Short Form Financial Announcement

ISSUED IN TERMS OF NOTICE BY THE ZIMBABWE STOCK EXCHANGE OF 12 MARCH 2025

This short-form financial announcement is the responsibility of the Directors and is only a summary of the information contained in the special purpose annual financial statements prepared in accordance with the requirements of the Monetary Policy Statement of 6 February 2025 and does not contain full or complete details.

A copy of the financial statements is available upon request, and for inspection, at the Company's registered office or via email request to enquiries@masimbagroup.com.

Financial Highlights

	Change	31-Dec-24	31-Dec-23
		ZWG	ZWG
Revenue	4%	1,447,118,299	1,388,836,578
Profit before tax	7%	216,897,853	203,266,238
Profit for the year	-4%	182,177,242	191,383,321
Total assets	7%	2,383,045,627	2,217,117,208
Total equity	27%	791,876,263	625,023,754
Total liabilities	0%	1,591,169,363	1,592,093,454

Share Performance in ZWG Cents

Basic earnings per share	-15%	68.92	81.41
Diluted earnings per share	-15%	67.12	79.28
Headline earnings per share	0%	78.80	78.80

Dividend Announcement to Shareholders
The board, having considered the business' profitability, future cash flows, and solvency, has proposed a final cash dividend for the full year ended 31 December 2024 of USD0.15 cents and ZWG1.71 cents per share. Combined with the interim cash dividend, this will bring the total dividend to USD0.35 cents and ZWG3.17 cents per share (2023: Nil). A dividend declaration notice has been included in the abridged audited financial results for the year ended 31 December 2024.

Auditor's Statement
This ZWG Short Form Financial Announcement has been derived from the USD consolidated financial statements of Masimba Holdings Limited and its subsidiaries, for the financial year ended 31 December 2024. The complete set of audited consolidated financial statements for the year ended 31 December 2024 have been audited by Grant Thornton Chartered Accountants (Zimbabwe), and the auditor's report signed by Edmore Chimhowa, Registered Public Auditor 0470.

A qualified opinion was issued on the USD consolidated financial statements regarding non-compliance with International Accounting Standard (IAS) 21 – 'The Effect of Changes in Foreign Exchange Rates' in the prior financial year. The auditor's report on the consolidated financial statements and the full set of the audited USD consolidated financial statements is available for inspection at the company's registered office and the auditor's report has been lodged with the Zimbabwe Stock Exchange.

By order of the Board

G. Sebborn
Chairman
31 March 2025

ABRIDGED AUDITED FINANCIAL RESULTS

Masimba HOLDINGS LIMITED

For the year ended 31 December 2024

Financial Highlights

	Change	Audited 31 December 2024 USD	Audited 31 December 2023 USD
Revenue	4%	56,093,117	53,834,005
EBT	7%	8,407,387	7,878,994
EBITDFVA	8%	13,610,854	12,582,527
EBITDFVA/Turnover	4%	24%	23%
Basic earnings per share (cents)	-15%	2.67	3.16
Diluted earnings per share (cents)	-15%	2.61	3.07
Headline earnings per share (cents)	-24%	2.35	3.08

PRELIMINARY ANNOUNCEMENT TO SHAREHOLDERS

CHAIRMAN'S STATEMENT

OPERATING ENVIRONMENT

The operating environment remained challenging and volatile for the greater part of the financial period. Inflationary pressures were significant at the beginning of the year, and gradually subsided by the fourth quarter. The introduction of the Zimbabwe Gold (ZWG) in the second quarter played a pivotal role in stabilizing exchange rate disparities, contributing to cost stabilisation. However, tight monetary policy has created liquidity challenges that dampened overall market activity, particularly impacting rising material costs and access to financing for infrastructure projects. If these constraints persist, there is a risk that economic growth could shift toward contraction in the short term.

Additionally, ongoing power shortages have exacerbated cost pressures, as alternative power sources are significantly more expensive than grid electricity. Despite these challenges, government initiatives aimed at infrastructure development have created opportunities for public-private partnerships. The agriculture sector continues to recover from the El Niño weather phenomenon, facing persisting challenges but also possibilities for growth as conditions improve.

REVIEW OF OPERATIONS

The Contracting order book remained robust, particularly in the roads sector. However, a lack of liquidity within the market hampered effective execution, leading to cash flow challenges and an increasing debtors' book. This constrained the business' ability to fund ongoing projects and manage operational expenses, causing delays in project execution. The growing debtors' book further strained financial stability, exacerbating the liquidity crunch and creating a cycle of financial pressure that limited growth and operational efficiency.

During the review period, the Fabrication unit demonstrated its capabilities by successfully completing significant work at the new Mbare Musika vendor market, erecting 134 tons of steel in record time. This achievement showcased the unit's efficiency, technical expertise, and commitment to delivering high-quality results within tight deadlines, reinforcing our promise of excellence delivery to our clients.

Properties under rental management achieved a remarkable 100% occupancy, with significant progress made in unlocking value in the land bank.

Stemrich Investments (Private) Limited provided aggregates to the Contracting unit and diversified its product range to include precast units, positively contributing to the Group's performance.

REVIEW OF FINANCIAL PERFORMANCE

Revenues for the year at USD56.1 million (2023: 53.8 million) were 4% above prior year, driven by a strong and stable order book primarily from the roads and mining civils segments. However, the tight monetary policy hindered target execution.

Earnings before Interest, Tax, Depreciation and Fair Value Adjustments (EBITDFVA) were USD13.6 million (2023: USD12.6 million), an 8% improvement driven by enhanced operational efficiencies across project sites and cost containment initiatives.

Capital expenditure for the year stood at USD2.5 million (2023: USD4.2 million), primarily allocated to modern equipment to enhance operational efficiencies. This investment was financed through vendor financing structured over a five year period, aligning with the long term perspective of capital expenditure acquisition and ensuring sustainable financial planning. Total borrowings increased to USD2.5 million (2023: USD2.0 million), reducing the gearing ratio to 7% (2023: 8%).

Total assets increased by 7% to USD92.3 million (2023: USD85.9 million), driven by Contracts in progress and contracts receivables.

OCCUPATIONAL HEALTH AND SAFETY ASSESSMENT SYSTEM (OHSAS)

During the year, zero fatalities were recorded (2023: Nil). At the NSSA Awards in October 2024, the Group received three Gold Awards, reflecting its commitment to safety and well-being. The Group maintained its International Organization for Standardization (ISO) certifications, ISO 9001:2015 (Quality Management), ISO14001:2015 (Environmental Management), and ISO45001:2018 (Occupational Health and Safety).

SUSTAINABILITY REPORTING

Our commitment to upholding the tenets of Economic, Social and Governance best practice is evident in how we conduct our business operations, from ethical supply-chain management, compliance with environmental laws, optimization of waste and energy management to promoting employee safety and well-being. Additionally, we dedicate resources towards various sustainability initiatives that include the clearing of three hectares of land for sustainable wheat planting at Mushandike High School in Masvingo, enhancing local food security. In partnership with Karo Mine, we are constructing a new classroom block at Katawa Primary School in Ngezi, expected to be completed by April 2025. We also support the Dance Trust of Zimbabwe by erecting a stage for the annual Starlight Dance event, promoting youth well-being. Furthermore, we commemorated the 2024 International Day of the Girl Child by engaging with students at Tsungayi Primary School in Harare, empowering the girls and advocating for gender equality. These initiatives reflect our dedication to Environmental, Social, and Governance principles, furthering community development.

OUTLOOK

Despite a forecasted GDP growth of 6% for 2025, driven by strong agricultural and mining performance, the Group anticipates continued operating constraints. To navigate these challenges, the Group will prioritise cost containment and operational efficiencies while pursuing revenue growth initiatives.

Government economic stabilisation efforts may lead to improved investor confidence, facilitating public and private sector projects. Infrastructure development remains a priority, supported by both governmental initiatives and foreign investment. However, challenges such as inflation, tight monetary policy, and regulatory hurdles could hinder growth. A focus on sustainable building practices may also emerge, driven by global trends. Overall, while opportunities for growth exist, careful navigation of risks will be essential for the sustainability and success of the construction sector.

Despite the above, the Group projects growth in turnover and profitability in 2025, supported by a strong order book and diversification strategies in the infrastructure development space.

DIVIDEND DECLARATION

The Board, having considered the business' profitability, its future cashflows, and solvency, has proposed a final dividend of the full year ended 31 December 2024 of USD 0.15 cents and ZWG 1.71 cents per share. Combined with the interim cash dividend, this will bring the total dividend to USD 0.35 cents and ZWG 3.17 cents per share (2023: Nil).

DIRECTORATE

The company announces key changes to its Board of Directors.

Mr. Mark Mario Di Nicola and Mr. Malcolm William McCulloch resigned from the board on 19 September 2024 and 28 November 2024, respectively. We extend our gratitude for their invaluable insights and leadership throughout the years.

We welcome Dr. Kupukile Mlambo, appointed on 19 September 2024. Dr. Mlambo is an accomplished Economist Consultant and Development Specialist who served as the Deputy Governor of the Reserve Bank of Zimbabwe, overseeing key economic initiatives and fintech development. He also held the position of Regional Director for East Africa at the African Development Bank.

Professor Hodson Makurira, who joined the board on 3 October 2024, is the Pro Vice Chancellor for Infrastructure Development and Digitalisation at the University of Zimbabwe. With over 30 years of experience in the water sector, he holds a PhD in Hydrology and Water Management and has previously served as Dean of the Faculty of Engineering and the Built Environment.

We look forward to the expertise and fresh perspectives that both Dr. Mlambo and Professor Makurira will bring as we continue our journey forward.

APPRECIATION

On behalf of the Board, I would like to thank our valued customers, including the Government, our suppliers and other stakeholders for their continued support. I would also like to thank my fellow board members, management, and staff, for their unwavering commitment to duty.

For and on behalf of the Board

G. Sebborn
Chairman

31 March 2025

Dividend Declaration Notice

Notice is hereby given that the Masimba Holdings Limited board has declared a final cash dividend for the year ended 31 December 2024 of USD0.15 cents and ZWG1.71 cents per share.

The dividend will be payable in full to all shareholders of the Company registered at the close of business on Thursday 17 April 2025.

The payment of the dividend will take place on or about Thursday 15 May 2025. The applicable shareholder tax will be deducted from the gross dividends.

The shares of the Company will trade cum dividend on the Zimbabwe Stock Exchange up to the market day of Monday 14 April 2025 and ex- dividend starting Tuesday 15 April 2025.

BY ORDER OF THE BOARD

P. Mutiti
Company Secretary

31 March 2025

AUDITOR'S STATEMENT

These abridged consolidated financial statements are derived from the complete set of consolidated financial statements of Masimba Holdings Limited and its subsidiaries for the financial year ended 31 December 2024. They should be read in conjunction with the complete audited consolidated financial statements for the year, which have been audited by Grant Thornton Chartered Accountants (Zimbabwe). The auditor's report has been signed by Edmore Chimhowa, Registered Public Auditor 0470.

A qualified opinion was issued regarding non-compliance with International Accounting Standard (IAS) 21 – 'The Effect of Changes in Foreign Exchange Rates' in the prior financial year.

The auditor's report on the consolidated financial statements and the full set of the audited consolidated financial statements is available for inspection at the Company's registered office and the auditor's report has been lodged with the Zimbabwe Stock Exchange.

Abridged Consolidated Statement of Profit or Loss and Other Comprehensive Income
for the year ended 31 December 2024

	Notes	Audited 31 December 2024 USD	Audited 31 December 2023 USD
Revenue		**56,093,117**	**53,834,005**
Profit before depreciation and fair value adjustments		13,610,854	12,582,527
Fair value adjustment		-	2,200
Depreciation and impairment		(4,847,354)	(4,342,126)
Operating profit		**8,763,500**	**8,242,601**
Net interest paid		(356,113)	(363,607)
Profit before tax	**3.1**	**8,407,387**	**7,878,994**
Income Tax	**3.2**	(2,011,717)	(325,225)
Profit for the year		**6,395,670**	**7,553,769**
Number of shares in issue (millions)		239.39	239.39
Basic earnings per share (cents)		2.67	3.16
Diluted earnings per share (cents)		2.61	3.07
Headline earnings per share (cents)		2.35	3.08

Abridged Consolidated Statement of Comprehensive Income
for the year ended 31 December 2024

	Audited 31 December 2024 USD	Audited 31 December 2023 USD
Profit for the year	6,395,670	7,553,769
Other comprehensive income:		
Revaluation surplus	725,000	-
Movement in financial assets through other comprehensive income	(23,107)	(136,747)
Deferred tax charge on other comprehensive income	(36,019)	1,367
Other comprehensive income for the period, net of tax	665,874	(135,380)
Total comprehensive income for the year	**7,061,544**	**7,418,389**

Abridged Consolidated Statement of Financial Position
as at 31 December 2024

	Notes	Audited 31 December 2024 USD	Audited 31 December 2023 USD
Assets			
Property, plant and equipment	**3.3**	22,132,144	23,630,406
Investment property	**3.4**	7,800,930	7,800,930
Investments	**3.5**	55,197	78,304
		29,988,271	**31,509,640**
Current assets			
Inventories		6,973,735	4,580,974
Contracts in progress and accounts receivable	**3.6**	52,850,049	46,962,352
Cash and cash equivalents		2,559,425	2,886,806
		62,383,209	**54,430,132**
Total assets		**92,371,480**	**85,939,772**
Equity and Liabilities			
Share capital		2,316,175	2,316,175
Share premium		455,177	455,177
Reserves		8,113,006	7,426,896
Retained earnings		19,810,305	14,028,887
		30,694,663	**24,227,135**
Non-current liabilities			
Interest bearing borrowings	**3.7**	1,092,623	-
Deferred tax		9,876,337	7,861,646
		10,968,960	**7,861,646**
Current liabilities			
Interest bearing borrowings	**3.7**	1,434,739	2,035,653
Accounts payable	**3.8**	49,273,118	51,815,338
		50,707,857	**53,850,991**
Total equity and liabilities		**92,371,480**	**85,939,772**

masimba HOLDINGS LIMITED

ABRIDGED AUDITED FINANCIAL RESULTS

For the year ended 31 December 2024

Abridged Consolidated Statement of Cashflows
for the year ended 31 December 2024

	Audited 31 December 2024 USD	Audited 31 December 2023 USD
Net cashflow generated from operating activities	2,948,951	5,297,505
Net cashflow utilised in investing activities	(2,433,103)	(4,150,995)
Net cashflow (utilised by)/generated from financing activities	(843,229)	202,282
(Decrease)/increase in cash and cash equivalents	**(327,381)**	**1,348,792**

Abridged Consolidated Statement of Changes In Equity
for the year ended 31 December 2024

	Audited 31 December 2024 USD	Audited 31 December 2023 USD
Shareholders' equity at the beginning of the year	24,227,135	29,924,703
Share based payments reserve	20,236	25,044
Dividend paid	(614,252)	(1,058,351)
Share cancellation	-	(22,656)
Effects of translation	-	(12,059,994)
Total comprehensive income	7,061,544	7,418,389
Shareholders' equity at the end of the year	**30,694,663**	**24,227,135**

SUMMARY OF INFORMATION

1. Basis of Presentation

Statement of Compliance

The abridged consolidated financial results have been prepared using accounting policies consistent with International Financial Reporting Standards (IFRS), International Accounting Standards (IAS) and Companies and Other Business Entities Act (Chapter 24:31). The same accounting policies, presentation and methods followed in the abridged consolidated financial results are as applied in the Group's latest annual financial statements. The principal accounting policies of the Group have been applied consistently in all material respects with those from previous years. These financial statements have been prepared under the assumption that the Group will continue to operate as a going concern.

1.2 IAS 21 Effects of Changes in Exchange Rates

The abridged financial statements are presented in United States Dollars (USD), being the functional and reporting currency of the Group. The Group's consolidated financial statements are presented in United States Dollar currency, and the Directors have applied interbank rates to convert all Zimbabwe Gold (ZWG) transactions and balances to the Group's functional currency, the United States Dollar (USD).

2. Functional and Presentation Currency

The abridged consolidated financial statements are presented in United States Dollars (USD), being the functional and reporting currency of the Group.

3. Notes to the Abridged Consolidated Financial Statements for the year ended 31 December 2024

	Audited 31 December 2024 USD	Audited 31 December 2023 USD
3.1 Profit before tax		
Profit before tax is shown after charging the following items:		
Depreciation and impairment	4,847,354	4,342,126
Staff costs	2,989,763	2,455,873
3.2 Income tax		
Current tax	33,045	21,610
Deferred tax	1,978,672	303,615
	2,011,717	**325,225**
Tax reconciliation		
Profit before tax	8,407,387	7,878,994
Tax at standard rate (25.75%)	2,164,902	1,947,687
Adjusted for:		
Effects of expenses not deductible for tax	(73,298)	(621,612)
Effects of other permanent differences	(79,887)	(1,000,850)
	2,011,717	**325,225**
3.3 Property, plant and equipment		
Movement for the year:		
Balance at the beginning of the year	23,630,406	19,944,208
Capital expenditure	2,525,964	4,167,677
Depreciation	(4,585,574)	(4,427,128)
Impairment of assets	(261,780)	-
Revaluation	725,000	-
Elimination on revaluation	145,000	-
Disposals-cost	(2,007,479)	(187,871)
Depreciation elimination on disposal	1,960,607	85,002
Effects of translation	-	4,048,518
Balance at the end of the year	**22,132,144**	**23,630,406**
3.4 Investment property		
Movement for the year:		
Balance at beginning of the period	7,800,930	9,802,065
Land-Additions	-	82,160
Fair Value adjustments	-	2,200
Transfer to inventory	-	(2,562,232)
Effects of translation	-	476,737
Balance at end of the period	**7,800,930**	**7,800,930**

The investment property was revalued at the end of December 2024 by Independent valuers on the open market basis.

3.5 Investments

Balance at the beginning of the year	78,304	215,051
Fair value adjustment	(23,107)	(136,747)
Balance at the end of the period	**55,197**	**78,304**

3.6 Contracts in progress and accounts receivable

	Audited 31 December 2024 USD	Audited 31 December 2023 USD
Contract receivables and contract work in progress	51,240,841	36,428,707
Prepayments	1,534,026	9,898,205
Deposits and other receivables	427,077	884,661
	53,201,944	**47,211,573**
Less: Allowance for credit losses	(351,895)	(249,221)
	52,850,049	**46,962,352**

In determining trade recoverability of trade receivables, the Group considers any changes in the credit quality of the trade receivable from the date credit was initially granted up to the reporting date. The concentration of credit risks is limited due to the customer base being large and unrelated.

	Audited 31 December 2024 USD	Audited 31 December 2023 USD
3.7 Interest bearing borrowings		
Long term loans	1,092,623	-
Short term loans	915,060	1,880,547
Bank overdraft	519,679	155,106
	2,527,362	**2,035,653**

The short term loans represent a reclassification to current liabilities as per IFRS 7, the loans have a tenure of 60 months and accrue interest at an effective rate of 12% per annum (2023: 10%). These loans are fully secured against immoveable property and a notarial general covering bond over moveable assets including a cession of book debts.

3.8 Accounts payable

	Audited 31 December 2024 USD	Audited 31 December 2023 USD
Trade payables	2,182,799	2,045,291
Unearned revenue (Advance receipts from customers)	25,381,730	24,664,843
Contract accruals and other payables	13,270,786	19,021,594
Tax liabilities	32,793	21,610
Subcontractor liabilities	8,405,010	6,062,000
	49,273,118	**51,815,338**

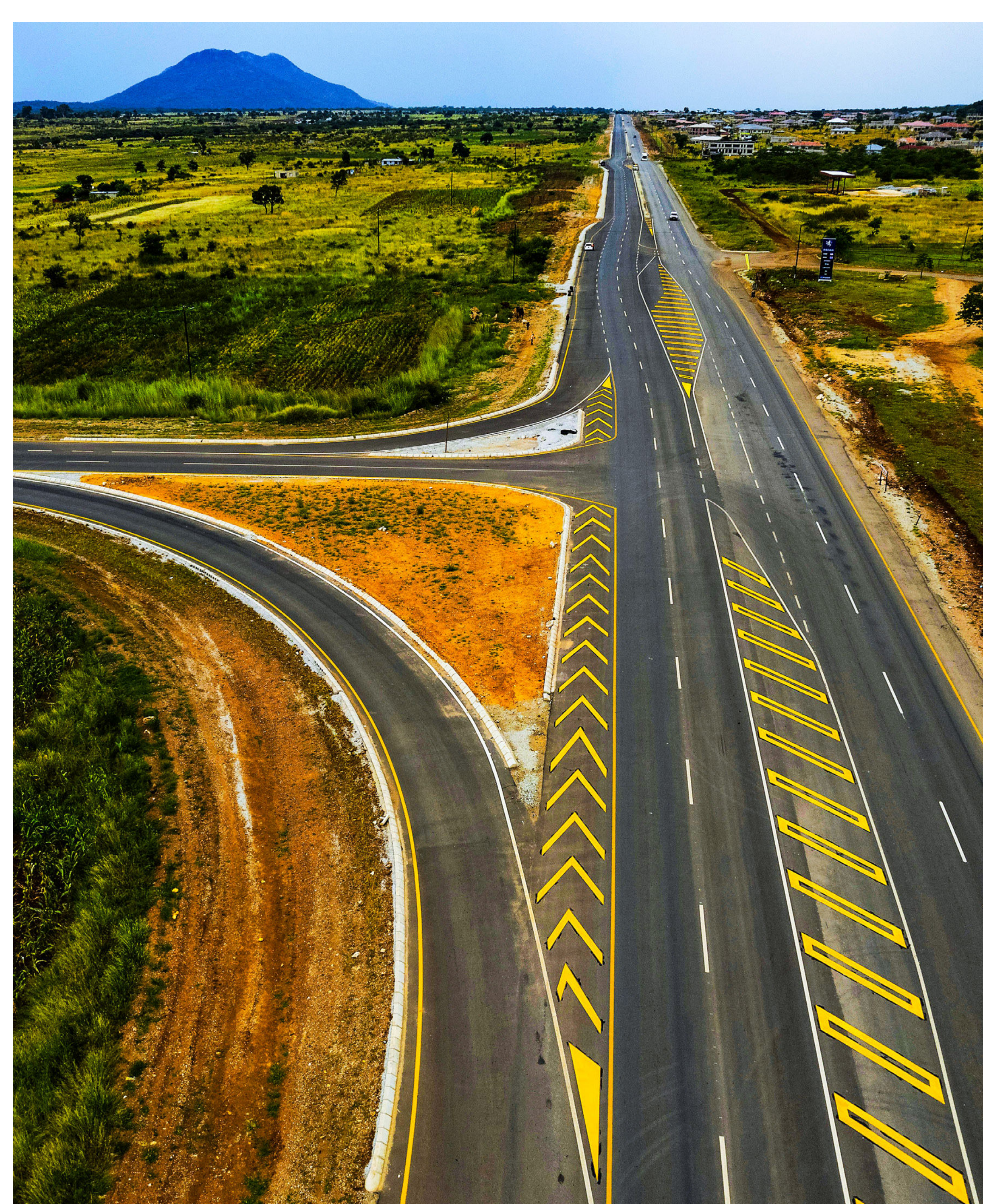
3.9 Contingent liabilities

	Audited 31 December 2024 USD	Audited 31 December 2023 USD
Construction contracts bank guarantees in respect of performance, advance payments, retentions and bids.	**818 324**	**8 506 761**

4 Going Concern

The Directors have assessed the ability of the entity to continue operating as a going concern and believe that the preparation of the consolidated financial statements on a going concern basis is still appropriate. However, the Directors believe that under the current economic environment a continuous assessment of the ability of the entity to continue to operate as a going concern will need to be performed to determine the continued appropriateness of the going concern assumption that has been applied in the preparation of the consolidated financial statements. In confirming the validity of the going concern basis of preparation, the Group has considered the following specific factors:

1. The Group reported a profit before tax of USD 8,407,387 for the year.
2. Liquidity needs of the Group have been assessed on 12 months rolling cash-flow forecast and net cash requirements are compared to available borrowing facilities in order to determine headroom or any shortfalls. This analysis shows that available borrowing facilities are expected to be sufficient over the lookout periods, which is typically 12 months from the date of authorisation of these financial statements.



INDEPENDENT AUDITOR'S REPORT

Grant Thornton
Camelsa Business Park
135 E.D. Mnangagwa Road
PO Box CY 2619
Causeway, Harare
Zimbabwe

T +263 (242) 442511-4 / +263 8677009063
F +263 (242) 442517 / 496985
E info@zw.gt.com
www.grantthornton.co.zw

To the members of Masimba Holdings Limited

Report on the Audit of the Consolidated Financial Statements

Qualified Opinion

We have audited the consolidated financial statements of Masimba Holdings Limited set out on pages 8 to 69, which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and the notes to the consolidated financial statements, including a summary of the significant Group accounting policies.

In our opinion, except for the matters described in the *Basis for Qualified Opinion* section of our report, the consolidated financial statements present fairly, in all material respects, the financial position of Masimba Holdings Limited as at 31 December 2024, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Qualified Opinion

Non-compliance with IAS 21 "The effects of changes in foreign exchange rates" with respect to the change in functional currency and use of internally generated exchange rates to translate foreign currency transactions.

During the prior financial year, the Group changed its functional currency from Zimbabwe Dollar (ZWL) to the United States Dollar (USD) on 1 January 2023. Instead of translating all items at the exchange rate on the date of the change as required by IAS 21, management applied an internally generated exchange rate for certain items and used management's valuation techniques for translating share capital and reserves.

Following the change in functional currency, management adjusted the carrying amounts of assets and liabilities to align with their fair values and recorded the resultant differences in the Foreign Currency Translation Reserve (FCTR) which was reclassified to retain earnings. This was not in accordance with IAS 21 in which a Foreign Currency Translation Reserve (FCTR) arises when translating the net investment in a foreign operation into the Group's functional currency and reclassification is done on disposal of the foreign operation.

In addition, during the year ended 31 December 2023, the Group's foreign currency transactions were translated into the functional currency using an internally generated exchange rate, which was not considered an appropriate spot rate for translations as required by IAS 21. The impact of this non-compliance on the related exchange gains/losses, assets, liabilities, revenue, expenditure, and equity has not been corrected in the comparative amounts and opening balances for the 2024 financial year.

Our opinion on the prior year financial statements was modified in respect to this matter. Our opinion for the year ended 31 December 2024 is also modified because of the possible effects of uncorrected misstatements arising from this matter on the comparative amounts in the consolidated financial statements.

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. The key audit matters noted below relate to the consolidated financial statements.

Key Audit Matter	How our audit addressed the Key Audit Matter
IFRS 15 Revenue from Contracts with Customers • There is a presumed fraud risk with regards revenue recognition as guided by International Standard on Auditing (ISA 240 Revised). There is a risk that the revenue is presented at amounts higher than what has been actually generated by the Group. • The Group is involved in complex construction projects where revenue is recognised over time using the percentage of completion method. • The amount of revenue and profit recognised in a year on construction projects is dependent, among other things: ❖ On the actual costs incurred; ❖ The assessment of the percentage of completion for contracts; and ❖ The forecast contract revenue and costs to complete for each project. • The amount of revenue and profit is influenced by the valuation of variation orders and claims. • Due to the estimates and judgements involved in the recognition of revenue from construction projects, we have considered this matter as a key audit matter.	Our audit procedures included the following: • Tested general and application controls around the Group's revenue systems and reviewed the controls over the revenue effects schedule. • Understanding of the revenue process including the performance of an end-to-end walkthrough of the revenue recognition process and identifying relevant controls. • Tested the design and operating effectiveness controls that the Group has put in place over the process to record contract revenues, contract costs, and the calculation of the stage of completion. • Reviewed whether the revenue recognition criteria is appropriate and in line with the requirements of IFRS 15. • Evaluated the significant judgements made by management, amongst others based on an examination of the associated project documentation. • Discussed with finance and technical staff of the Group on the status of projects under construction. In addition, we visited some projects under construction. • Reviewed subsequent valuation of certified work and compared the amounts to uncertified work in progress

	recognised as revenue in the financial year for reasonableness. • We also assessed construction in progress valuations against contract costs and stage of completion considering total contract value to confirm the valuation of construction in progress. Based on our audit work, we satisfied ourselves that the Group's revenue recognition and valuation of construction projects is in accordance with IFRS 15, Revenue from Contracts with Customers.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards (IFRSs), and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

We communicate with those charged with governance 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 those charged with governance 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.

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

Report on Other Legal and Regulatory Requirements

In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion, the consolidated financial statements have been properly prepared in compliance with the requirements of the Companies and Other Business Entities Act (Chapter 24:31).

The engagement partner on the audit resulting in this independent auditor's report is Edmore Chimhowa.

Grant Thornton

Edmore Chimhowa
Partner

Registered Public Auditor (PAAB No: 0470)

Grant Thornton
Chartered Accountants (Zimbabwe)
Registered Public Auditors

31 March 2025

HARARE