	133 100 905
Closing net assets attributable to unit holders	<u>311 880 541</u>	<u>831 600 620</u>	<u>1 143 481 161</u>

*The historic amounts are shown as supplementary information. The historic information does not comply with International Financial Reporting Standards in that it has not taken account of the requirements of International Accounting Standard 29: Financial Reporting in Hyperinflationary Economies. As a result, the auditors have not expressed an opinion on the historic financial information.

**OLD MUTUAL ZIMBABWE STOCK EXCHANGE TOP TEN EXCHANGE TRADED FUND
STATEMENT OF CASH FLOWS IN LIQUIDATION
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Notes	Audited Inflation Adjusted 2023 ZWL\$	Audited Inflation Adjusted 2022 ZWL\$	*Unaudited Historical 2023 ZWL\$	*Unaudited Historical 2022 ZWL\$
CASH FLOWS FROM OPERATING ACTIVITIES					
Net income / (loss)		2 492 250 347	(6 258 731 818)	6 765 855 375	409 931 486
Adjustment for noncash items:					
Fair value loss / (gain) on investments	6	(1 250 786 594)	7 042 411 165	(6 238 411 632)	(288 176 744)
Foreign exchange gains		(134 171 973)	(22 658 659)	(134 171 973)	(4 715 205)
Changes in working capital					
Increase/(decrease) in intercompany payable		5 620 483	(17 157 640)	7 952 757	(604 064)
Management fees		5 313 788	(17 420 743)	7 437 710	(658 815)
Custodian fees		306 695	263 103	515 047	54 751
(Decrease) / Increase in accounts payable		34 400 899	(38 682 536)	68 691 168	4 023 065
Provision for audit fees		12 165 703	(1 598 671)	40 722 886	5 199 683
Trustee's fees		4 095 195	(5 249 233)	4 459 837	(249 821)
Transfer Secretary fees		6 748 429	1 926 935	11 972 928	1 090 170
ZSE Index License fees		29 232	(3 578 951)	173 177	(189 833)
Provision for distribution		-	(30 182 616)	-	(1 827 134)
Other intercompany payable		11 362 340	-	11 362 340	-
Decrease / (Increase) in accounts receivable		-	306 597 274	-	18 560 164
Other receivables		-	306 597 274	-	18 560 164
Cash generated from operating activities		1 147 313 162	1 011 777 786	469 915 695	139 018 702
CASH FLOWS FROM INVESTING ACTIVITIES					
Net purchase of investments		(2 675 431 232)	(4 101 664 611)	(563 810 643)	(430 122 490)
Net sale of investments		1 695 906 485	1 353 462 708	357 032 219	192 862 768
Net cash outflow from investing activities	6	(979 524 747)	(2 748 201 903)	(206 778 424)	(237 259 722)
CASH FLOWS FROM FINANCING ACTIVITIES					
Net cash inflow from purchases of units by unit holders		-	1 834 792 415	-	133 100 905
Net cash outflow from sales of units by unit holders		(151 996 184)	-	(98 804 116)	-
Distribution paid to unit holders		(70 459 307)	30 182 616	(45 801 607)	1 827 135
Net cash inflow/(outflow) from financing activities		(222 455 491)	1 864 975 031	(144 605 723)	134 928 040
Effect on exchange rate fluctuations on cash held		134 340 162	22 658 658	134 206 971	4 715 205
Net increase in cash and cash equivalents		79 673 086	151 209 572	252 738 519	41 402 225
Cash and cash equivalents at beginning of year		218 543 801	67 334 229	45 478 368	4 076 143
Cash and cash equivalents at end of year		298 216 887	218 543 801	298 216 887	45 478 368

*The historic amounts are shown as supplementary information. The historic information does not comply with International Financial Reporting Standards in that it has not taken account of the requirements of International Accounting Standard 29: Financial Reporting in Hyperinflationary Economies. As a result, the auditors have not expressed an opinion on the historic financial information.

**OLD MUTUAL ZIMBABWE STOCK EXCHANGE TOP TEN EXCHANGE TRADED FUND
NOTES TO THE FINANCIAL STATEMENTS IN LIQUIDATION
FOR THE YEAR ENDED 31 DECEMBER 2023**

1 GENERAL INFORMATION

1.1 Reporting entity

The Old Mutual Zimbabwe Stock Exchange Top Ten Exchange Traded Fund is registered and domiciled in Zimbabwe. The Fund commenced trading on 1 January 2021. The investment objective of the Fund is to provide investment results that, before fees and expenses, closely correspond to the performance of ZSE Top Ten Index.

1.2 Fund objectives

The objectives of the Fund are:

- To provide investors with an investment that balances long term capital growth and regular income; and
- To provide a medium risk profile by spreading investments over several sectors of the economy.

1.3 Fund Managers

The Fund Manager is Old Mutual Investment Group (OMIG). OMIG is a subsidiary of Old Mutual Zimbabwe Limited (OMZIL)

1.4 Risk factor

This is a moderate risk Fund. The Fund value fluctuates in line with the share prices on the Zimbabwe Stock Exchange, whose prices are affected by the performance of the companies, the economic and political outlook environment and the future outlook. The diversification of the asset classes in the portfolio minimizes specific asset risks.

1.5 Fund administration

Collective investment schemes invest in financial assets. The Fund is exposed to a mix of financial risks resulting predominantly from the top ten listed counters on the Zimbabwe Stock Exchange. Financial risk is limited by the regulatory environment. The Collective Investment Schemes Act (Chapter 24:19) has strict and specific regulations as to what instruments may and may not be held. The Fund is also governed by a Trust Deed, which commits it to a specific investment objective. The Trust Deed's investment objective is further refined into an investment mandate which requires the Fund Manager to manage the Fund in accordance with the specified mandate. As far as possible, compliance limits are built into the daily pricing systems and processes of the Fund Manager and are checked and reported on daily.

The Securities and Exchange Commission of Zimbabwe approves the creation of the Fund and reviews compliance by the Fund Manager at least annually. Regular checks are performed by the independent trustee as well as the compliance function of the Fund Manager to ensure compliance with investment mandates and limitations specified in the Trust Deed and the regulations determined under the Collective Investments Scheme Act (Chapter 24:19). The Trustee is the custodian of units in issue as required by the Collective Investment Schemes Act (Chapter 24:19).

The Custodian is responsible for maintaining the Fund bank capital account and executing investments as directed by the Fund Manager.

2. ACCOUNTING POLICIES

2.1 Statement of compliance

The financial statements are prepared in accordance with International Financial Reporting Standards (IFRSs) as stated in both the Fund Manager's responsibility and the Auditor's report. The financial statements are prepared in accordance with the requirements of the Collective Investments Schemes Act (Chapter 24:19) and the Trust Deed.

Complying with IFRSs achieves consistency with the financial reporting framework adopted by the Fund Manager's ultimate parent company, Old Mutual Limited, which is incorporated in South Africa. Using a globally recognized reporting framework also allows comparability with similar businesses and consistency in the interpretation of the financial statements. The IFRS Conceptual Framework, provides that in applying fair presentation to the financial statements, entities should go beyond consideration of the legal form of transactions and other factors impacting on the financial statements to also consider the underlying economic substance therein.

**OLD MUTUAL ZIMBABWE STOCK EXCHANGE TOP TEN EXCHANGE TRADED FUND
NOTES TO THE FINANCIAL STATEMENTS IN LIQUIDATION
FOR THE YEAR ENDED 31 DECEMBER 2023**

2. ACCOUNTING POLICIES (continued)

2.2 Basis of preparation

The financial statements provide information about the financial position, results of operations and changes in the financial position of the fund. They are based on the statutory records that are maintained under the historical cost convention and restated to take into account the effects of inflation in accordance with the International Accounting Standard 29 (IAS 29) "Financial Reporting in Hyperinflationary Economies".

The Fund Manager has assessed the ability of the Fund to continue operating as a going concern and believe that the preparation of financial statements using the going concern assumption is no longer appropriate. The financial statements have been prepared on a liquidation basis. The Fund has been operating as a closed fund since 1 March 2023. As a result of changes in the composition of the Index, and migration of some companies that traditionally made up the top ten, the Fund Manager approved a plan that could have a material effect on the future of the Fund. The Fund is currently operating under a cautionary statement to that effect issued on 19 March 2024.

The financial statements have accordingly been prepared on a liquidation basis which recognises that the company will be liquidated in the near future. The liquidation basis requires an assessment on whether to write assets down to their recoverable amounts, recognising a liability for contractual commitments that may have become onerous as a consequence of the decision to cease trading.

The fund's Assets and liabilities are financial and short term in nature and were carried at fair value and upon change of basis of accounting the carrying amount of the assets and liabilities approximated the net realisable value.

Since 2019 Zimbabwe has met the key indicators of being a hyperinflationary economy as described under IAS 29. 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 statements.

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. Whilst in previous years the restatement of the historical cost numbers was based on the conversion factors derived from the ZWL\$ consumer price index (CPI) issued by the Zimbabwe National Statistics Agency (ZIMSTAT), publication of the ZWL\$ CPI was stopped in January 2023 on the introduction of Statutory Instrument (SI) 27 of 2023 on the 3rd of March 2023 and is, therefore, no longer available for use in restating financial statements under IAS 29. SI 27 announced that the official inflation rate would be a blended rate which measures inflation based on a weighted average of price movements in Zimbabwean dollars and United States dollars over a given period of time. This instrument serves to recalibrate inflation reports to reflect the dual currency nature of incomes and prices in the Zimbabwe economy.

Given that the functional currency of the Fund is the ZWL\$, a blended inflation rate is not ideal in the preparation of restated financial statements under IAS 29 as it incorporates the inflation movements of the USD (USD transactions currently account for more than 80% of the transactions in the economy according to the RBZ) which is not subject to hyperinflation. It is also the Fund Manager's assessment that the use of conversion factors based on a blended CPI would not achieve compliance with IAS 29.

For restated financial statements to be prepared after 1 February 2023 the Fund Manager is using the movements in the Poverty Datum Line (PDL) (alternatively called the Total Consumption Poverty Line (TCPL) which is also published by ZIMSTAT, which measures the amount required to purchase both non-food and food items for a family at the poverty line. By analysing the correlation between the movement in PDL and the officially published ZWL CPI from January 2021 to December 2022, we observed a strong relationship with a correlation coefficient of 0.99. While IAS 29 provides for the use of exchange rate movements as a proxy for inflation where a general price index is not available, we did not observe a strong relationship between ZWL CPI and the exchange rate movements over the last two financial reporting periods. Consequently, the estimated CPI after February 2023 has been derived by adjusting the last published ZWL CPI (published in January 2023) by the monthly movement of the PDL. The indices and conversion factors used to restate the accompanying financial statements as at 31 December 2023 are given below:

Dates	Indices	Conversion Factors
31/12/2023	65 704.40	1
31/12/2022	13 672.91	4.8054
31/12/2021	3 977.48	16.5191

**OLD MUTUAL ZIMBABWE STOCK EXCHANGE TOP TEN EXCHANGE TRADED FUND
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2. ACCOUNTING POLICIES (continued)

2.3 New and revised IFRS Standards effective current year

A number of new standards or revised/amended standards are effective for annual periods beginning or after 1 January 2023 and earlier application is permitted.

The following new and revised standard(s) were effective beginning or after 1 January 2023:

IAS 1 and IFRS Practice Statement 2: Making Materiality Judgements – Disclosure of Accounting Policies

The Fund has adopted the amendments to IAS 1 for the first time in the current year. The amendments replace all instances of the term ‘significant accounting policies’ with ‘material accounting policy information’. Accounting policy information is material if, when considered together with other information included in an entity’s financial statements, it can reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements.

IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates

The Fund has adopted the amendments to IAS 8 for the first time in the current year. The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in financial statements that are subject to measurement uncertainty”.

The definition of a change in accounting estimates was deleted. However, the Board retained the concept of changes in accounting estimates in the Standard with the following clarifications.

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

The above new and revised standards do not have a material impact on the Fund.

2.3.1 New and revised IFRS Standards in issue but not yet effective

At the date of authorisation of these financial statements, the Fund has not applied the following new and revised IFRS Standards that have been issued but are not yet effective:

Pronouncement

Amendments to IAS 1- Classification of Liabilities as Current or Non-current (effective date 1 January 2024)

Amendments to IAS 1- Non-current Liabilities with Covenants (effective date 1 January 2024)

Amendments to IFRS 16-Lease Liability in a Sale and Leaseback

Amendments to IAS 7 and IFRS7 – Supplier Finance Arrangements (effective date 1 January 2024)

The Fund Manager does not expect that the adoption of the Standards listed above will have a material impact on the Fund when effective.

2.4 Assessment of Zimbabwe as a Hyperinflationary economy

The main procedures applied for the above-mentioned restatement are as follows:

- All corresponding figures as of and for the year ended 31 December 2022 are restated by applying the change in the index from 31 December 2022 to 31 December 2023.
- Monetary assets and liabilities that are carried at amounts current at balance sheet date are not re-stated because they are already expressed in terms of the monetary unit current at the balance sheet date.
- Non-monetary assets and liabilities that are not carried at amounts current at the balance sheet date and components of shareholders equity are restated by applying the change in the index from the date of the transaction or if applicable from the date of their most recent revaluation to 31 December 2023. An impairment loss is recognised in profit or loss if the remeasured amount of a non-monetary item exceeds its estimated recoverable amount.

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2. ACCOUNTING POLICIES (continued)

2.4 Assessment of Zimbabwe as a Hyperinflationary economy (continued)

- iv. Profit or loss items/transactions, except fair value gains or losses on equities, are restated by applying the change in the index from the date of the transaction to 31 December 2023. Fair value gains or losses on equities are a difference of the restated opening balance plus additions and disposals restated and the fair value at the end of the year.
- v. The effect of inflation on the net monetary position of the entity is included in the income statement as loss or gain on monetary position.
- vi. All items in the cash flow statement are expressed in terms of the measuring unit current at the balance sheet date.

2.5 Revenue

The Fund has adopted IFRS 15. The core principle of the standard is that revenue recognised reflects the consideration to which the Fund is entitled in exchange for the transfer of promised services to the customer. It incorporates a five-step model to determine the amount and timing of revenue recognition. Revenue comprises dividend income. Revenue is accounted for in accordance with the particular accounting policies as set out below.

Dividend income

Dividend income is recognised in the income statement when counters that the Fund is invested in declare dividends.

2.5.1 Taxation

The Fund is exempt from paying income tax per the Collective Investment Schemes Act (Chapter 24:19). Dividends are received net of residents' tax.

2.6 Critical accounting estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

2.6.1 Functional currency

The financial statements are prepared in compliance with International Financial Reporting Standards (IFRSs). IFRSs comprise interpretations adopted by the International Accounting Standards Board (IASB), which includes standards adopted by the International Accounting Standards Board (IASB) and interpretations developed by the International Financial Reporting Interpretations Committee (IFRIC) or by the former Standing Interpretations Committee (SIC) adopted by the International Accounting Standards Board (IASB) and interpretations developed by the International Financial Reporting Interpretations Committee (IFRIC) or by the former Standing Interpretations Committee (SIC).

The Zimbabwe government gazetted Statutory Instrument 185 (S.I. 185) of 2020 on 24 July 2020. The regulation requires sellers of goods and services to display, quote and offer prices in both the Zimbabwean dollar and foreign currency at the ruling auction exchange rate. Therefore, in accordance with International Accounting Standard ("IAS") 21, The Effects of Changes in Foreign Exchange Rates, entities need to assess whether the functional currency has changed. Foreign currency transactions recorded for the Fund constitute 2% of total transactions recorded for the financial years ending 31 December 2023. Resultantly, the Fund's functional currency remains the ZWL\$.

2.7 Management fees

Management fees are calculated based on the rate approved by the Fund Manager and the unitholders. In 2023, management fees are calculated using a rate of 0.5% per annum based on fund value under management, with the accrual being done on a monthly basis.

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2. ACCOUNTING POLICIES (continued)

2.8 Trustee's fees

Trustee's fees are calculated using a rate of 0.1% per annum based on fund value under management, with the accrual being done monthly and payment effected on a monthly basis.

2.9 Investments

The Fund shall invest in the Zimbabwe Stock Exchange top ten counters in the exact proportions as provided for by the exchange.

Equity investments - The Fund maintains a medium risk profile by spreading investments over several sectors of the economy as well as listed equities at all times. Generally, equity investments seek maximum capital appreciation for the level of risk assumed over the long term. These investments are primarily exposed to the risk of share price movements, which are affected by the performance of the individual companies, general market conditions as well as political and economic changes.

2.10 Net assets attributable to unit holders

Units are redeemable at the option of the unit holder and are therefore classified as financial liabilities. The value of a unit in the Fund fluctuates based on the Fund's performance. Purchases are at bid price and liquidations at the offer price. The prices are calculated daily by dividing net assets attributable to unit holders by units in issue. All the income generated by the Fund remains undistributed and is ploughed back into the Fund. Return to the unit holders is by way of capital appreciation.

When a unit holder deposits money, units of an equivalent value of the deposit are created in the unit holder's name. When a unit holder redeems, units with an equivalent value of the redemption are liquidated. All units issued by the Fund provide the unit holder with the right to redemption for cash. In accordance with IAS 32, *Financial Instruments: Presentation* such instruments give rise to a financial liability for the present value of the redemption amount. In accordance with the Trust Deed the Fund is contractually obliged to distribute all distributable income. As at year end a unit in the Fund had a net asset value per unit of ZWL\$41.68

2.11 Financial instruments

Recognition and de-recognition of financial instruments

A financial instrument is recognised when, and only when, the Fund becomes a party to the contractual provisions of the particular instrument.

The Fund de-recognises a financial asset when and only when:

The contractual rights to the cash flows arising from the financial asset have expired or been forfeited by the Fund; or
It transfers the financial asset including substantially all the risks and rewards of ownership of the asset; or
It transfers the financial asset neither retaining nor transferring substantially all the risks and rewards of ownership of the asset but no longer retains control of the asset

A financial liability is de-recognised when and only when the liability is extinguished, that is, when the obligation specified in the contract is discharged, cancelled or has expired.

The difference between the carrying amount of a financial liability (or part thereof) extinguished or transferred to another party and consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the statement of comprehensive income.

Recognition and de-recognition of financial instruments

All purchases and sales of financial assets carried at fair value through profit and loss that require delivery within the time frame established by regulation or market convention ('regular way' purchases and sales) are recognised at trade date, which is the date that the Fund commits to purchase or sell the asset.

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2. ACCOUNTING POLICIES (continued)

2.11 Financial instruments (continued)

Fair value measurement considerations

The fair values of quoted financial assets are based on quoted bid prices. If the market for a financial asset is not active, the Fund establishes fair value using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis and option pricing models.

Classification of financial instruments

The classification of financial assets under IFRS 9 is based on whether the financial assets are equity instruments, debt instruments held or derivative assets. Equity instruments and derivative assets are mandatorily categorised as financial assets at FVTPL. The classification and measurement of debt instruments is dependent on the business model in which the financial asset is managed and its contractual cash flow characteristics. An analysis of the Fund's balance sheet, showing the categorisation of financial instruments held at fair value through profit and loss is set out in note 10.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss comprise financial assets classified as held for trading and those that the Fund has elected to designate as at fair value through profit or loss.

Financial assets at fair value through profit or loss are initially recognised at fair value excluding transaction costs directly attributable to their acquisition which are recognised immediately in the income statement. After initial recognition financial assets at fair value through profit or loss are measured at fair value with resulting fair value gains or losses adjustment being recognised directly in the statement of profit or loss.

Financial assets that the Fund has elected to designate at fair value through profit or loss are those where this designation either eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise when using a different measurement basis or those that are managed, evaluated and reported on using a fair value basis in accordance with a documented risk management and/or investment strategy.

All related fair value gains and losses are included in investment income. Interest earned whilst holding financial assets at fair value through profit or loss is included in interest income. Dividends received are included in dividend income.

Financial assets held at amortised cost

Financial assets held at amortised cost comprise financial assets held to collect only contractual cashflows that are solely payments of the principal amount and interest.

If there is objective evidence that an impairment loss on investments held at amortised cost has been incurred, the amount of the loss is measured as the difference between asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced either directly or through use of an allowance account. The impairment loss is recognised in profit or loss.

Cash and cash equivalents

Cash and cash equivalents comprises balances with banks and are carried at amortised cost. For the purposes of the cashflow statements, cash and cash equivalents balances with less than 90 days maturity from the date of acquisition including cash and balances with banks but excluding cash and cash equivalents instruments held for investing purposes.

Financial liabilities

All loans and borrowings are initially recognised at fair value less directly attributable transaction costs.

After initial recognition, interest-bearing loans and borrowings are measured at amortised cost using the effective interest method.

Gains and losses are recognised in the statement of comprehensive income when the liabilities are derecognised as well as through the amortisation process in terms of finance cost.

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2. ACCOUNTING POLICIES (continued)

2.11 Financial instruments (continued)

Offsetting

Financial assets and liabilities are offset and the net amount reported in the statement of financial position only when there is a legally enforceable right to set off and there is intention to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Income and expense items are offset only to the extent that their related instruments have been offset in the statement of financial position.

	Audited Inflation Adjusted	Audited Inflation Adjusted	Unaudited Historical	Unaudited Historical
	2023 ZWL\$	2022 ZWL\$	2023 ZWL\$	2022 ZWL\$
3 OTHER EXPENSES				
ZSE Index License fees	1 074 959	666 361	675 018	127 522
Bank charges	1 205 289	282 623	677 123	54 086
Withholding tax on dividend paid		507 508	-	97 122
Custodian fees	4 871 522	3 059 752	2 545 394	585 547
	<u>7 151 770</u>	<u>4 516 244</u>	<u>3 897 535</u>	<u>864 277</u>
4 CASH AND CASH EQUIVALENTS	ZWL\$	ZWL\$	ZWL\$	ZWL\$
Current deposits with banks	<u>298 216 887</u>	<u>218 543 801</u>	<u>298 216 887</u>	<u>45 478 368</u>

Cash and cash equivalents comprise of balances with banks. These balances are used for transacting on a daily basis.

5 EQUITY INVESTMENTS

Quoted investments as at 31 December 2023			Audited Inflation Adjusted	Unaudited Historical
	Number of shares	Market price ZWL Cents	Market value ZWL\$	Market value ZWL\$
<u>Local shares ZSE</u>				
CBZ	370 679	317 500	1 176 905 825	1 176 905 825
FBC	427 504	90 605	387 339 999	387 339 999
BAT Zimbabwe	14 745	1 310 000	193 159 500	193 159 500
OK Zimbabwe	699 848	21 384	149 658 576	149 658 576
Delta Corp Limited	800 244	350 933	2 808 318 036	2 808 318 036
EcoCash Holdings (formerly Cassava)	1 353 927	17 618	238 534 047	238 534 047
Econet Wireless Zimbabwe Limited	1 462 510	84 595	1 237 214 430	1 237 214 430
Hippo Valley	19 999	190 000	37 998 099	37 998 099
<u>Foreign Equities</u>				
Axia	433 674	48 838	211 796 757	211 796 757
Innscor	413 933	268 608	1 111 856 301	1 111 856 301
Total quoted equity investments			<u>7 552 781 570</u>	<u>7 552 781 570</u>

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5 EQUITY INVESTMENTS

			Audited Inflation Adjusted	Unaudited Historical
	Number of shares	Market price ZWL Cents	Market value ZWL\$	Market value ZWL\$
*Quoted investments as at 31 December 2022				
<u>Local shares ZSE</u>				
CBZ	358 438	13 500	232 531 313	48 389 130
BAT Zimbabwe	14 106	279 911	189 739 665	39 484 306
Delta Corp Limited	896 274	35 977	1 549 539 410	322 454 917
EcoCash Holdings (formerly Cassava)	1 778 924	4 008	342 633 297	71 301 053
Econet Wireless Zimbabwe Limited	1 780 266	9 628	823 637 487	171 396 711
Hippo Valley	132 543	18 260	116 302 627	24 202 259
Innscor Africa Limited	391 195	71 367	1 341 598 775	279 183 040
<u>Foreign Equities</u>				
National Foods	46 969	119 947	270 729 210	56 338 009
Simbisa	385 930	24 575	455 758 444	94 842 087
Total quoted equity investments			5 322 470 229	1 107 591 514

*For 2022 the Fund invested in nine counters instead of ten. This was due to asset rebalancing exercises due to changes in the composition of Zimbabwe Stock Exchange top ten counters.

	Audited Inflation Adjusted	Audited Inflation Adjusted	Unaudited Historical	Unaudited Historical
	2023 ZWL\$	2022 ZWL\$	2023 ZWL\$	2022 ZWL\$
5.1 DIVIDEND INCOME				
CBZ	26 415 303	5 297 076	20 661 806	701 985
Delta Corp Limited	112 098 390	49 462 144	89 092 492	8 650 977
OK Zimbabwe	1 059 021	-	793 378	-
Hippo Valley	1 269 365	-	266 987	-
Innscor Africa Limited	58 854 173	33 570 460	30 655 337	5 131 565
National Foods	-	15 142 544	-	2 330 168
Simbisa	-	12 878 828	-	1 896 825
FBC	20 793 315	-	11 775 394	-
Axia	6 315 833	-	3 262 448	-
British American Tobacco	5 529 297	-	1 302 721	-
Total Dividends received	232 334 697	116 351 052	157 810 562	18 711 520

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6	INVESTMENTS AND SECURITIES	Audited	Audited	Unaudited	Unaudited
		Inflation Adjusted	Inflation Adjusted	Historical	Historical
		2023	2022	2023	2022
		ZWL\$	ZWL\$	ZWL\$	ZWL\$
	NET PURCHASE OF EQUITY INVESTMENTS				
	Balanced brought forward	5 322 470 229	9 616 679 491	1 107 591 514	582 155 048
	Investments purchased	2 675 431 232	4 101 664 611	563 810 643	430 122 490
	Investments sold or matured	(1 695 906 485)	(1 353 462 708)	(357 032 219)	(192 862 768)
	Net Purchase/(Sale) of Equity Investments	979 524 747	2 748 201 903	206 778 424	237 259 722
	Revaluation	1 250 786 594	(7 042 411 165)	6 238 411 632	288 176 744
	Balanced carried forward	7 552 781 570	5 322 470 229	7 552 781 570	1 107 591 514
		Audited	Audited	Unaudited	Unaudited
		Inflation	Inflation	Historical	Historical
		Adjusted	Adjusted		
		2023	2022	2023	2022
		ZWL\$	ZWL\$	ZWL\$	ZWL\$
7	ACCOUNTS PAYABLE				
	Provision for audit fees	48 227 180	35 893 287	48 227 180	7 469 295
	Provision for Distribution	-	-	-	-
	Trustee fees	4 555 658	460 463	4 555 658	95 821
	Transfer Secretary fees	13 345 829	6 597 400	13 345 829	1 372 901
	ZSE Index License fees	211 003	181 771	211 003	37 826
		66 339 670	43 132 921	66 339 670	8 975 843
7.2	PROVISIONS		Audited Inflation Adjusted		
			Audit fees	Distribution	
			ZWL\$	ZWL\$	
	Balance at 1 January 2022		37 491 958	30 182 616	
	Prior year provision			(30 182 616)	
	Utilized during the year		(39 207 612)		
	Charge for the year		37 608 942	-	
	Balance at 31 December 2022		35 893 288	-	
	Utilized during the year		(41 625 478)	(70 459 307)	
	Charge for the year		92 326 417	70 459 307	
	Balance at 31 December 2023		86 594 227	-	

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	Audit	Unaudited Historical	fees
Distribution			
	ZWL\$	ZWL\$	
Balance at 1 January 2022	2 269 612	1 827 134	
Prior year provision		(1 827 134)	
Utilized during the year	(2 626 635)		
Charge for the year	7 826 318		
Balance at 31 December 2022	7 469 295	-	
Utilized during the year	(18 831 635)	(45 801 607)	
Charge for the year	59 589 521	45 801 607	
Balance at 31 December 2023	48 227 181	-	

8 RELATED PARTY DISCLOSURES

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operational decisions.

The Fund has related party relationships with its Fund Manager and Trustee.

Transactions and balances are reflected in below.

	Audited Inflation Adjusted	Audited Inflation Adjusted	Unaudited Historical	Unaudited Historical
	2023 ZWL\$	2022 ZWL\$	2023 ZWL\$	2022 ZWL\$
8.1 Transactions with related parties				
Old Mutual Investment Group Zimbabwe (Private) Limited (OMIG) - Management fees	(49 038 210)	(55 442 568)	(25 735 292)	(6 227 837)
Stanbic Investor Services- Trustee's fees	(8 563 555)	(9 904 277)	(4 459 837)	(1 088 271)
Cabscus Custodial Services- Custodian Fees	(4 871 522)	(3 059 752)	(2 545 394)	(585 547)
	Audited Inflation Adjusted	Audited Inflation Adjusted	Unaudited Historical	Unaudited Historical
	2023 ZWL\$	2022 ZWL\$	2023 ZWL\$	2022 ZWL\$
8.2 Balance due to:				
Stanbic Investor Services Trustee oversight services rendered	4 555 658	460 463	4 555 658	95 821
Management fees-Old Mutual Investment Group Zimbabwe (Private) Limited	7 995 837	2 682 049	7 995 837	558 127
Custody fees- Cabscus	569 797	263 103	569 797	54 751
Audit fees paid on behalf of the fund	11 362 340	-	11 362 340-	
Total intercompany payables	19 927 974	2 945 152	19 927 974	612 878

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9 EXPENSE RATIO

The ratio compares all the expenses of the Fund to the value of the assets of the fund on an average basis. The expense ratio as at year end based on inflation adjusted amounts was 2.04% (2022: 1.82%)

10 FINANCIAL RISK MANAGEMENT

10.3 Market risk

Market risk is the risk that changes in market prices such as equity prices will affect the Fund income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

10.4 Equity price risk

Equity price risk is the possibility that equity prices will fluctuate affecting the fair value of equity investments and other instruments that derive their value from a particular equity investment or index of equity prices. The primary exposure to equity prices arises from trading activities. The Fund Manager closely monitors the prices on the Zimbabwe Stock Exchange to manage the risk associated with price fluctuations.

10.4.1 Sensitivity analysis

A 10% increase/(decrease) in the prices of listed shares as at 31 December 2023 would have resulted in an increase/(decrease) in the statement of financial position size by ZWL\$755,278,157 (2022: ZWL\$110,759,151)

10.4.2 Currency risk

A reasonably possible weakening (strengthening) of the Zimbabwean dollar (ZWL) against the USD at the reporting date would affect the measurement of the net foreign currency denominated assets (liabilities) of the company. The Fund had a net foreign assets position of ZWL\$1,603,398,603. This analysis assumes that all other variables remain constant. A 20% change in foreign exchange rates to the ZWL\$ would increase/(decrease) profit and/or equity by ZWL\$320,679,721.

10 FINANCIAL RISK MANAGEMENT

10.5 Fair values of financial assets and liabilities

Determination of fair value

Fair values are determined according to the following hierarchy based on the requirements in IFRS 7 'Financial Instruments: Disclosures'.

- Level 1 - quoted market prices: financial assets and liabilities with quoted prices for identical instruments in active markets.
- Level 2 - valuation techniques using observable inputs: quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial assets and liabilities valued using models where all significant inputs are observable.
- Level 3 - valuation techniques using significant unobservable inputs: financial assets and liabilities valued using valuation techniques where one or more significant inputs are unobservable.

The judgement as to whether a market is active may include, for example, consideration of factors such as the magnitude and frequency of trading activity, the availability of prices and the size of bid / offer spreads. In inactive markets, obtaining assurance that the transaction price provides evidence of fair value or determining the adjustments to transaction prices that are necessary to measure the fair value of the asset or liability requires additional work during the valuation process.

The majority of valuation techniques employ only observable market data, and so the reliability of the fair value measurement is high. However, certain financial assets and liabilities are valued on the basis of valuation techniques that feature one or more significant market inputs that are unobservable and, for them, the derivation of fair value is more judgemental. A financial asset or liability in its entirety is classified as valued using significant unobservable inputs if a significant proportion of that asset or liability's carrying amount is driven by unobservable inputs. In this context, 'unobservable' means that there is little or no current market data available for which to determine the price at which an arm's length transaction would likely to occur.

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10 FINANCIAL RISK MANAGEMENT (continued)

10.5 Fair values of financial assets and liabilities (continued)

It generally does not mean that there is no market data available at all upon which to base a determination of fair value. Furthermore, in some cases the majority of the fair value derived from a valuation technique with significant unobservable inputs may be attributable to observable inputs.

Consequently, the effect of uncertainty in determining unobservable inputs will generally be restricted to uncertainty about the overall fair value of the asset or liability being measured.

All financial instruments, regardless of their IFRS 9 categorisation, are initially recorded at fair value. The fair value of a financial instrument on initial recognition is normally the transaction price, that is, the fair value of the consideration given or received.

In certain circumstances, however, the initial fair value may be based on other observable current market transactions in the same instrument, without modification or repackaging, or on a valuation technique whose variables include only observable data.

Subsequent to initial recognition, the fair values of financial instruments measured at fair value that are quoted in active markets are based on bid prices for assets, which in certain circumstances includes using quotations from independent third parties such as brokers and pricing services, and offer prices for liabilities. When quoted prices are not available, fair values are determined by using valuation techniques that refer as far as possible to observable market data. These include comparison with similar instruments where market observable prices exist, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants. A number of factors such as bid-offer spread, credit profile, servicing costs and model uncertainty are taken into account, as appropriate, when values are calculated using a valuation technique. Changes in the assumptions used in such valuations could impact the reported value of such instruments.

In general, none of the carrying amounts of financial assets and liabilities carried at amortised cost have a fair value significantly different to their carrying amounts. Such assets and liabilities are primarily comprised of variable-rate financial assets and liabilities that reprice as interest rates change, short-term deposits or current assets.

Favourable and unfavourable changes are determined on the basis of changes in the value of the financial asset or liability as a result of varying the levels of the unobservable parameter using statistical techniques. When parameters are not amenable to statistical analysis, quantification of uncertainty is judgmental. When the fair value of a financial asset or liability is affected by more than one unobservable assumption, the figures shown reflect the most favourable or most unfavourable change from varying the assumptions individually.

10.6 Fair value hierarchy

Analysis of instruments at fair value
 At 31 December 2023

	Inflation adjusted		
	Level 1 ZWL\$	Level 2 ZWL\$	Level 3 ZWL\$
Financial assets measured at fair value			
Equity instruments	7 552 781 570	-	-
Total financial assets measured at fair value	7 552 781 570	-	-
		Historical	
At 31 December 2023			
	Level 1 ZWL\$	Level 2 ZWL\$	Level 3 ZWL\$
Financial assets measured at fair value			
Equity instruments	7 552 781 570	-	-
Total financial assets measured at fair value	7 552 781 570	-	-

OLD MUTUAL ZIMBABWE STOCK EXCHANGE TOP TEN EXCHANGE TRADED FUND
NOTES TO THE FINANCIAL STATEMENTS IN LIQUIDATION
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10 FINANCIAL RISK MANAGEMENT (continued)

10.5 Fair values of financial assets and liabilities (continued)

Analysis of instruments at fair value At 31 December 2022	Inflation adjusted		
	Level 1 ZWL\$	Level 2 ZWL\$	Level 3 ZWL\$
Financial assets measured at fair value			
Equity instruments	5 322 470 229	-	-
Total financial assets measured at fair value	5 322 470 229	-	-
		Historical	
At 31 December 2022			
	Level 1 ZWL\$	Level 2 ZWL\$	Level 3 ZWL\$
Financial assets measured at fair value			
Equity instruments	1 107 591 514	-	-
Total financial assets measured at fair value	1 107 591 514	-	-

11 UNITS IN ISSUE	Number of units	Audited Inflation Adjusted ZWL\$	Unaudited Historical ZWL\$
Opening Issued units 1 January 2022	143 625 247	4 411 492 974	178 779 636
Issued in 2022	21 309 596	1 834 792 415	133 100 905
Closing Issued units 31 December 2022	164 934 843	6 246 285 389	311 880 541
Redeemed in 2023	19 735 849	(151 996 184)	(98 804 116)
Closing Issued units 31 December 2023	145 198 994	6 094 289 205	213 076 425
		Audited Inflation Adjusted 2023 ZWL\$	Unaudited Historical 2023 ZWL\$
11.1 Earnings/(loss) per unit: Basic and diluted (ZWL cents)		Audited Inflation Adjusted 2022 ZWL\$	Unaudited Historical 2022 ZWL\$
Earnings	1 668	(3 854)	4 628
Basic and diluted earnings/(loss) attributable to unit holders (ZWL)	2 421 791 040	(6 228 549 202)	6 720 053 769
Number of units used in calculation (weighted) Number of units	145 198 994	161 612 141	145 198 994

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12 GOING CONCERN

Going concern triggers

The financial statements have been prepared on a liquidation basis, following the trading as a closed fund since 1 March 2023. The Fund Manager and trustees have approved a plan that influences the future existence of the fund.

13 SUBSEQUENT EVENTS

Subsequent to year end, The Trustee and the Fund Manager issued a cautionary statement to the Fund's unitholders and members of the public that; as a result of changes in the composition of the Index, there are considerations underway that could have a material effect on the future of the Fund. The developments that were cemented the existing condition of questionable going concern as the fund traded as a closed fund since March 2023 and have been treated as an adjusting event to the financial statements and hence the financial statements have been prepared on a liquidation basis of accounting.

**OLD MUTUAL ZIMBABWE STOCK EXCHANGE TOP TEN EXCHANGE TRADED FUND
SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2023**

2. FOREIGN CURRENCY DENOMINATED TRANSACTIONS AND BALANCES

Following the gazetting of Statutory Instrument 185 (S.I. 185) of 2020 on 24 July 2020 which requires sellers of goods and services to display, quote, and offer prices in both the Zimbabwean (ZWL) and foreign currency at the ruling auction exchange rate, the Zimbabwean economy effectively became a multi-currency environment with the ZWL and USD being the dominant currencies. In the Monetary Policy Statement of 2 February 2023, the Governor of the Reserve Bank of Zimbabwe stated that "ZW\$ inflation is no longer a true representative of the cost of living in Zimbabwe as the country is in a dual currency system where prices and household incomes are also in both USD and local currency. In this context, Zimbabwe's inflation needs to be recalibrated to reflect the dual currency nature of incomes and prices in the economy to provide a true reflection of the cost of living in the country".

Based on the latest Zimstat survey it was indicated that an estimated 80% of all domestic expenditure is transacted in United States Dollars. In line with the requirements of IAS 21, The Effects of Changes in Foreign Exchange Rates, we have assessed our functional currency and determined it to be the inflationary ZWL and have thus presented our financial statements in ZWL on an inflation adjusted basis. However, from the time that S.I. 185 was promulgated there has been a gradual increase in the proportion of foreign currency business, with the USD being the dominant foreign currency within the business. Foreign currency denominated transactions and balances are included in our financial statements at applicable exchange rates in line with the requirements of IAS 21.

A summary of foreign currency transactions and balances included in our financial statements is shown below presented in USD currency.

Balances denominated in foreign currency

	2023	2022
	USD\$	USD\$
Assets		
Equity investments	216 824	255 156
Cash and cash equivalents	45 825	25 579
Total assets	262 649	280 735
Liabilities		
Other liabilities	-	-
Total liabilities	-	-
Transactions denominated in foreign currency		
Investment income		
Dividend income	40 527	25 579
Fair value gains on equity investments	(8 331)	(7 495)
Total investment income/(loss)	32 196	18 084
Expenses		
Other operating and administration expenses	2 740	134
Profit before tax	-	134
Cash flows denominated in foreign currency		
Cash flows from operating activities	37 787	25 579
Cash flows from investing activities	(17 541)	-
Net increase in cash and cash equivalents	20 246	25 579
Cash and cash equivalents at the beginning of the year	25 579	-
Cash and cash equivalents at the end of the year	45 825	25 579