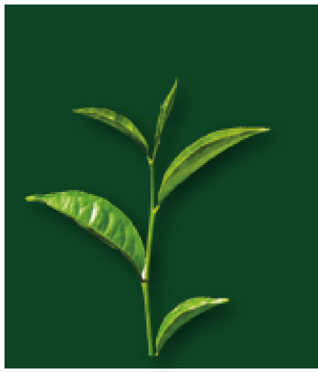
ARISTON
HOLDINGS LIMITED



A Diversified Agro-industrial Company.

ANNUAL REPORT

2024

Contents

Ariston business interests span a variety of products including tea, macadamia, row crops and poultry

Corporate Structure

ARISTON HOLDINGS LIMITED

- 100% — ARISTON MANAGEMENT SERVICES (PRIVATE) LIMITED
- 100% — CLAREMONT ORCHARDS 1988 (PRIVATE) LIMITED — Agriculture
- 100% — SOUTHDOWN HOLDINGS (PRIVATE) LIMITED — Property owning company
- 100% — CLEARWATER TEA MANUFACTURING COMPANY (PRIVATE) LIMITED — Property owning company
- 100% — ROSCOMMON DEVELOPMENT COMPANY (PRIVATE) LIMITED — Property owning company
- 50% — CLAREMONT ORCHARDS HOLDINGS (PRIVATE) LIMITED

This is a property owning company that is held as a joint venture between Ariston Holdings Limited and Tuinbouw Zonder Grenzen B.V.

100% SOUTHDOWN ESTATE — A division of Ariston Management Services (Private) Limited

Comprises three estates in the picturesque Chipinge and Chimanimani areas of Zimbabwe with 1,200 hectares of tea, 450 hectares of macadamia nuts, 60 hectares of bananas and 12 hectares of avocados. This division is also involved in the packaging of tea for the domestic market. Infrastructural development includes tea factories, a macadamia drying facility, a 500KVA solar energy plant, schools, clinics and workers' housing.

100% Kent ESTATE — A division of Ariston Management Services (Private) Limited

The estate is situated in Norton. It produces irrigated crops and dry land crops, and over one million broilers a year.

55% BONEMARROW INVESTMENTS (PRIVATE) LIMITED t/a CLAREMONT POWER STATION — Joint venture with Goldsaif (Private) Limited

A joint venture between Ariston Management Services (Private) Limited and Goldsaif (Private) Limited engaged in electricity generation at the micro-hydro facility located at Claremont Orchards Holdings (Private) Limited.

50% MOMBE SHOMA FARMING (PRIVATE) LIMITED — Joint venture with Van Leenhoff Family

A joint venture between Ariston Management Services (Private) Limited and Van Leenhoff Family engaged in commercial cattle ranching at Kent Estate.

Financial Highlights

For the year ended 30 September 2024

	2024	2023
GROUP SUMMARY (USD)		
Revenue	7,066,043	6,489,945
Loss before interest, tax, depreciation and amortisation (EBITDA) excluding fair value adjustments	(1,311,314)	(4,467,409)
Finance costs	(728,372)	(592,850)
Loss before income tax	(4,454,306)	(7,324,419)
Comprehensive income attributable to shareholders	(4,282,691)	(6,049,247)
Cash generated from/ (utilised in) operating activities	71,997	(3,078,423)
Capital expenditure	(282,968)	(999,050)
Cash resources net of short-term borrowings and short-term lease liabilities	(3,569,947)	(675,203)
Total assets employed	29,884,567	31,768,796
ORDINARY SHARE PERFORMANCE		
Number of ordinary shares in issue	1,627,395,595	1,627,395,595
Weighted average number of shares in issue	1,627,395,595	1,627,395,595
Basic earnings per ordinary share (USD dollars)	(0.0026)	(0.0037)
Ordinary shareholders' equity per ordinary share (USD dollars)	(0.0026)	(0.0037)
Market price per ordinary share at year end (USD dollars)	0.039977	0.0007
FINANCIAL STATISTICS		
Interest cover (times)	(5.12)	(11.35)
Ordinary shareholders' equity to total assets (%)	36.95	48.24
Return on shareholders equity (%)	(38.79)	(7.82)

Directorate and Administration

DIRECTORS

Non-Executive

A.C. Jongwe	Chairman
I. Chagonda	
C.P. Conradie	
T.C. Mazingi	
J.W. Riekert	
Z.T. Zifamba	

Executive

P.T. Spear	Group Chief Executive Officer (Retired)
L.W. Nortier	Group Chief Executive Officer*
R.A. Chinamo	Group Finance Director
N. Botha	Chief Operations Officer (resigned)

BOARD COMMITTEES

Audit and Risk Committee

I. Chagonda	Chairman
C.P. Conradie	
J.W. Riekert	
T.C. Mazingi	

Human Resources and Remuneration Committee

C.P. Conradie	Chairman
A.C. Jongwe	
I. Chagonda	
Z.T. Zifamba	
L.W. Nortier	

Operations/Technical Committee

T.C. Mazingi	Chairperson
A.C. Jongwe	
C.P. Conradie	
J.W. Riekert	
Z.T. Zifamba	
L.W. Nortier	

REGISTERED OFFICE

18 Coghlan Road
Greendale
Harare
P.O. Box 4019
Harare

COMPANY SECRETARY

A. Museta

SHARE TRANSFER SECRETARIES

ZB Transfer Secretaries (Private) Limited
21 Natal Road
Avondale
Harare
P.O. Box 2540
Avondale
Harare

INDEPENDENT AUDITOR

Vista Chartered Accountants (Zimbabwe)
Arundel Office Park, Building 4
Norfolk Road, Mount Pleasant
P.O Box 453
Harare

BANKERS

Central African Building Society
NMB Bank Zimbabwe Limited
Nedbank Zimbabwe Limited
Stanbic Bank Zimbabwe Limited
BancABC Zimbabwe Limited
Ecobank Zimbabwe Limited
National Building Society

LAWYERS

Artherstone and Cook Legal Practitioners
Praetor House
119 J. Chinamano Avenue, Harare
P. O. Box CY 1254
Causeway
Harare

Maunga, Maanda and Associates
Fourth Floor Livingstone House
48 Samora Machel Avenue
P.O. Box HR 9527
Harare

* The Group's former Chief Executive Officer P.T. Spear retired with effect from 1 March 2024 and has been retained on a consultancy role for a period of 12 months. Mr Leon Wilhelm Nortier is the current Chief Executive Officer of Ariston Holdings Limited. He holds a Bachelor of Economics degree from Stellenbosch University and has more than 2 decades experience farming in Southern Africa.

Chairman's Statement

Mr A.C Jongwe
Chairman

INTRODUCTION

The 2024 agricultural season presented notable challenges due to El Nino-induced climatic conditions and gradually improving post-COVID selling prices. Lower rainfall was received at all the operations and at Kent, this resulted in a streamlining of dryland crop activity.

The local trading environment continued to be predominantly United States of America dollar ("USD")-based with increased liquidity challenges after the introduction of the Zimbabwe Gold ("ZwG") currency in April 2024.

Operations were impacted by rising input costs of production for key inputs such as electricity, fertilisers and crop chemicals although efficiencies such as solar power adoption mitigated some of these pressures. Ariston Holdings Limited (the "Company") and all its subsidiaries together (the "Group") continued to benefit from the positive impact made by installation of the solar energy plant at Southdown Estate in July 2023. This achieved cost saving through reduced reliance on generators and the associated maintenance cost, whilst contributing towards safeguarding environmental resources through use of a renewable energy source. While solar installation reduced generator reliance, gains were partially offset by increased grid electricity tariffs.

GROUP PERFORMANCE

The Group noted that its functional currency had changed to the United States of America dollar ("USD") at the beginning of the year. It is on this basis that the financial results for the year have been prepared and presented in USD. The considerations that were made by the Group are detailed in Note 1.2.

Revenue of US$7,066,043 generated during the year was 9% ahead of prior year. This was mainly attributable to improved macadamia volumes and selling prices. The cost of sales however, worsened slightly by 3% as a result of the increased costs of fertilizers, crop chemicals and electricity resulting in the Group reporting a gross loss of US$1,389,028 despite improved revenue.

The three joint ventures namely, Bonemarrow Investments (Private) Limited trading as Claremont Powerstation, Claremont Orchards Holdings (Private) Limited and Mombe Shoma (Private) Limited contributed positively to the Group's financial performance.

In the comparative year, the Group had unrealised exchange losses, mainly arising from United States of America dollar denominated liabilities. Since the change in functional currency, exchange gains have been generated arising from Zimbabwe Gold denominated liabilities. Finance cost increased by 23% compared to prior year. As a result of all the above, the Group posted a 29% impovement in the loss for the year before other comprehensive income.

"The Group continued to benefit from the positive impact made by installation of the solar energy plant at Southdown Estate in July 2023"

DIVIDEND

To preserve liquidity and support asset revitalization, the Board has prudently resolved to defer dividend declarations for the year.

OUTLOOK

The 2024/2025 agricultural season is expected to have normal to above normal rainfall. The Group will however continue to rely heavily on its irrigation systems in place. It is hoped that the extremely hot conditions at the start of the season will not persist for the duration of the season.

The Group will continue to focus on quality, production efficiencies and cost cutting measures in order to maximise shareholder value.

DIRECTORATE

Mr. Paul Timothy Spear retired from the position of Group Chief Executive Officer with effect from 1 March 2024. He served the Group for 27 years in various capacities. Among his many achievements at the Group, Mr. Spear led the Group to being the first large scale macadamia producer for export in Zimbabwe. To maximise on his invaluable agricultural expertise, the Group retained Mr. Spear in a consultancy role for a period of twelve months.

Mr. Leon Wilhelm Nortier was appointed as the Group Chief Executive Officer. He has 23 years' experience farming in Southern Africa. His agricultural experience covers oil seed production, grain crops, horticulture, plantation crops, fibre, tobacco and livestock.

APPRECIATION

I would like to extend my appreciation to all our customers, suppliers, staff, shareholders, strategic partners and my fellow Board directors for their continued support to the Group.

Alexander Crispen Jongwe
CHAIRMAN

11 April 2025

Group Operational Overview

Mr L.W Nortier
Chief Executive Officer

INTRODUCTION

This year's season commenced with a dry spell followed by lower rains than in prior year. Overall lower rainfall with poor distribution was received in this season than in the prior comparative season.

The difficult operating environment noted in prior year continued into this financial year ended 30 September 2024. Global market disruptions which negatively affected the agricultural sector remained although some minor improvements were noted. The difficulties included lower agricultural commodity prices due to supply overhang from the COVID-19 shutdown period. Fertilizer and chemicals costs remained at price levels higher than the pre-COVID-19 period.

The local economic environment continued to be harsh, characterized by declining disposable incomes, incessant power outages and introduction of the ZwG currency in April 2024 which affected payments from customers as a result of liquidity challenges.

VOLUMES AND OPERATIONS

Tea

During the year ended 30 September 2024, 3,070 tonnes of tea were produced. This was a 26% improvement on the prior comparative year's volume of 2,427 tonnes.

While average export tea selling prices declined by 21%, local demand strengthened and supported margins. Export tea volume was contained given the prevailing export prices. The exportable volume was fully absorbed locally at better margins. This resulted in a 60% decline in export tea revenue.

Local tea demand remained firm as evidenced by a 39% increase in local tea sales volumes compared to the prior comparative year.

Overall, tea sales revenue ended the year at 0.3% lower than prior year.

"During the year ended 30 September 2024, 3,070 tonnes of tea were produced. This was a 26% improvement on the prior comparative period's volume of 2,427 tonnes."

Macadamia

Production volumes for the year ended 30 September 2024 at 1,395 tonnes were 3% ahead of the prior comparative year. During the current year, both production and prior year unsold stock amounting to 1,219 tonnes of macadamia nuts and 246 tons of ristonuts were sold. Average selling price improved by 13% during the year indicating improved demand post COVID- era.

Other products

The "Other Products" comprises commercial maize, seed maize, soya beans, avocados and bananas. These products contributed 21% to the Group's revenue, which was similar to the prior year comparative. In response to the dry spell, other products such as potatoes were not grown in order to preserve the dam water for the commercial row crops that were planted under irrigation.

Capital Expenditure

As reported at half year, the Group acquired a macadamia scanning machine, which allows for the scanning of nut-in-shell macadamia nuts to determine their quality before export. This enabled the Group to determine nut quality and assisted in pricing the macadamia nuts more effectively for export by being able to grade better and guarantee the quality being sold. The equipment was commissioned in April 2024 in time for the current year macadamia selling season and its benefits were evident.

OUTLOOK

The 2024/2025 agricultural season is expected to have normal to above normal rainfall. The Group will however continue to rely heavily on its irrigation systems in place. It is hoped that the extremely hot conditions at the start of the season will not persist for the duration of the season.

The tea production season commenced well with harvests being slightly lower than those harvested in the prior comparative period. Macadamia orchards, so far, have better nut set than the prior comparative period. Macadamia export prices being indicated for the 2024/2025 season are higher than prices achieved in the current year. Indications are that the global macadamia oversupply situation that arose during the COVID-19 period has now come to an end with the market being undersupplied. Increasingly buyers are now trying to secure offtake agreements for the upcoming season.

The Group will continue to focus on quality, production efficiencies and cost cutting measures in order to maximise shareholder value.

APPRECIATION

Management is grateful for the support given to the Group by the Chairman, Board, shareholders, employees and other stakeholders.

Leon Wilhelm Nortier
CHIEF EXECUTIVE OFFICER

11 April 2025

Report of the Directors

The Directors have pleasure in presenting their report, together with the audited financial statements of the Group for the year ended 30 September 2024.

Going concern considerations

The financial statements have been prepared on a going concern basis, which assumes that the Group will continue in existence for the foreseeable future.

The Directors have satisfied themselves that the Group has adequate resources for the operations to continue for the foreseeable future. In this regard, they have considered the financial impact of the waning effects of COVID-19 and the impact of the war between Russia and Ukraine on the Group These conditions have resulted in increased cost of production and suppressed pricing. The Directors have also performed an overall assessment of the ability of the Group to continue operating as a going concern by reviewing the prospects of the Group in terms of business viability and financial performance.

In the period under review, the Group has increased its focus on improving tea quality so as to grow its export sales volume, as well as improve price. In the curent year, increased sales revenue was as a result of higher profit margins realised from local sales. The Group has signed off take agreements with major buyers of macadamia nuts and indicative prices are higher than those achieved in the current year.

The Group has irrigation systems in place which assist in mitigating the effects of erratic rainfall patterns, where applicable. In 2023, the Group invested in a solar energy plant in order to mitigate against power outages and the resultant cost of using generators. This project has resulted in significant cost savings whilst safeguarding environmental resources through use of a renewable energy source. It is the Group's intention to install further solar plants at Roscommon, Clearwater and Kent to mitigate against power outages and the resultant cost of using generators.

The Group is also working on replacing short term loans with longer dated ones.

High cost of production for key inputs such as fertilisers, crop chemicals and payroll coupled with the effects of the 25% Reserve Bank of Zimbabwe retention on exports at a time when export prices are still constrained has negatively affected the operations. During the year, the Group derived more of its revenues from the local market in order to protect the loss of margin arising from the export proceeds retention.

In order to stabilise the Group, a number of cost-cutting measures are being undertaken and scheduled for implementation in the financial year 2025. These measures include an extensive staff reduction exercise and further automation of processes where possible

The above noted assessments considered the Group's financial performance and its resultant financial position as at 30 September 2024. The assessment also included a review of the Group's short term and medium-term prospects and forecasts taking into account the economic environment in Zimbabwe and in the global markets for its export products, climate change, supply chains and the expected impact on prices and demand for the Group's product offering. The Directors believe that the Group's plans and activities adequately show that the business will continue to be viable and able to discharge its obligations as and when they fall due. Based on this background, the Directors have every reason to believe that the Group has adequate resources to continue in operation for the foreseeable future. Accordingly, these financial results were prepared on a going concern basis.

CAPITAL

Authorised

The authorised capital of the Company remained at 2,000,000,000 shares with a nominal value of US$0.001.

Issued

The issued share capital of the Company remained at 1,627,395,595 shares with a nominal value of US$0.001.

Unissued

At 30 September 2024 unissued share capital comprised 372,604,405 (2023: 372,604,405) shares with a nominal value of US$0.001 each and of these, 29,370,286 (2023: 29,370,286) shares were under the control of directors, 23,075,000 (2023: 23,075,000) shares were set aside under the Senior Staff Share Option Scheme (2003, 2005 and 2011) and 320,159,119 (2023: 320,159,119) shares were set aside under the 2016 Ariston Share Ownership Trust.

Reserves

The movement in the reserves of the Group and the Company are shown on page 32 of these financial statements.

Report of the Directors - Continued

GROUP FINANCIAL RESULTS

The results for the year were as follows:

All figures in USD	2024	2023
Loss before Income tax	(4,454,306)	(7,324,419)
Income tax credit	171,615	1,275,172
Loss for the year	(4,282,691)	(6,049,247)

DIVIDENDS

In view of the need to enhance assets and the need to preserve cash resources, the Board has seen it prudent not to declare a dividend.

DIRECTORATE

In accordance with article 107 of the Company's Articles of Association, Mr Z.T. Zifamba retired by rotation, and being eligible, offered himself for re-election. Mrs. T. C. Mazingi, also retires by rotation and does not offer herself for re-election.

DIRECTORS' SHAREHOLDINGS

At 30 September 2024, the Directors held directly and indirectly the following number of shares in the Company:

Director	At 30/09/24	At 30/09/23
Mr. I. Chagonda	-	-
Mr. C.P. Conradie	-	-
Mr. A. C. Jongwe	-	-
Mrs. T.C. Mazingi	658,870	658,870
Mr. J.W. Riekert	-	-
Mr. Z.T. Zifamba	-	-
Mr. L. W. Nortier	-	-
Mr. P.T. Spear	29,536,312	29,536,312

DIRECTORS' REMUNERATION

Non-executive directors' remuneration is subject to shareholder approval.

INDEPENDENT AUDITOR

At the forthcoming Annual General Meeting, as part of ordinary business, shareholders will be requested to approve fees for the independent auditors for the year ended 30 September 2024 and to appoint auditors for the ensuing year.

By order of the board

A. Museta
COMPANY SECRETARY

11 April 2025

Ariston Holdings Limited together and its subsidiaries and joint ventures (the "Group") is committed to maintaining the highest levels of integrity and accountability in all its business practices and its corporate governance policy is aimed at these objectives. This is achieved by ensuring the Group is correctly structured and appropriate reporting and control mechanisms are in place.

1. BOARD COMPOSITION AND APPOINTMENT

The Board of Directors (the "Board") is chaired by an independent non-executive director and comprises six non-executive directors (including the chairman) and two executive directors.

The Board enjoys a strong mix of skills and experience. It is the primary governance organ. The role of the Board is to determine overall policies, plans and strategies of the Group and to ensure that these are implemented in an ethical and professional manner.

The Board meets regularly, at least four times a year, and guides corporate strategy, risk management practices, annual budgets and business plans.

Special board meetings may be convened on an ad hoc basis when necessary to consider issues requiring urgent attention or decision.

The Company Secretary maintains an attendance register of directors for all scheduled meetings during the year through which directors can assess their devotion of sufficient time to the Group.

The Board has overall responsibility for ensuring the integrity of the Group's accounting and financial reporting systems including the independent audit, and that appropriate systems of control, risk management and compliance with laws are in place.

To ensure effectiveness, Board members have unfettered access to information regarding the Group's operations which is available through Board meetings, Board and Management Committees as well as strategic planning workshops organised by the Group.

The Board appointments are made to ensure a variety of skills and expertise on the Board. A third of the directors are required to retire on a rotational basis each year, along with any directors appointed to the Board during the year.

Executive directors are employed under performance-driven service contracts setting out responsibilities of their particular office.

2. BOARD ACCOUNTABILITY AND DELEGATED FUNCTIONS

The Board is supported by various committees in executing its responsibilities. The committees meet quarterly to assess, review performance and provide guidance to management on both operational and policy issues.

Each committee acts within certain written terms of reference under which certain functions of the Board are delegated with clearly defined purposes. The Board may take independent professional advice at the Group's expense where necessary. The Board monitors the effectiveness of controls through reviews by the Audit and Risk Committee and independent assessments by the independent auditor.

Attendance of Directors at board and committee meetings during the year ended 30 September 2024

Director	Board	Audit and Risk Committee	Human Resources and Remuneration Committee	Operations/ Technical Committee
A.C. Jongwe	4/4	-	4/4	4/4
I. Chagonda	3/4	4/4	3/3	1/1
C.P. Conradie	4/4	4/4	4/4	4/4
T.C. Mazingi	4/4	3/3	-	4/4
J.W. Riekert	4/4	4/4	1/1	3/3
Z.T. Zifamba*	4/4	-	3/3	3/3
L.W. Nortier	2/2	2/2	2/2	2/2
P.T. Spear	4/4	-	4/4	4/4

* Mr. L.W. Nortier was appointed during the year, and had not yet been appointed by the time the first set of meetings of the year were held.

3. BOARD COMMITTEES

3.1 Audit & Risk Committee

The Audit and Risk Committee is chaired by a non-executive director and the independent auditor has unrestricted access to the committee and attends all meetings. The Committee reviews the interim and annual financial statements, the Group systems and controls and ensures that audit recommendations are considered, and implemented where appropriate.

3.2 Human Resources and Remuneration Committee

The Human Resources and Remuneration Committee is chaired by a non-executive director and reviews remuneration levels of members of staff throughout the Group.

This Committee comprises four (4) non-executive directors (one of whom is the Chairperson) and one executive director. This Committee is mandated to deal with staff development and formulate remuneration policies as well as approve remuneration packages for executive directors and senior executives.

The remuneration policy is designed to reward performance, to attract, motivate and retain high calibre individuals who will contribute fully to the success of each of the businesses in which Ariston Holdings Limited operates. The committee draws on external market survey data from independent advisors to ensure that the remuneration policy is appropriate and relevant to the prevailing times.

3.3 Operations/Technical Committee

It is chaired by a non-executive director. The Operations/Technical Committee comprises of four (4) non-executive directors and one executive director. The purpose of the Committee is to assist the Board in its oversight of the technical and operational risks of the Group in delivering its business plans.

The Committee assesses management's operational policies, strategies, budgets and action plans, reviews implementation or execution and makes recommendations to the Board.

4. FINANCIAL STATEMENTS AND MANAGEMENT REPORTING

A decentralised management structure exists with business unit management attending to the daily activities of individual business units.

Annual budgets and plans are compiled by each business unit and reviewed and approved by the Board.

Each business unit has comprehensive management and financial reporting disciplines, which include monthly management accounts, physical and financial expenditure controls, planned capital expenditure programmes and detailed operating budgets.

The Group maintains internal controls and systems to support these disciplines, and the results of each operation are approved by the Board. Financial progress is monitored monthly and annual forecasts are reviewed quarterly.

The annual financial statements are prepared on a going concern basis, as the Directors are satisfied that the Group has adequate resources to continue in operational existence for the foreseeable future. The statements are prepared in accordance with IFRS Accounting Standards and are based on policies which are reasonable and prudent. The independent auditors are responsible for carrying out independent examination of the financial statements in accordance with International Standards on Auditing ("ISA") and the Directors accept responsibility for the preparation of and information presented in the financial statements.

5. OTHER CORPORATE GOVERNANCE MEASURES

5.1 Worker Participation

Worker participation and employer/employee relations are handled through regular works councils and workers` committee meetings in each operating division. Regular meetings ensure information dissemination, consultation and resolution of conflict areas timeously and to the benefit of all parties.

5.2 Environment

The Group adopts a responsible approach and complies with all regulatory and legislative requirements to ensure the protection and maintenance of the environment in which it operates.

5.3 Social Responsibility

The Group contributes to the social well-being of its employees and their dependents within the communities in which the Group's operations are located. Provision of health, educational, recreational and sporting facilities on the Group's estates provides amenities for employees as well as members of the surrounding communities.

The Group participates in fair trade label programmes and subjects its operations to audit by international organisations, to ensure compliance with the highest standards in its respective operations.

5.4 Related Party Transactions

The Company has a process in place whereby the Directors and key management have confirmed that, to the best of their knowledge, the information disclosed in the Group's consolidated financial statements fairly represents their shareholding in the Company, both beneficial and indirect, interest in share options of the Company and the compensation earned from the Company for the financial year. In addition, the directors and key management have confirmed that all interests have been declared.

5.5 Insider Trading

No director, officer or employee of the Company may deal directly or indirectly in the Company's shares on the basis of unpublished price-sensitive information regarding its business or affairs. In addition, no director, officer or employee may trade in the Company's shares during closed periods. Closed periods are from the start of the month in which the interim and annual reporting period fall to the announcement of financial and operating results for the respective periods, and while the Company is under a cautionary announcement.

Alexander Crispen Jongwe
CHAIRMAN

11 April 2025

Leon Wilhelm Nortier
CHIEF EXECUTIVE OFFICER

11 April 2025

Sustainability Highlights

1,245 Total staff including temporary employees

35% Female Employees

1,089,213 kw Southdown Estate solar consumption

+ USD 264,036 ZIMRA, Value Added Tax and Paye as You Earn requirements

USD 70,815 2024 NSSA contributions

0 fatalities Health and Safety

INTRODUCTION

Our agricultural estates are committed to sustainable practices that prioritize environmental stewardship, social responsibility, and economic viability. This foundational report outlines the Group's sustainability progress and initiatives during the reporting period from October 2023 to September 2024. The report presents our initial disclosures, focusing on material economic, social, and environmental indicators that are relevant across all estates, aligned with our current resources and capabilities.

The Group has adopted an incremental approach to sustainability reporting. Each year, we aim to deepen and expand our reporting scope to better identify and address our impacts on the profit (economy), planet (environment), and people (society). This phased strategy also supports ongoing internal capacity-building and helps provide decision-useful information for stakeholders.

GOVERNANCE FRAMEWORKS

Our sustainability strategy is built on the ESG pillars: Economic, Environmental, Social, and Governance. Business decisions are aligned with these core values. This report considers the following:

- Company sustainability, environmental, health, safety, and quality policies
- Global Reporting Initiative (GRI) Standards
- United Nations Sustainable Development Goals (SDGs)
- Sustainability Accounting Standards Board (SASB) Disclosure Topics relating to Agricultural products
- The IFRS Accounting Standards ("IFRS") Sustainability Standards S1 and S2. (Permissible transition adoption reliefs have been applied as this is an adoption year)
- Zimbabwe Stock Exchange (ZSE) Practice Note 16

Given current resource constraints, this report follows minimum recommended disclosures. We have also implemented and maintained international sustainability certifications, including Rainforest Alliance certification, to guide our operations and performance.

FORWARD-LOOKING STATEMENTS

The This report contains forward-looking statements based on current projections. Due to various risks and uncertainties, actual outcomes may differ. We commit to updating these statements as new information or developments arise.

STAKEHOLDER RELATIONS AND ENGAGEMENTS

We recognize the importance of our stakeholders in shaping our operations. Through continuous engagement and feedback, we aim to enhance positive impacts and minimize adverse ones.

Our stakeholders are grouped by mutual interests:

- Business stakeholders: customers, suppliers, banks, and agents
- Communities: local populations in our operational areas
- Regulators: government bodies and agencies
- Capital stakeholders: investors, shareholders, and employees

The Board ensures transparent, relevant, and timely ESG communications and is committed to informed stakeholder engagement.

ENVIRONMENTAL SUSTAINABILITY

1. **Water Conservation**
   Implementation of irrigation systems has significantly reduced water usage in the face of recurring droughts, ensuring recycling of water and promoting the use of clean water sources.

2. **Soil Health**
   The Group maintains a comprehensive programme to improve the soils by using minimum tillage, improving organic matter and carbons and protecting the soil surface from sun and rain by leaving crop residues on top as well as introducing micro-elements and micro-organisms. Rotation also plays a big part in soil improvement at Kent Estate which produces both dry-land and irrigated crops.

3. **Biodiversity**
   We manage timber plantations responsibly, supporting sustainable energy use and conservation in the Eastern Highlands. The Group has a defined reforestation and afforestation programme. The Group also observes bee-keeping policies to encourage pollination of the orchards.

4. **Energy Efficiency**
   In 2023, solar panels were installed at Southdown Estate for processing facilities and offices. Solar energy surpassed traditional electricity usage for a significant period of the year (solar consumption: 1,089,213 kilowatt and electricity consumption 1,118,591 kilowatt).This has reduced greenhouse gas emissions and fuel costs.

5. **Waste Management**
   We aim to transition away from non-sustainable waste practices by promoting recycling and waste reduction strategies to manage disposal costs and reduce environmental risk.

SOCIAL RESPONSIBILITY

1. **Fair Labour Practices**
   We uphold fair wages, safe working environments, and equal employment opportunities. Female employees constitute 35% of the workforce. Accommodation and protective clothing and equipment are provided to all the estate employees.

2. **Community Engagement**
   Support is provided to the local communities through education, training, and economic empowerment programs.

The Group fosters and maintains sound relationships with communities in which it operates and positively impacts the communities through poverty alleviation and improvement in quality of life. Whilst the Company does not discriminate when employing, the majority of employees are drawn from local communities.

Trainning to the outgrowers in Honde Valley (Banana Project)

SOCIAL RESPONSIBILITY - CONTINUED

2. Community Engagement - continued

Support provided to the communities includes:

- Four primary and secondary schools cater for the education requirements of both our employees' children and those from the local communities.
- Free pre-school and subsidized education for the Group`s workers
- Community outreach and immunization programs
- Recreational halls
- Local agriculture supply shops and supermarkets with set up facilitated by the Group for affordable access.
- Clearwater hosts a fuel station serving Southdown and the local community thus enabling all members of the community to have access to energy.

School facilities to community

3. Health and Safety

We maintain strict protocols to minimize workplace injuries through policies and procedures as well as employee awareness.

- Total staff: 1,245 (including temporary employees)
- 0 fatalities
- 80 minor injuries

Health services are offered free to employees and at nominal costs to the community. Children under five receive free healthcare and immunizations.

Clinic services to the farm workers and community

ECONOMIC VIABILITY

1. Sustainable Farming Practices

Efforts made include tea pruning and planting of new banana plantations to enhance productivity.

2. Product Diversification

Investments in product development have supported the innovation of value-added tea products and exploration of macadamia nut-cracking within the country.

3. Economic Contributions

We adhere to ethical and regulatory standards, maximizing value creation through sustainable practices.

3.1 Employee Benefits

- Contributions to National Social Security Authority (USD 70,815 in 2024)
- Healthcare support for external medical needs

3.2 Trade Union Representation

Employees are represented through the National Employment Councils for the Tea and Coffee sector, ensuring fair industry wage agreements.

3.3 Compliance

There are no instances of material non-compliance with environmental laws and regulations.

During the year, the Group paid amounts to Zimbabwe Revenue Authority including USD 264,036 for Value Added Tax and Paye as You Earn requirements.

FORWARD-LOOKING PLANS

We are committed to advancing our sustainability journey through:

- Solar energy installations across remaining estates
- Eco-friendly packaging innovations
- Enhanced employee training and development programs

GROUP STRATEGY

The Group's strategy has been presented in the form of a SWOT analysis below:

STRENGTHS

- Ariston has been in operation for over 7 decades which has allowed the Group to have well established relations with stakeholders such as customers, thus ensuring brand loyalty.
- The Group boasts of an experienced skillset. Management possesses sound technical knowhow in terms of both hands on experience and educational qualifications.
- The Group boasts of an experienced skillset. Management possesses sound technical knowhow in terms of both hands on experience and educational qualifications.
- The Estates are strategically located in areas that receive a lot of rain throughout the year.
- The Group holds title to the land on which the Estates are located.
- The Group has access to reasonably priced credit facilities
- The land that the Group operates has fertile soil which is conducive for the Group's operations.
- The Group continuously enhances the processing equipment at the Estates.
- The Group diversifies market risk by selling its products both in the local and export markets. Further, in the export markets, products are sold to all continents.
- The Group has a large asset base comprising the orchards, buildings and equipment that have been invested in over the years.
- The Group has a value chain that allows for the growing, harvesting, processing, blending and packaging of tea to a point where it is ready for distribution to the market.
- The Group has invested heavily into power back-up systems including renewable energy. The Group has invested in a solar energy plant for its largest estate, thereby mitigating against the effects of power outages.
- There are perennial flowing rivers that run through the Estates which have allowed for dam construction as well as setting up irrigation equipment to assist when there are rainfall shortages.

WEAKNESSES

- Value addition for macadamia remains outstanding.
- Minimum investment in research and development.

OPPORTUNITIES

- Fallow land still exists at the Estates for extension of cropping, macadamia nut, avocadoes and banana plantations and other horticultural crops.
- Changes in technology should be more fully exploited. Technologies being looked into currently should lead into the Group being a low cost producer in tea improving on the current margins being achieved on tea sales.
- Large scope for expansion of poultry production, subject to availability of funds for capital expenditure.
- Investmet into additional solar energy plants for the remaining operations within the Group would reduce the costs attached to the incessant power outages experienced in the country, coupled with the advantage of using more stable and cleaner renewable energy in relation to equipment.
- Value addition of macadamia nuts with the installation of a cracking plant would increase the return.

THREATS

- Harsh weather conditions which may result in reduced volume and quality of yields.
- Liquidity challenges and reduced disposable income which result in less demand for the Group's products.
- The impacts of the COVID-19 pandemic continue to be felt mainly as product demand continues to be suppressed which may result in lower prices.
- Pressure on the Group's margins as input costs soar due to other external factors such as the effects of the war between Russia and Ukraine.
- Inconsistent Government policies which may cause market disruption and disparities which negatively affect the Group.
- Increased power outages which may result in decreased productivity for the Group.
- Loss of value on export proceeds (arising from Government policies of retention of export proceeds from 25%- 30%) which could lead to inability to source and receive adequate harvesting equipment or spares for repairs as well as crop inputs such as fertilisers and chemicals, thus resulting in decline in yields and quality of produce.
- Threat of illegal farm invasion due to lack of consistent policies ensuring that anyone who has title deeds, backed by a valid Ministry offer letter, can have long term protection from being evicted from their farm.

SUSTAINABLE DEVELOPMENT GOALS ("SDG") ALIGNMENT

The table below shows the various ways in which the Group currently operates in accordance with the United Nations Sustainable Development Goals and how the Group endeavours to be more conscious of these in how it conducts its operations. The manner in which the Group creates value in this regard has been presented in the form of the 6 pillars of business.

	Capital	Description	Detail
1	Financial	The financial capital relates to the funds available for the Group's operating and investing activities. These are generated through financing as well as earnings retained from trade.	The introduction of the ZWG assisted in value preservation on local sales and measures were put in place to ensure that value was retained as much as possible. The Group has managed to obtain loans that are reasonably priced thus maintaining a healthy liquidity and solvency position. The loans are utilised for both working capital and capital expenditure. Please refer to the Financial Highlights section of this report for the financial statistics, on page 4.
2	Manufactured	This refers to the property, plant and equipment that contribute to the Group's production of goods and services.	The Group is continuously improving operations to keep up with changes in technology and environmental needs. Part of these initiatives include use of an energy friendly factory which has allowed installation of a macadamia drying system that uses macadamia shells as supplementary fuel. Further, a 500KVA solar energy plant was installed in 2023, allowing for a cleaner energy source. The Group through one of its joint ventures, runs a hydropower generator in Nyanga. This system provides electricity to the estate in Nyanga as well as feeds into the national grid. During the current year, the Group had capital expenditure of USD282,968 which was a 253% decrease from prior year USD999,050.
3	Human	This capital relates to the Group's employees and their ability to carry out their tasks, motivation, competence, health and welfare. It also refers to their ability to fulfill their personal potential.	A successful operation is centred around a predominantly happy and productive workforce. The Group employs an average of 2,000 employees throughout the year with at least 35% being female, spread across all payroll grades. In addition to remuneration, employees also receive other benefits such as monthly food hampers, staff housing for those based at the Estates, as well as hardship allowances in the prevailing economy. Employees are regularly trained and encouraged to continue developing their skillsets. The Group also has a deliberate Skills Transference programme in which highly experienced consultants are engaged. These train the staff members and impart skills to the existing teams. Some of the skills are sourced from outside of the country, to ensure the Group's strategy and performance are aligned with current global trends. The Group has continued to improve facilities for staff members, including staff house renovations and ablution expansions. The Group has entertainment and recreational facilities for employees on the estates. These include but are not limited to sporting activities, bars and clubs.

SUSTAINABLE DEVELOPMENT GOALS ("SDG") ALIGNMENT - CONTINUED

	Capital	Description	Detail
4	Natural	Environmental resources and processes, whether renewable or non-renewable available to the Group for use.	The Group maintains a comprehensive programme to improve the soils by using minimum tillage, improving organic matter and carbons and protecting the soil surface from sun and rain by leaving crop residues on top as well as introducing micro-elements and micro-organisms. Rotation also plays a big part in soil improvement at Kent Estate which produces both dry-land and irrigated crops. The Group encourages biological processes and minimal use of chemicals and this is evidenced by the application of farm waste and manure to orchards, cropping lands and pastures as well as weeding and mulching as opposed to chemical burning. Other measures include the use of other crops such as Sunn hemp for weed control as well as improve soil nutrients. Revised plant spacing has also played a part in maximizing sun energy onto the plants and reducing direct contact with the ground hence protecting the available moisture. Runoff rains are conserved with contours and storm water drains, slowly directing the water to vleis and dams. Kent Estate maintains a rigorous programme of Woodland and Veld Protection, especially in the non-arable areas. This has assisted in a large resurgence of birdlife and game to the Estate. Kent Estate has become home to over 200 species of birds. It has led to an increasing number of public and academics coming to visit and to observe the splendid trees and birdlife. Proceeds from visitors who come to view birdlife at Kent Estate have been directed towards a Staff Recreation Fund to reward the staff in helping towards the preservation of the environment. The Group was in the process of renewing its annual certification for its Southdown Estates from the Rain Forrest Alliance (RFA) which serves as evidence that the Group engages in sustainable agriculture as well as building economic opportunities and better working conditions for rural people. As a result, the Group has a defined reforestation and aforestration programme, observes practical conservation policies, ensures recycling of water as well as promotes clean water sources. The Group also observes bee-keeping policies to encourage pollination of the orchards.
5	Social and Relationship	This includes key stakeholder relationships such as the shareholders, suppliers, the general public as well as the government.	Although the economic environment has been challenging, the Group strives to comply with its statutory obligations such as taxes. The Group is invested in ensuring that the community is part of its operations. This is achieved through a community outgrower scheme that produces approximately 100 tonnes of tea per year. The Group also provides technical assistance to these out-growers and buys back the tea produced. The Group has primary schools at 4 of the 5 Estates and maintains the infrastructure as well as assists with basic requirements and accommodation for teachers while government provides the teachers. Education is offered at a subsidised cost to ensure affordability for both employees' children as well as those of the community. The Group runs clinics within the Estates that are accessible to the general community at nominal fees. The Group also extends wellness programmes to the surrounding communities as well as being in partnership with the Zimbabwe National Council for the Welfare of Children in promoting and ensuring that no child labour is utilised in the Group as well as encouraging education of children. The Group is also involved in the fight against sexual harassment and as well as disease control.

SUSTAINABLE DEVELOPMENT GOALS ("SDG") ALIGNMENT – CONTINUED

	Capital	Description	Detail
6	Intellectual	This relates to informational resources which the Group utilises to improve the business. It includes brands, trademarks, processes, data and systems that differentiate the Group from competitors as well as contribute to its bottom line.	The Group has well established relations with customers, which has contributed to revenue generation. Among the Group's key products are the following brands; Three Leaves Tea, Crest Value Tea and Mountain Dew Tea which collectively contributed 17% of total revenue for the year (23% in 2023). Each estate has a dedicated internet connection which makes communication with the outside world realtime. Access controls are setup to allow only authenticated users through firewalls, antivirus and antispam protection for all business units. The Group has reliable servers running and controlling access to Enterprise Resource Planning ("ERP"). Uninterruptible Power Supply ("UPS") are used as power backup at each unit for continuity in case of power outages. Users connect to the network using high performance laptops on licensed operating systems. These can be upgraded with ease whenever patches are available. In line with best practice guidelines back-up procedures are performed to avoid data loss.

Directors' Responsibility for Financial Reporting

The Directors of the Group are responsible for the maintenance of adequate accounting records and the preparation and integrity of the consolidated annual financial statements and related information. The Group's independent auditors, Vista Chartered Accountants (Zimbabwe), have audited the consolidated financial statements and their report appears on pages 24 to 29.

The Directors are required by the Companies and Other Business Entities Act (Chapter 24:31), Zimbabwe Stock Exchange and Securities and Exchange Commission of Zimbabwe to maintain adequate accounting records and to prepare financial statements for each financial year which present a true and fair view of the state of affairs of the Group at the end of the financial year and the financial performance and cash flows for the year ended 30 September 2024.

In preparing the accompanying financial statements, IFRS Accounting Standards have been applied, reasonable, and prudent judgements and estimates have been made. The financial statements incorporate full and responsible disclosure in line with the accounting philosophy of the Group.

The Directors are also responsible for the systems of internal control. These are designed to provide reasonable, but not absolute assurance as to the reliability of the consolidated financial statements, and to adequately safeguard, verify and maintain accountability of assets, and to prevent and to detect material misstatement and loss. The systems are implemented and monitored by suitably trained personnel with an appropriate segregation of authority and duties.

Nothing has come to the attention of the Directors to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the year under review.

The Directors have assessed the ability of the Group to continue operating as a going concern by reviewing the prospects of the Group. These assessments considered the Group's financial performance for the year ended 30 September 2024, the financial position as at 30 September 2024 and the current and medium-term forecasts for the Group. Based on this background, the directors have every reason to believe that the Group has adequate resources to continue in operation for the foreseeable future. Accordingly, these financial results were prepared on a going concern basis.

The Group's financial statements have been prepared under the supervision of Mrs. R.A. Chinamo, Chartered Accountant (Zimbabwe), whose Public Accountants and Auditors Board ("PAAB") registration number is 3001. The financial statements have been audited in terms of section 191 of the Companies and Other Business Entities Act (Chapter 24:31).

The financial statements set out on pages 30 – 93 were approved by the Board of Directors and are signed on their behalf by:

Alexander Crispen Jongwe
CHAIRMAN

11 April 2025

Leon Wilhelm Nortier
CHIEF EXECUTIVE OFFICER

11 April 2025

Independent Auditors’ Report

To the Shareholders of Ariston Holdings Limited

Our opinion

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of Ariston Holdings Limited (the “Company”) and its subsidiaries (together the “Group”) as at 30 September 2024, and their consolidated and separate financial performance and their consolidated and separate cash flows for the year then ended in accordance with IFRS Accounting Standards and in the manner required by the Zimbabwe Companies and Other Business Entities Act (Chapter 24:31).

What we have audited

Ariston Holdings Limited’s consolidated and separate financial statements set out on pages 26 to 73 comprise:

- the consolidated and separate statements of financial position as at 30 September 2024;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies

Basis for 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 financial statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) (the “IESBA Code”) issued by the International Ethics Standards Board for Accountants and other independence requirements applicable to performing audits of financial statements in

Office:0242-338362-8
Mobile: +263 772 136 552
Building 4 Arundel Office Park,
Norfolk Road, Mount Pleasant
www.vista.co.zw

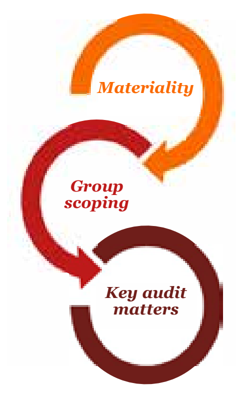
Clive K. Mukondiwa – Senior Partner

The Partnership’s principal place of business is at Arundel Office Park, Norfolk Road, Mount Pleasant, Harare, Zimbabwe where a list of Partners’ names is available for inspection

Zimbabwe. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and other ethical requirements applicable to performing audits of financial statements in Zimbabwe.

Our audit approach

Overview



Overall group materiality

- *Overall group materiality: **US$ 83,709**, which represents **1%** of **total revenue.***

Group audit scope

- *We conducted full scope audits on the financial statements of the Company and all of its subsidiaries.*

Key audit matters

- *Change in functional currency*

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated and separate financial statements. In particular, we considered where the directors made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall group materiality for the consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate, on the financial statements as a whole.

Overall group materiality	***US$ 83,709***
How we determined it	*1% of total revenue*
Rationale for the materiality benchmark applied	*We chose total revenue as the benchmark because, in our view, it is the benchmark against which the performance of the Group is most commonly measured by users and is a generally accepted benchmark.*

How we tailored our group audit scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

We conducted full scope audits on the financial statements of the Company and all its subsidiaries due to either their financial significance, or to meet statutory audit requirements.

The above, together with additional procedures performed at the Group level, including substantive procedures over the consolidation process, provided us with sufficient and appropriate audit evidence regarding the financial information of the Group to form an opinion on the consolidated financial statements as a whole.

Key audit matters

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

Key audit matter	How our audit addressed the key audit matter
Change in functional currency On 1 October 2023, the Group changed its functional and presentation currency from the Zimbabwe dollar ("ZWL") to the United States of America dollar ("USD"). The change in functional currency has a significant impact on the financial statements, particularly on how transactions are recorded and presented, and recognition of exchange gains and losses on conversion of foreign currency assets and liabilities.	We performed the following procedures to assess the appropriateness of the change in functional and presentation currency: • Evaluated whether management's assessment regarding the appropriateness of the change in functional currency is in line with International Accounting Standard ("IAS") 21, 'The Effects of Changes in Foreign Exchange Rates' ("IAS 21"). • Assessed management's translation of the prior years' financial statements for compliance with the requirements of IFRS Accounting Standards. • Assessed whether the USD is the base currency and transactions are recorded and presented in accordance with the requirements of IAS 21. • Reviewed the disclosures made in the financial statements regarding the change in functional currency.

Other information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Ariston Holdings Limited Annual Report 2024". The other information does not include the consolidated and the separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate 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 consolidated and separate financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

Responsibilities of the directors for the financial statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with IFRS Accounting Standards and the manner required by the Zimbabwe Companies and Other Business Entities Act (Chapter 24:31), and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group and the Company's abilities to continue as going concerns, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group and/or the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate 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 consolidated and separate 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 consolidated and separate 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 and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group and the Company's abilities to continue as going concerns. 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 consolidated and separate 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 and Company to cease to continue as going concerns.
- 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 consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

Globally local

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

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or 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.

Vista

Clive K Mukondiwa
Registered Public Auditor
Public Accountants and Auditors Board, Public Auditor Practice Certificate Number 0439
Institute of Chartered Accountants of Zimbabwe, Public Practice Certificate Number 253168
Partner
Vista Chartered Accountants (Zimbabwe)

11 April 2025

Harare, Zimbabwe

Statements of Profit or Loss and other Comprehensive Income

For the year ended 30 September 2024

		AUDITED			
		COMPANY		GROUP	
All figures in USD	Notes	2024	2023	2024	2023
Revenue	5.1	–	–	7,066,043	6,489,945
Cost of sales	14B	–	–	(8,455,071)	(8,201,168)
Gross loss		**-**	**-**	**(1,389,028)**	**(1,711,223)**
Other operating income	7	–	–	35,520	80,888
Operating expenses	7	(53,006)	(109,446)	(4,640,854)	(4,617,252)
Fair value movements on biological assets	11	–	–	1,807,884	1,359,248
Loss from operations		**(53,006)**	**(109,446)**	**(4,186,478)**	**(4,888,339)**
Exchange differences		–	–	300,299	(10,438,028)
Gain on net monetary position		–	(16,711)	–	8,135,215
Share of net profit of joint ventures accounted for using the equity method	12	–	–	160,245	459,583
Loss before interest and income tax		**(53,006)**	**(126,157)**	**(3,725,934)**	**(6,731,569)**
Finance costs	7.1	–	–	(728,372)	(592,850)
Loss before income tax		**(53,006)**	**(126,157)**	**(4,454,306)**	**(7,324,419)**
Income tax expense	8	–	–	171,615	1,275,172
Loss for the year		**(53,006)**	**(126,157)**	**(4,282,691)**	**(6,049,247)**
Other comprehensive income:					
Items that may be reclassified to profit or loss		**-**	**-**	**-**	**-**
Items that will not be reclassified to profit or loss:			**-**		
Gain on revaluation of property, plant and machinery	10B	–	–	–	6,443,710
Tax on other comprehensive income	8.2	–	–	–	(1,592,885)
Other comprehensive income for the year, net of tax		**-**	**-**	**-**	**4,850,825**
Total comprehensive loss for the year		**(53,006)**	**(126,157)**	**(4,282,691)**	**(1,198,422)**
Losses per share (USD dollars)					
Basic loss per share	9	(0.0000)	0.0001	(0.0026)	(0.0037)
Diluted loss per share	9	(0.0000)	0.0001	(0.0026)	(0.0037)

The above statements of profit or loss and other comprehensive should be read in conjuction with the accompanying notes.

Statements of Financial Position

For the year ended 30 September 2024

		AUDITED					
		COMPANY			GROUP		
All figures in USD	Notes	2024	2023 Restated **	2022 Restated**	2024	2023 Restated **	2022 Restated**
ASSETS							
Non-current assets							
Property, plant and equipment	10	–	–	–	21,855,143	23,945,993	22,050,023
Biological assets	11	–	–	–	113,636	113,636	113,637
Right of use assets	20	–	–	–	31,616	84,772	120,789
Investment in joint ventures	12	450	450	530	1,604,748	1,444,503	1,392,341
Investment in subsidiaries	13	1,536	1,536	1,810	–	–	–
		1,986	**1,986**	**2,340**	**23,605,143**	**25,588,904**	**23,676,790**
Current assets							
Biological assets	11	–	–	–	1,895,477	1,774,726	2,778,379
Inventories	14	–	–	–	1,073,221	742,603	1,254,650
Trade and other receivables	15	–	14,139	205,100	3,294,094	3,555,405	4,011,507
Cash and cash equivalents	6.5	–	–	–	16,632	107,158	359,880
		-	**14,139**	**205,100**	**6,279,424**	**6,179,892**	**8,404,416**
TOTAL ASSETS		**1,986**	**16,125**	**207,440**	**29,884,567**	**31,768,796**	**32,081,206**
EQUITY							
Share capital and reserves							
Share capital	16	440,460	440,460	518,974	440,460	440,460	518,972
Share premium	16	2,956,158	2,956,158	3,483,101	2,956,158	2,956,158	3,483,089
Revaluation reserve	10B	–	–	–	13,790,146	13,790,146	10,532,740
Retained earnings		(3,491,038)	(3,438,032)	(3,902,231)	(6,145,094)	(1,862,403)	4,933,147
		(94,420)	**(41,414)**	**99,844**	**11,041,670**	**15,324,361**	**19,467,948**
LIABILITIES							
Non-current liabilities							
Borrowings	19	–	–	–	5,658,025	5,996,532	5,243,517
Deferred tax	17	–	–	–	3,616,563	3,788,178	4,089,071
Lease liabilities	20	–	–	–	59,142	70,598	37,189
		-	**-**	**-**	**9,333,730**	**9,855,308**	**9,369,777**
Current liabilities							
Borrowings	19	–	–	–	3,575,122	1,033,050	1,145,313
Trade and other payables	18	96,406	57,539	107,596	5,922,588	5,545,707	2,056,179
Contract liabilities		–	–	–	–	–	31,864
Lease liabilities	20	–	–	–	11,457	10,370	10,125
		96,406	**57,539**	**107,596**	**9,509,167**	**6,589,127**	**3,243,481**
TOTAL LIABILITIES		**96,406**	**57,539**	**107,596**	**18,842,897**	**16,444,435**	**12,613,258**
TOTAL EQUITY AND LIABILITIES		**1,986**	**16,125**	**207,440**	**29,884,567**	**31,768,796**	**32,081,206**

The above statements of financial position should be read in conjuction with accompanying notes.

Alexander Crispen Jongwe
CHAIRMAN

11 April 2025

Leon Wilhelm Nortier
CHIEF EXECUTIVE OFFICER

11 April 2025

Statements of Changes in Shareholders' Equity

For the year ended 30 September 2024

COMPANY

All figures in USD	Share capital	Share premium	Revaluation reserve	Accumulated losses	Total
	AUDITED				
Year ended 30 September 2023					
Balance at 1 October 2022 Restated**	**518,974**	**3,483,101**	**-**	**(3,902,231)**	**99,844**
Total comprehensive loss for the year	-	-	-	(126,157)	**(126,157)**
Foreign exchange impact of translating to presentation currency	(78,514)	(526,943)	-	590,356	**(15,101)**
Balance as at 30 September 2023 Restated**	**440,460**	**2,956,158**	**-**	**(3,438,032)**	**(41,414)**
Year ended 30 September 2024					
Total comprehensive loss for the year	-	-	-	(53,006)	**(53,006)**
Balance as at 30 September 2024	**440,460**	**2,956,158**	**-**	**(3,491,038)**	**(94,420)**

*** The comparative numbers were previously presented in hyperinflation adjusted ZWL. Following the change in functional currency, these have been converted to the new reporting currency (USD).*

GROUP

All figures in USD	Share capital	Share premium	Revaluation reserve	Accumulated losses	Total
	AUDITED				
Year ended 30 September 2023					
Balance at 1 October 2022 Restated**	**518,972**	**3,483,089**	**10,532,740**	**4,933,147**	**19,467,948**
Revaluation surplus for the year	-	-	4,850,825	-	**4,850,825**
Loss for the year	-	-	-	(6,049,247)	**(6,049,247)**
Foreign exchange impact of translating to presentation currency	(78,512)	(526,931)	(1,593,419)	(746,303)	**(2,945,165)**
Balance as at 30 September 2023 Restated**	**440,460**	**2,956,158**	**13,790,146**	**(1,862,403)**	**15,324,361**
Year ended 30 September 2024					
Total comprehensive loss for the year	-	-	-	(4,282,691)	**(4,282,691)**
Balance as at 30 September 2024	**440,460**	**2,956,158**	**13,790,146**	**(6,145,094)**	**11,041,670**

The above statements of changes in equity should be read in conjunction with the accompanying notes.

Statements of Cashflows

For the year ended 30 September 2024

All figures in USD	Notes	COMPANY 2024	COMPANY 2023 Restated*	GROUP 2024	GROUP 2023 Restated*
		AUDITED			
Cash flows from operating activities					
Loss before interest and income tax		(53,006)	(126,157)	(3,725,934)	(6,731,569)
Exchange rate movements		-	-	519,182	(845,915)
Non-cash items	6.1	-	-	2,971,174	8,208,464
Monetary gains/ (losses)		-	16,711	-	(8,135,215)
Changes in working capital	6.2	53,006	140,906	307,575	4,425,812
Cash generated from/ (utilised in) operating activities		**-**	**31,460**	**71,997**	**(3,078,423)**
Cash flows from investing activities					
Purchase of property, plant and equipment	10	-	-	(145,552)	(685,523)
Purchase of bearer plants	10	-	-	(137,416)	(313,527)
Proceeds from sale of property, plant and equipment		-	-	1,701	692
Dividends received on investments		-	-	-	196,785
Cash utilised in investing activities		**-**	**-**	**(281,267)**	**(801,573)**
Cash flows from financing activities					
Proceeds from borrowings	6.3	-	-	750,000	6,891,407
* Repayment of borrowings	6.3	-		(613,256)	(3,743,533)
Repayment of lease arrangements	6.4	-	-	(18,000)	(15,248)
Cash generated from financing activities		**-**	**-**	**118,744**	**3,132,626**
Increase/ (Decrease) in cash and cash equivalents		-	31,460	(90,526)	(747,370)
IAS 29 Impact on cash flows		-	(31,460)	-	494,648
Cash and cash equivalents at beginning of year		-	-	107,158	359,880
Cash and cash equivalents at end of year	**6.5**	**-**	**-**	**16,632**	**107,158**
Cash and cash equivalents at beginning of year per the restated 2023 cashflow		305,437			
Exchange difference		54,443			
Cash and cash equivalents at beginning of year		**359,880**			

The above statements of cash flows should be read in conjuction with the accompanying notes.
The comparative numbers were previously presented in hyperinflation adjusted ZWL. Following the change in functional currency, these have been converted to the new reporting currency (US$). Refer to note 1.2 for the change in presentation currency details.

1. GENERAL DISCLOSURES

1.1. Country of Incorporation and Main Activities

Ariston Holdings Limited ("the Company"), an investment holding company and its subsidiaries and joint venture companies ("the Group") are incorporated in Zimbabwe. The principal activities of the Group are farming operations which include tea, macadamia, avocados, bananas, poultry and horticulture. The ultimate holding company of the Group is Afrifresh Group (Proprietary) Limited, a South African company.

Basis of Preparation
Compliance relevant regulations

The consolidated financial statements of the Group have been prepared in accordance with IFRS Accounting Standards and interpretations issued by the IFRS Interpretations Committee ("IFRS IC") applicable to companies reporting under IFRS Accounting Standards. The financial statements comply with IFRS as issued by the International Accounting Standards Board (IASB). The financial statements have also been prepared in the manner required by the Companies and Other Business Entities Act (Chapter 24:31).

1.2 Functional and presentation currency

Due to the changes experienced in the economic environment, on 1 October 2023 the Group reassessed whether the USD remained the functional currency of the Group. In making the assessment, the following were considered:

- the currency in which sales prices for products are denominated and settled
- the currency in which most costs are denominated and settled
- the currency in which funds from financing activities are generated
- the currency in which receipts from operating activities are usually retained.

Based on the above, it was determined that the Group primarily generates and expends funds in the USD. It is on this basis that the functional currency was changed to the USD, effective 1 October 2023.

The comparative figures which were reviewed in the prior comparative period by the auditors; as well as comparative information for the year ended 30 September 2023 which was audited while the functional currency was the ZWL, have been translated to USD in line with the guidelines provided by IAS21.

The Statement of Financial Position has been adequately presented with two years of comparative information as this has been noted as a change in presentation currency which is a change in presentation currency applied retrospectively in line with IAS 1 Presentation of Financial Statements and IAS 8 Accounting policies, Changes in accounting estimates and errors.

1.3 Borrowing powers

The directors may, at their discretion, borrow an amount equal to double the aggregate of shareholders' funds of the Group.

1.4 Preparer of financial statements

These financial statements have been prepared under the supervision of Mrs R.A. Chinamo, CA (Z), and have been audited in terms of section 29(1) of the Companies and Other Business Entities Act (Chapter 24:31). Mrs R.A. Chinamo is registered with the Public Accountants and Auditors Board and her registration number is 3001.

2. ADOPTION OF NEW AND REVISED STANDARDS AND INTERPRETATIONS

2.1 International Financial reporting Standards and amendments effective for the first time for September 2024 year-end

Number	Effective date	Executive summary
Amendments to International Accounting Standard ("IAS") 12, 'Income Taxes' - Deferred Tax related to Assets and Liabilities arising from a Single Transaction	Annual periods beginning on or after 1 January 2023. (Published May 2021)	The amendments require companies to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences.
Narrow scope amendments to IAS 1 'Presentation of Financial Statements', Practice statement 2 and IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'	Annual periods beginning on or after 1 January 2023. (Published February 2021)	The amendments aim to improve accounting policy disclosures and to help users of the financial statements to distinguish changes in accounting policies from changes in accounting estimates.

2.2 IFRS Accounting Standards and amendments issued but not effective

Number	Effective date	Executive summary
Amendments to IAS 1, 'Presentation of Financial Statements' - Non-current liabilities with covenants	Annual periods beginning on or after 1 January 2024. (Published January 2020 and November 2022)	These amendments clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. The amendments also aim to improve information an entity provides related to liabilities subject to these conditions.
Amendment to IFRS 16, 'Leases' - Sale and Leaseback	Annual periods beginning on or after 1 January 2024 (Published September 2022)	These amendments include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted.
Amendments to Supplier Finance Arrangements (IAS 7 'Statement of Cash Flows' and IFRS 7 'Financial Instruments: Disclosure')	Annual periods beginning on or after 1 January 2024 (Published May 2023)	These amendments require disclosures to enhance the transparency of supplier finance arrangements and their effects on a company's liabilities, cash flows and exposure to liquidity risk. The disclosure requirements are the IASB's response to investors' concerns that some companies' supplier finance arrangements are not sufficiently visible, hindering investors' analysis.

2. ADOPTION OF NEW AND REVISED STANDARDS AND INTERPRETATIONS – CONTINUED

2.2 IFRS Accounting Standards and amendments issued but not effective – continued

Number	Effective date	Executive summary
Amendments to IAS 21, 'The Effects of Changes in Foreign Exchange Rates' – Lack of Exchangeability (Amendments to IAS 21)	Annual periods beginning on or after 1 January 2025 (Published August 2023)	An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations.
Amendment to IFRS 9, "Financial Instruments" and IFRS 7, "Financial Instruments: Disclosures" – Classification and Measurement of Financial Instruments	Annual periods beginning on or after 1 January 2026 (Published May 2024)	These amendments include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted.
Amendment to IFRS 9, "Financial Instruments" and IFRS 7, "Financial Instruments: Disclosures" – Classification and Measurement of Financial Instruments	Annual periods beginning on or after 1 January 2026 (Published May 2024)	These amendments: • clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system; • clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest ("SPPI") criterion; • add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance ("ESG") targets); and • make updates to the disclosures for equity instruments designated at fair value through other comprehensive income ("FVOCI").

2. ADOPTION OF NEW AND REVISED STANDARDS AND INTERPRETATIONS – CONTINUED

2.2 IFRS Accounting Standards and amendments issued but not effective – continued

Number	Effective date	Executive summary
IFRS 18, 'Presentation and Disclosure in Financial Statements'	Annual periods beginning on or after 1 January 2027 (Published April 2024)	The objective of IFRS 18 is to set out requirements for the presentation and disclosure of information in general purpose financial statements (financial statements) to help ensure they provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses. IFRS 18 replaces IAS 1 'Presentation of Financial Statements' and focuses on updates to the statement of profit or loss with a focus on the structure of the statement of profit or loss; required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general. Many of the other existing principles in IAS 1 are retained, with limited changes. IFRS 18 will not impact the recognition or measurement of items in the financial statements, but it might change what an entity reports as its 'operating profit or loss'.
IFRS 19, 'Subsidiaries without Public Accountability'	Annual periods beginning on or after 1 January 2027 (Published May 2024)	The objective of IFRS 19 is to provide reduced disclosure requirements for subsidiaries, with a parent that applies the accounting standards in its consolidated financial statements.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Basis of preparation

The consolidated financial statements have been prepared in accordance with the IFRS Accounting Standards and are based on statutory records which are maintained on a cost basis except for certain biological assets and financial instruments that are measured at fair value and have also been prepared in the manner required by the Companies and Other Business Entities Act (Chapter 24:31)

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such basis, except for share-based payment transactions that are within the scope of IFRS 2 "Share Based Payments", leasing transactions that are within the scope of IFRS16 "Leases", and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 "Inventories" or value in use in IAS 36 "Impairment of Assets".

In addition, for financial reporting purposes, and in accordance with the guidance provided by IFRS13, fair value measurements are categorised into level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs, other than quoted prices included within level 1, that are observable for the asset or liability directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The directors have assessed the ability of the Group to continue as a going concern and believe that the preparation of the financial statements on a going concern basis is appropriate.

3.2 Statement of compliance

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards, (IFRS), as issued by the International Accounting Standards Board (IASB).

The principal accounting policies are set out below:

3.3 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities (including special purpose entities) controlled by the Company (its subsidiaries) and joint venture for the year ended 30 September each year. Control is achieved when the Company has power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee); exposure, or rights, to variable returns from its involvement with the investee; and the ability to use its power over the investee to affect its returns. Income and expenses of subsidiaries acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the effective date of acquisition and up to the effective date of disposal, as appropriate. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other entities within the Group.

All intra-group transactions, income, expenses and balances are eliminated in full on consolidation.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

3.3.1 Changes in the Group’s ownership interests in existing subsidiaries

Changes in the Group’s ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group’s interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. When assets of the subsidiary are carried at revalued amounts or fair values and the related cumulative gain or loss has been recognised in other comprehensive income and accumulated in equity, the amounts previously recognised in other comprehensive income and accumulated in equity are accounted for as if the Company had directly disposed of the relevant assets (i.e. reclassified to profit or loss or transferred directly to retained earnings as specified by applicable IFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9 Financial Instruments, when applicable, or the cost on initial recognition of an investment in an associate or a joint venture.

3.4 Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:
- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with IAS 12 Income Taxes and IAS 19 Employee Benefits respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with IFRS 2 Share-based Payment at the acquisition date and
- assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another IFRS.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

3.4 Business combinations – continued

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Other contingent consideration is remeasured to fair value at subsequent reporting dates with changes in fair value recognised in profit or loss.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Group obtains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

3.5 Investments in associates and joint ventures

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates or joint ventures are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with IFRS 5. Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

3.5 Investments in associates and joint ventures – continued

The requirements of IAS 36 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate or joint venture. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount. Any impairment loss recognised is allocated to the investment as a whole and not to the underlying assets of the investee that make up the carrying amount of the investment, including goodwill that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture, or when the investment is classified as held for sale. When the Group retains an interest in the former associate or joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value on initial recognition in accordance with IFRS 9. The difference between the carrying amount of the associate or joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate or joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate or joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate or joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests.

When the Group reduces its ownership interest in an associate or a joint venture but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When a Group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

3.6 Biological assets

Biological assets exclude bearer plants and include the following:

Produce on bearer plants	Seasonal crops	Other
tea	potatoes	timber – gum and pine trees
macadamia	commercial maize	poultry
avocado fruit	seed maize	
banana	sugar beans	
	soya beans	
	other fresh produce	

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

3.6 Biological assets – continued

Biological assets are measured at fair value less cost to sell. Costs to sell include the incremental selling costs, and estimated costs to the market, but exclude finance costs and income taxes. The Group's executive management team comprising the Group Finance Director and Group Chief Executive Officer perform the valuations of the Group's biological assets for financial reporting purposes, including level 3 fair values. This team reports directly to the Audit and Risk Committee and Operations and Technical Committees. The valuations are reviewed every six months, as per the Group's reporting requirements.

The main level 3 inputs used by the Group are derived and evaluated as follows, for the following inputs the higher the input the higher the market price:

- Yield is determined based on the age of the plantation, historical yields and climate-induced expectations which could affect the yield.

Variations such as severe weather events, plant losses and new areas coming into production.

- Commodity prices that are quoted for the relevant agricultural produce.
- Maturity level of the asset which is measured from a range of 0-100%
- Forecast market price
- For incremental cost prices the higher cost the lower the fair value. Budgeted cost of production based on historical trends and market information. Changes in level 3 fair values are analysed at the end of each reporting period.
- Valuation discussion between the Chief Executive Officer, the Finance Director, the Chief Operating Officer and the relevant board committees. As part of this discussion a report that explains the reason for the fair value movements is presented.

Bearer plants are presented and accounted for as property, plant and equipment, see note 10. However, the fruit growing on the trees are accounted for as biological assets until the point of harvest. Harvested fruits are transferred to inventory at fair value less costs to sell when harvested. Changes in fair value of are recognised in the statement of profit or loss.

Farming costs such as feeding, labour costs, pasture maintenance, and veterinary services and shearing are expensed as incurred. The cost of purchase plus transportation charges are capitalised as part of biological assets.

The Group does not have contract growers. All farming and breeding activities are done in house by the Group.

Produce growing on bearer plants and seasonal crops

These biological assets are measured at fair value less cost to sell on initial recognition and at fair values less costs to sell at each period end. Fair value is determined based on current estimated market prices, less estimated harvesting, transport and packaging costs. Other variables used in determining fair values include estimated yield and expected quality.

Poultry and timber

These biological assets are measured at fair value less costs to sell, fair value being determined upon the age, size and relevant market price.

Surpluses or deficits arising from the annual change in the valuation are taken to profit or loss as a fair value adjustment.

3.7 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in profit or loss in the period in which they occur.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

3.8 Financial instruments

Financial assets and financial liabilities are recognised in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Financial assets

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Classification of financial assets

Financial assets that meet the following conditions are measured subsequently at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that meet the following conditions are measured subsequently at fair value through other comprehensive income ("FVTOCI"):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss ("FVTPL").

(i) Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. For financial assets other than purchased or originated credit-impaired financial assets (i.e. assets that are credit-impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition. The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance. Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI. For financial assets other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

3.8 Financial instruments – continued

(ii) Financial assets at fair value through profit or loss ("FVTPL")
Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI are measured at FVTPL, specifically bank and cash balances.

Foreign exchange gains and losses
The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. Specifically, for financial assets measured at amortised cost that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss; and for financial assets measured at FVTPL that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss.

Impairment of financial assets
The Group recognises an allowance for expected credit losses (""ECL)"") on investments in debt instruments that are measured at amortised cost or at FVTOCI, lease receivables and trade receivables. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group recognises lifetime ECL for trade receivables, contract assets and lease receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience. Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 90 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Dividend and interest income
Dividends are received from financial assets measured at fair value through profit or loss and at fair value through other comprehensive income. Dividends are recognised as other income in profit or loss when the right to receive payment is established. This applies even if they are paid out of pre-acquisition profits, unless the dividend clearly represents a recovery of part of the cost of an investment. In this case, the dividend is recognised in OCI if it relates to an investment measured at FVTOCI.

Interest income from financial assets at FVTPL is included in the net fair value gains/(losses) on these assets. Interest income on financial assets at amortised cost and financial assets at FVTOCI calculated using the effective interest method is recognised in profit or loss as part of other income. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets, the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

Significant increase in credit risk
In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Group's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic information that relate to the Group's core operations.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

3.8 Financial instruments – continued

Significant increase in credit risk – continued
In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:
- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk for a particular financial instrument, e.g. a significant increase in the credit spread, or the length of time or the extent to which the fair value of a financial asset has been less than its amortised cost;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- significant increases in credit risk on other financial instruments of the same debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 90 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:
(1) The financial instrument has a low risk of default;
(2) The debtor has a strong capacity to meet its contractual cash flow obligations in the near term, and
(3) Adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The Group considers a financial asset to have low credit risk when the asset has external credit rating of 'investment grade' in accordance with the globally understood definition or if an external rating is not available, the asset has an internal rating of 'performing'. Performing means that the counterparty has a strong financial position and there are no past due amounts. The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

(ii) Write-off policy
The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

(iii) Measurement and recognition of expected credit losses
The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Group's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

3.8 Financial instruments – continued

(iii) Measurement and recognition of expected credit losses – continued

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate. The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVTPL. Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held-for-trading, or (iii) designated as at FVTPL, are measured subsequently at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments. These foreign exchange gains and losses are recognised in profit or loss for financial liabilities that are not part of a designated hedging relationship.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

When the Group exchanges with the existing lender one debt instrument into another one with substantially different terms, such exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, the Group accounts for substantial modification of terms of an existing liability or part of it as an extinguishment of the original financial liability and the recognition of a new liability. It is assumed that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective rate is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability. If the modification is not substantial, the difference between: (1) the carrying amount of the liability before the modification; and (2) the present value of the cash flows after modification should be recognised in profit or loss as the modification gain or loss within other gains and losses.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

3.9 Income tax

Income tax expense represents the sum of the income tax currently payable and deferred tax.

Current income tax

The income tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the consolidated statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current income tax is calculated using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current income and deferred tax for the year

Current income and deferred taxes are recognised in profit or loss, except when they relate to items recognised in other comprehensive income or directly in equity, in which case, the tax is also recognised directly in equity. In the case of a business combination, the tax effect is taken into account in calculating goodwill or in determining the excess of the acquiree's interest, in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the cost of the business combination.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

3.10 Property, plant and equipment

Property, plant and equipment, with the exception of buildings, leasehold improvements, plant and machinery are carried at historical cost less accumulated depreciation and any recognised accumulated impairment. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

As from the year ended 30 September 2023, buildings, leasehold improvements, plant and machinery were measured based on revalued amounts.

Costs capitalised include all directly attributable costs incurred in bringing the relevant assets to their fully productive state.

Bearer plants are included in property, plant and equipment as defined in IAS 41 Agriculture and are therefore accounted for under the rules for plant and equipment. Immature bearer plants are measured at accumulated cost. After maturity bearer plants are measured at indexed cost less accumulated depreciation and any recognised accumulated impairment recognised in profit or loss. The useful life of the bearer plants is determined in order to depreciate them and this is re-evaluated each year.

The Group's bearer plants at year end comprise tea bushes, macadamia trees, avocado trees and banana trees. Maturity profile relates to the time taken in the growth and development of the bearer plants before they start bearing fruit. The useful lives and maturity profiles of bearer plants are as follows:

	Useful life	Maturity profile
Tea bushes	100 years	2 years
Macadamia trees	50 years	6 years
Avocado trees	40 years	5 years
Banana trees	10 years	1 year

The useful lives are reviewed at the end of each reporting period to determine whether events and circumstances continue to support these useful lives.

Depreciation is calculated using the straight line method to allocate the cost net of their residual values, over their estimated useful lives as follows;

Plant and machinery	3 - 20 years
Motor vehicles	5 years
Freehold improvements	7 – 40 years
Leasehold improvements	10 – 40 years
Computer equipment and furniture	3 - 20 years
Buildings	40 years

Depreciation on motor vehicles, computer equipment and furniture are charged on the cost of the assets. Depreciation for leasehold improvements, buildings, plant and machinery for the year is charged on the revalued opening balance of the assets. This is charged to the profit or loss account. A revaluation was performed as at 30 September 2023, and the net replacement method has been applied.

The assets' residual values, depreciation methods and useful lives are reviewed, and adjusted if appropriate, at the end of each financial period.

An asset's carrying amount is immediately written down to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

3.10 Property, plant and equipment – continued

Derecognition of property, plant and equipment

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

3.11 Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

3.12 Leasing

The Group as lessor

Amounts due from lessees under leases are recorded as receivables at the amount of the Group's net investment in the leases. In the case of finance leases, lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

3.12 Leasing – continued

The Group as lessee

Upon lease commencement the Group recognises a right-of-use asset and a lease liability. The right-of-use asset is initially measured at the amount of the lease liability plus any initial direct costs incurred by the Group. Adjustments may also be required for lease incentives, payments at or prior to commencement and restoration obligations or similar. After lease commencement, the Group shall measure the right-of-use asset using a cost model, unless:

i) the right-of-use asset is an investment property and the Group fair values its investment property under IAS 40; or
ii) the right-of-use asset relates to a class of property, plant and equipment to which the Group applies IAS 16's revaluation model, in which case all right-of-use assets relating to that class of property, plant and equipment can be revalued.

Under the cost model a right-of-use asset is measured at cost less accumulated depreciation and accumulated impairment. The lease liability is initially measured at the present value of the lease payments payable over the lease term, discounted at the rate implicit in the lease if that can be readily determined. If that rate cannot be readily determined, the Group shall use their incremental borrowing rate. Variable lease payments that depend on an index or a rate are included in the initial measurement of the lease liability and are initially measured using the index or rate as at the commencement date. Amounts expected to be payable by the Group under residual value guarantees are also included. Variable lease payments that are not included in the measurement of the lease liability are recognised in profit or loss in the period in which the event or condition that triggers payment occurs, unless the costs are included in the carrying amount of another asset under another Standard. The lease liability is subsequently re-measured to reflect changes in:

- the lease term (using a revised discount rate);
- the assessment of a purchase option (using a revised discount rate);
- the amounts expected to be payable under residual value guarantees (using an unchanged discount rate);
- or future lease payments resulting from a change in an index or a rate used to determine those payments (using an unchanged discount rate).

The remeasurements are treated as adjustments to the right-of-use asset.

Lease modifications may also prompt remeasurement of the lease liability unless they are to be treated as separate leases. The Group did not have exposures in the areas noted above relating to remeasured of lease liabilities,all contracts had set expiry dates.

3.13 Provisions

Provisions are recognised when:

- the Group has a present obligation (legal or constructive) as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the amount of the obligation; and
- a reliable estimate can be made of the amount of the obligation

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Notes to the Financial Statements - Continued
For the year ended 30 September 2024

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

3.13 Provisions – continued

Onerous contract

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

Restructurings

A restructuring provision is recognised when the Group has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring provision includes only the direct expenditures arising from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with the ongoing activities of the Group.

3.14 Retirement benefit costs

The Ariston Holdings Limited Pension Fund has a "paid up" status and the pension fund is administered by a life assurance society.

All Group employees contribute to the defined benefit scheme established by the National Social Security Authority Act (Chapter 17:04).

Payments to defined retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

3.15 Inventories

Inventories are stated at the lower of cost and net realisable value. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

The cost of inventories are determined as follows:
Farm produce – Deemed cost when transferred from biological assets to inventory.
Stores and materials – The lower of cost and net realisable value with cost being calculated on a weighted average basis.

3.16 Revenue recognition

Revenue from contracts with customers

The Group derives revenue from the transfer of goods at a point in time in accordance with IFRS 15 "Revenue from Contracts with Customers".

The Group revenue from contracts with customers is derived from the sale of tea, macadamia nuts, fruits and vegetables, poultry and other agricultural produce. Revenue is recognized upon the completion of the performance obligation when the customer collects from the farm.

Sale of goods

Revenue is recognised at a point when the performance obligation is satisfied when the customer collects from the farm. Customers are responsible for their own transportation from the farms. Once the goods leave the farm gate all the performance obligations would have been satisfied. For international sales the performance obligation is satisfied when goods leave the estates.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

3.16 Revenue recognition – continued

Sale of goods – continued

There are no significant financing components expected as payment terms granted to customers do not exceed 90 days and accordingly the practical expedient in IFRS 15 has been applied. The transaction price is determined based on set internal standards. Payments is received on delivery. A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due. The Group is in full control of the goods before they are collected by the customer.

The Group does not make use of contract growers arrangements. All farming activities are done by the Group at their estates.

Due to the perishable nature of the farm produces, the goods are inspected before being loaded to the transport provided by the customer. Once the goods leave the farm gate and delivery note is issued, there will be no returns to the farm.

A contract liability for prepayments is recognised at the time of receipt of prepayments from the customer. A contract liability is recognised until the goods are collected by the customer. In the case of fixed-price contracts, the customer pays the fixed amount based on an agreed payment schedule. If the services rendered by the Group exceed the payment, a contract asset is recognised. If the payments exceed the services rendered, a contract liability is recognised. Interest is charged on prepayments from customers at the prevailing market rate, and is expensed as finance costs.

Management has determined that it is highly probable that there will be no rescission of the contracts with customers, and that a significant reversal in the amount of revenue recognised will not occur.

Foreign trade receivables are secured as their products are only shipped upon receipt of payment. The lag between revenue recognition and shipping date is usually within 30 days. To date, there have been no reversal of revenue from the time between products are ex-farm gate and when they are shipped.

Financing components

The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money. There is no difference between the amount of contract consideration and the amount that would otherwise be paid in cash at the time of performance. Interest charged by customers on prepayments are considered as insignificant, as contract liability transactions are concluded within a one year period. Based on the factors noted above no significant financing component were identified in revenue from contract from customers.

3.17 Related party transactions

Transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation. Transactions with other related parties such as directors, key management and shareholders are made at arm's length. The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received. No expense has been recognised in the period for expected credit losses, in respect of the amounts owed by related parties.

The directors have assessed the recoverability of the receivables and are confident that the related parties' balances are recoverable and expected credit losses are immaterial based on past experiences.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

3.18 Share-based payments

Equity-settled share based payments to employees and other providing similar services are measured at the fair value of the equity instruments at the grant date using the intrinsic value method.

The establishment of the Share Options Plan was approved by shareholders at the 2011 annual general meeting. Participation in the plan is at the board's discretion, and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits. Options are granted under the plan for no consideration and carry no dividend or voting rights.

The fair value determined at the grant date of the equity settled share based payments is expensed on a straight line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period the Group revises the estimate of the number of equity instruments expected to vest. The impact of this revision of the original estimates, if any is, recognised in the profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share option reserve. The reserve created is transferred to share premium and share capital as options are exercised. For options that expire or are for fortified the value relating to the expired or forfeited options is transferred to distributable reserves.

Equity-settled share based payment transactions with parties other than employees are measured at fair value, of the goods or services received, except where the fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date that the entity obtains the goods or the services the counter party renders the service.

For cash-settled share based payments, a liability is recognised for the goods or services acquired, measured initially at the fair value of the liability. At the end of each reporting period until the liability is settled and the date of settlement, the fair value is remeasured, with any changes in fair value recognised in profit or loss for the year.

3.19 Cost of sales

Cost of sales include direct material and labour costs, indirect costs that can be directly attributed to generation of revenue; for example, depreciation of assets used in the production.

3.20 Foreign currencies

In preparing the financial statements of the Group, transactions in currencies other than the Group's functional currency are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTIES

In the application of the Group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The following are the critical judgements and key sources of estimation uncertainties, that the directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTIES – CONTINUED

4.1 Biological assets

Estimate of biological produce quantities

The biological produce on bearer assets at year-end is based on the stage of maturity at year-end for the estimated production.

Selling prices

Average selling prices for agricultural produce are quoted in USD for locally sold produce and exported produce. The current average selling prices at year end are used as the best estimate of future prices. Reference is also made to contracts post year-end which provide market-related information about pricing at year-end.

4.2 Inventories

Inventories are stated at the lower of indexed cost and net realisable value. Adjustments to reduce the cost of inventory to its net realisable value, if required, are made at the product level for estimated excess, obsolescence or damages. Factors influencing these adjustments include changes in demand, physical deterioration and quality issues.

4.3 Allowance for credit losses

When measuring expected credit losses (ECLs), the Group uses reasonable and supportable forward looking information, which is based on assumptions for future movement of different economic drivers and how these drivers will affect each other. Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cashflows due and those the lender would expect to receive, taking into account cashflows from collateral and integral credit enhancements. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

4.4. Property, plant and equipment

4.4.1 Fair value of buildings, leasehold improvements, plant and machinery – property, plant and equipment

In the prior year ended 30 September 2023, a revaluation of buildings, leasehold improvements, plant and machinery was carried out (being the effective date of the revaluation) by EPG Global Real Estate, an independent valuer. The depreciated replacement cost approach has been used as a basis of valuation. This is the cost of erecting and or acquiring, installing and commissioning a new or modern substitute asset with the same or similar productive capacity as the existing one, together with associated charges directly related to the installation of the asset but excluding finance charges. The said cost is then depreciated according to age, obsolescence, use and condition. This method is applied as a last resort where it is difficult to estimate inputs required in computing fair value using the income approach. The Group's property, plant and machinery, is so specialised that there is no active markets for the assets. As such, market inputs which would be applied in the income approach, such as the market capitalisation rate of these assets could not be determined by the valuers. Therefore the depreciated replacement cost approach was applied.

There are restrictions on the distribution of the revaluation balance to shareholders.

Management believes that the change in accounting policy will result in fair presentation of the Group's property, plant and equipment.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTIES – CONTINUED

4.4. Property, plant and equipment – continued

4.4.2 Impairment and depreciation

The cost of property, plant and equipment is depreciated over the estimated useful life of the asset. The estimated useful life is based on expected usage of the asset and expected physical wear and tear, which depends on operational factors such as the number of shifts for which the asset is to be used and the repair and maintenance programme and technological obsolescence arising from changes and residual value. Management has assumed the residual value approximates nil due to the specialised nature and relative age of the property, plant and equipment with the exception of buildings, leasehold improvements, plant and machinery which have been measured using the revaluation model.

Tea bushes, macadamia trees, avocado trees and banana trees are shown in the consolidated statement of financial position at cost less accumulated depreciation and impairment charges under the 'bearer plants' category within property, plant and equipment. An assessment was made in order to determine whether the value of bearer plants were impaired at year-end.

Key assumptions in determining the value in use included:

Estimated annual production

This was based on historical average annual production adjusted for projected growth which provided the best possible estimate of the future generating capacity of the business.

Selling prices

The current average selling prices at year-end were used as the best estimate of future prices. Reference is also made to contracts post year-end which provide market related information about pricing at year-end. Fair value is in most cases almost equal to cost.

Discount rate

The discount rate of 9.27% was based on the Group's weighted average cost of capital ("WACC") determined basing on the Group's capital structure at year-end. Cost of borrowings was determined as the weighted average costs of the Group's borrowings at year-end. The cost of equity was determined using the capital asset pricing model ("CAPM").

Revaluation
Estimated cost depreciated replacement method

The revaluation method estimates the anticipated cost of acquiring, installing and commissioning a new or modern substitute asset with the same or similar productive capacity as the existing one, together with associated charges directly related to the installation of the asset but excluding finance charges. The cost is then depreciated according to age, obsolescence, use and condition of the asset. The value is only applied to assets which are part of an operating concern and assumes adequate potential profitability.

4.5 Land

The Group has not recognised the value of land because the current legislation in the country vests all the land in the State. However, the Group still holds title deeds to the land that it operates on. In 2003, the Group entered into an agreement with the Government where it ceded part of the land for resettlement and the Government undertook to preserve the Group's operations on the remaining land. To date, the Group's operations have largely not been affected and the Group is of the view that this will remain so, going forward.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTIES – CONTINUED

4.6 Determination of the functional currency and exchange rates used

These financial statements are presented in the ("USD") which is the functional and presentation currency of the Company and the Group as this is the currency of the primary economic environment in which the Company and Group operate.

The Group complied with all relevant statutory instruments and Zimbabwe Companies and Other Business Entities Act (Chapter 24:31) in the financial statements preparation. All local denominated transactions during the year were translated using the Reserve Bank of Zimbabwe Auction mid-rate.

4.7 Classification of the Group's Investments in Bonemarrow Investments (Private) Limited trading as Claremont Power Station, Claremont Orchards Holdings (Private) Limited and Mombe Shoma (Private) Limited as joint ventures

Note 12 describes that Claremont Orchards Holdings (Private) Limited and Mombe Shoma (Private) Limited are 50% joint ventures of the Group. Bonemarrow Investments (Private) Limited trading as Claremont Power Station is also accounted for as a joint venture. There is a contractual arrangement with Goldsaif (Private) Limited and other facts and circumstances that indicate that the parties to the joint arrangement have rights to the net assets of the joint arrangement. Although the Group owns 55% of the interest, the contractual arrangement gives control of the arrangement to both parties. Decisions about the relevant activities require the unanimous consent of both the Group and Goldsaif (Private) Limited. The contractual arrangement establishes that both parties are liable to the arrangement only to the extent of their respective interests in the arrangements, which includes any long-term interests that, in substance, form part of the Group's net investment in the joint venture. Accordingly, Claremont Power Station is classified as a joint venture of the Group. See note 12 for details.

4.8 Critical judgements in determining the lease term

i) Determining lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). For leases of motor vehicles and equipment, the following factors are normally the most relevant: If there are significant penalties to terminate (or not extend), the Group is typically reasonably certain to extend (or not terminate). Otherwise, the Group considers other factors including historical lease durations and the costs of the lease.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee. During the current financial year, there were no events that had the financial effect of revising lease terms .

ii) Estimating the amount payable under residual value guarantees

The Group initially estimates and recognises amounts expected to be payable under residual value guarantees as part of the lease liability. Typically the expected residual value at lease commencement is equal to or higher than the guaranteed amount, and so the Group does not expect to pay anything under the guarantees. At the end of each reporting period, the expected residual values are reviewed to reflect actual residual values achieved on comparable assets and expectations about future prices.

There were no such arrangements in the period under review.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTIES – CONTINUED

4.9 Impairment of financial assets

The allowance for expected credit losses on financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history and existing market conditions, as well as forward-looking estimates at the end of each reporting period.

5. SEGMENT REPORTING

Description of segments and principal activities

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The board of the Company appointed an executive committee which assesses the financial performance and position of the Group, and makes strategic decisions. The executive committee, which has been identified as being the chief operating decision maker, consists of the Group Chief Executive Officer, the Group Finance Director and the Group Chief Operations Officer.

For management purposes, the Group is organised into three major operating business units from a product and services perspective. These are Southdown Estates, Kent Estate and Corporate Office. These business units are the basis on which the Group reports its business segment information.

The principal products and services of each of these divisions are as follows:

1. Southdown Estates - the growing and manufacturing of tea, macadamia nuts, avocados and bananas.
2. Kent Estate - the growing of horticultural crops and rearing of poultry.
3. Corporate Office - responsible for the administration of Ariston Management Services (Private) Limited , Ariston Holdings Limited, the Group's joint venture operations as well the property owning companies.

The Group does not report by geographical segments as such a split would not be meaningful for the Group's operations and decision-making processes.

The executive committee primarily uses the following measures of profit/(loss) before interest and tax, revenue and assets to assess the performance of the operating segments. The information about the segments' revenue and assets is received on a monthly basis. Information about segment revenue is disclosed below;

5.1 Segment revenues

	AUDITED					
	REVENUE FROM EXTERNAL CUSTOMERS		INTER-SEGMENT REVENUE		TOTAL REVENUE	
All figures in USD	2024	2023	2024	2023	2024	2023
Southdown Estates	6,414,756	5,478,537	-	-	6,414,756	5,478,537
Kent Estate	651,287	1,011,408	-	-	651,287	1,011,408
Total	**7,066,043**	**6,489,945**	**-**	**-**	**7,066,043**	**6,489,945**

Segment revenue reported above represents revenue generated from external customers. There was no inter-segment revenue in the period under review (2023: USD nil)

5. SEGMENT REPORTING – CONTINUED

5.2 Revenue from major products and services

The following is an analysis of revenue arising from the Group's major products and services.

All figures in USD	AUDITED 2024	AUDITED 2023
Tea	4,082,954	4,093,558
Macadamia nuts	2,200,005	1,239,267
Vegetables and fruits	131,798	279,353
Poultry	196,708	312,161
*Other crops	454,578	565,606
Total	**7,066,043**	**6,489,945**

*** Other crops, which include avocadoes, commercial maize, seed maize, green mealies, commercial sugar beans, seed sugar beans and soya beans.*

Timing of revenue recognition

All figures in USD	AUDITED 2024	AUDITED 2023
At a point in time	**7,066,043**	**6,489,945**

Customers pay a fixed price based on the invoice raised. In the current year, payment is not variable. The goods sold by the Group have been mentioned above and the customer is responsible for delivery of their own goods after they have left the estates.

Once the goods have left the estate, the Group does not have any obligation or warranties to the customer.

Revenue from external customers comes from the sale of tea, macadamia nuts, fruits and vegetables, poultry and other agricultural produce. This is recognised at a point in time upon delivery, as management considers it as the point the control of the goods is transferred to the customers and the delivery obligation is fulfilled. Settlement of the transaction price is receivable at this point, after derecognising any existing contract liabilities recognised in the past in respect of a portion of the transaction price of such goods transferred.

Information about major customers

Included in the revenues arising from sales of tea of US$4,082,954 (2023: US$4,093,558) are revenues of approximately US$2,523,000 (2023: US$1,469,952) which arose from sales to the Group's largest customer which operates in the retail market.

Included in total revenues arising from sales of macadamia nuts of US$2,200,500 (2023: US$1,239,267) are revenues of approximately US$2,200,005 (2023: US$1,031,435) which arose from sales to two of the Group's foreign customers.

Notes to the Financial Statements - Continued
For the year ended 30 September 2024

5. SEGMENT REPORTING – CONTINUED

5.3 Major goods and services per primary geographical market

All figures in USD	AUDITED 2024	AUDITED 2023
Zimbabwe	2,666,033	3,746,958
Asia	2,200,005	1,370,990
United Kingdom	2,176,943	927,640
Rest of world	23,062	444,357
	7,066,043	**6,489,945**

The following table shows how much of the revenue recognised in the current reporting period relates to brought-forward contract liabilities.

All figures in USD	AUDITED 2024	AUDITED 2023
Revenue recognised	-	31,864
	-	**31,864**

The performance obligation is part of a contract that has an original expected duration of one year or less, therefore the Group has applied the practical expedient to not disclose the transaction price allocated to the remaining performance obligations.

5. SEGMENT REPORTING – CONTINUED

5.4 Segment results

	AUDITED	
All figures in USD	2024	2023
Segment profit from operations excluding unrealised fair value adjustments		
Southdown Estates	(2,909,555)	(3,612,943)
Claremont Estate	-	(8,093)
Kent Estate	(755,279)	(887,364)
Corporate Office	(2,329,528)	(1,739,187)
	(5,994,362)	**(6,247,587)**
Segment fair value adjustments on biological assets		
Southdown Estates	1,865,863	(462,547)
Claremont Estate	-	-
Kent Estate	(57,979)	1,821,795
Corporate Office	-	-
	1,807,884	**1,359,248**
Segment share of profit of joint venture		
Southdown Estates	-	-
Claremont Estate	-	-
Kent Estate	-	-
Corporate Office	160,245	459,583
	160,245	**459,583**
Segment finance costs		
Southdown Estates	(632,024)	(515,290)
Claremont Estate	-	(1,610)
Kent Estate	(63,259)	(60,833)
Corporate Office	(33,089)	(15,117)
	(728,372)	**(592,850)**
Segment results before exchange differences	(4,754,605)	(5,021,606)
Exchange differences	300,299	(10,438,028)
Gain on net monetary position	-	8,135,215
Income tax credit	171,615	1,275,172
Loss for the year	**(4,282,691)**	**(6,049,247)**
Revaluation surplus	-	6,443,710
Income tax on revaluation surplus	-	(1,592,885)
Total comprehensive loss for the year	**(4,282,691)**	**(1,198,422)**

The accounting policies of the reportable segments are the same as the Group's accounting policies described in notes 2 to 4. Segment results represents the profit or loss earned by each segment without allocation of inter-segment cost recoveries from the Corporate Office segment; this is the measure reported to the chief operating decision makers for the purposes of resource allocation and assessment of segment performance. Head office administration costs, investment income and other gains and losses are reported under the Corporate Office segment.

Notes to the Financial Statements - Continued
For the year ended 30 September 2024

5. SEGMENT REPORTING – CONTINUED

5.5 Segment assets and liabilities

	AUDITED					
	Assets (excluding inter-segment balances)		Net inter-segment balances		Liabilities (excluding inter-segment balances)	
All figures in USD	2024	2023	2024	2023	2024	2023
Southdown Estates	19,022,227	18,536,994	(2,049,774)	(1,400,872)	(7,435,818)	(6,115,054)
Claremont Estate	289,050	289,049	(12,092)	(12,092)	(84,785)	(84,831)
Kent Estate	3,550,495	4,072,715	(452,822)	(64,039)	(346,324)	(398,849)
Corporate Office	7,022,795	8,870,038	2,514,688	1,477,003	(10,975,970)	(9,845,701)
Total	**29,884,567**	**31,768,796**	**-**	**-**	**(18,842,897)**	**(16,444,435)**

Segment assets and liabilities are measured in the same way as in the financial statements. These assets and liabilities are allocated based on the operations of the segment.

For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to reportable segments other than current and deferred tax assets; and
- all liabilities are allocated to reportable segments other than current and deferred tax liabilities; and
- liabilities for which reportable segments are jointly liable are allocated in proportion to segment assets.

5.6 Other segment information

	AUDITED					
	EBITDA excluding fair value adjustments		Depreciation and impairment losses		Additions to non-current assets	
All figures in USD	2024	2023	2024	2023	2024	2023
Southdown Estates	(883,795)	(18,723,386)	1,843,368	1,125,480	259,837	981,193
Claremont Estate	46	18,631,627	-	-	-	-
Kent Estate	(306,074)	8,425,935	420,706	442,466	19,397	6,923
Corporate Office	(1,982,531)	(14,160,832)	97,390	643,058	3,734	10,934
Total	**(3,172,354)**	**(5,826,656)**	**2,361,464**	**2,211,004**	**282,968**	**999,050**

6 CASH FLOW INFORMATION

6.1 Non-cash items

All figures in USD	2024	2023
GROUP		
Fair value adjustments of biological assets held at year end	(1,807,884)	(1,359,248)
Increase of biological assets due to biological transformation	6,403,898	5,372,139
Decrease of biological assets due to harvesting of agricultural produce	(4,716,764)	(3,446,748)
Depreciation	2,414,620	2,264,160
Share of profit of joint ventures	(160,245)	(206,890)
Exchange rate movements	81,294	5,581,737
Loss/ (Profit) on sale of property, plant and equipment	10,650	(692)
Movement in provisions	745,605	4,006
	2,971,174	**8,208,464**

6 CASH FLOW INFORMATION - CONTINUED

6.2 Change in working capital

All figures in USD	2024	2023
COMPANY		
Movements in:		
Decrease/ (Increase) in trade and other receivables	14,139	190,961
Increase/ (Decrease) in trade and other payables	38,867	(50,055)
	53,006	**140,906**
GROUP		
Movements in:		
(Increase)/ decrease in inventories	(330,618)	512,047
Decrease in trade and other receivables	261,311	456,101
Increase in trade and other payables	376,882	3,489,528
Decrease in contract liabilities	-	(31,864)
	307,575	**4,425,812**

6.3 Cashflows arising from borrowings

	AUDITED	
All figures in USD	2024	2023
Opening balance		
Long term	5,996,532	4,450,260
Short term	1,033,050	972,046
	7,029,582	**5,422,306**
Proceeds from borrowings		
Long term	750,000	1,130,060
Short term	-	5,761,347
	750,000	**6,891,407**
Interest charged		
Long term	537,791	384,026
Short term	129,424	147,646
	667,215	**531,672**
Repayments of principal amount		
Long term	(172,758)	(697,545)
Short term	(85,504)	(2,784,717)
	(258,262)	**(3,482,262)**
Interest paid		
Long term	(308,171)	(120,568)
Short term	(46,823)	(140,703)
	(354,994)	**(261,271)**
Total repayments of borrowings		
Long term	(480,930)	(818,113)
Short term	(132,326)	(2,925,420)
	(613,256)	**(3,743,533)**
*** Non-cash items/ reclassifications**		
Long term	-	850,299
Short term	-	(2,922,569)
Richtrau loan previoulsy accounted for under Other Payables**	1,399,606	-
	1,399,606	**(2,072,270)**
Closing balance		
Long term	5,658,025	5,996,532
Short term	3,575,122	1,033,050
	9,233,147	**7,029,582**

** Non-cash items relate to movements in exchange rates for borrowings held in foreign currency.*

*** This amount relates to the reclassification of the Richtrau loan, previously disclosed under Other Payables.*

6 CASH FLOW INFORMATION - CONTINUED

6.4 Cashflows arising from lease arrangements

	AUDITED	
All figures in USD	2024	2023
Opening balance		
Long term	70,598	31,563
Short term	10,370	8,593
	80,968	**40,156**
Interest charged	**7,630**	**8,613**
Repayments of leases (principal portion)		
Long term	-	-
Short term	(10,370)	(7,203)
	(10,370)	**(7,203)**
Interest paid		
Long term	-	-
Short term	(7,630)	(8,046)
	(7,630)	**(8,046)**
Total repayments of leases		
Long term	-	-
Short term	(18,000)	(15,249)
	(18,000)	**(15,249)**
*** Non-cash items/ reclassifications**		
Long term	-	30,422
Short term	-	17,026
	-	**47,448**
Closing balance		
Long term	60,228	70,598
Short term	10,370	10,370
	70,598	**80,968**

** Non-cash items relate to movements in exchange rates for leases held in foreign currency. Total repayments of leases include the principal repayments and interest payments*

6.5 Cash and cash equivalents are made up of:

	AUDITED	
All figures in USD	2024	2023
- cash at bank	16,610	103,577
- cash on hand	22	3,581
	16,632	**107,158**

Classification as cash equivalents;
The Group did not have any restricted cash and cash equivalents.

7 PROFIT FROM OPERATIONS

This is stated after charging and crediting:

	AUDITED	
All figures in USD	2024	2023
COMPANY		
- administration expenses	53 006	109 446
GROUP		
- other operating income includes		
- income from clubhouse sales	(35,520)	(80,888)
- operating expenses include		
- auditors' fees	120,000	66 362
- expected credit losses charge	180	3 146
- depreciation charge on property, plant and equipment	2,361,464	2 211 004
- depreciation charge on right of use assets	53,156	53 156
- loss/(profit) on sale of property, plant and equipment	10,650	(692)
- bad debts written off	-	98 521
- selling and distribution expenses	70,342	133 768
- staff expenses		
* salaries and wages	942,716	733 975
* pensions (1)	70,815	77 442
- directors' emoluments		
* non-executive directors' fees	101,560	69 388
Other	931,271	1 169 800
Total	**4,662,154**	**4 615 870**

(1) The pension expense incurred is in respect of mandatory contributions for employees of the Group towards a retirement benefit plan operated by the National Social Security Authority.

7.1 Finance costs

	AUDITED	
All figures in USD	2024	2023
Finance charges payable on borrowings	667,215	345,516
Finance costs on leases	7,630	19,827
Finance costs on Other liabilities	53,527	
Finance costs payable on related party borrowings-Origin Global Holdings	-	186,156
Contract liabilities finance charges	-	41,351
Finance costs expensed	**728,372**	**592,850**

There were no company finance costs.

8 INCOME TAX

Below is an analysis of the company's income tax expense which explains significant estimates made in relation to the company's tax position.

COMPANY

	AUDITED	
All figures in USD	2024	2023
Current income tax	-	-
Deferred tax (note 17) - profit/ loss	-	-
	-	-
Loss before income tax	(53,006)	(126,157)
Reconciliation of income tax expense for the year:		
Notional income tax at statutory rates at 25.75% (2023: 24.72%)	(13,649)	(31,186)
Adjustments at tax rates relating to:		
Unused tax losses	13,649	13,471
IAS 29 adjustments	-	17,715
Actual current income tax (expense)	-	-

8.1 Through profit/ (loss)

Below is an analysis of the group's income tax expense which explains significant estimates made in relation to the group's tax position.

GROUP

	AUDITED	
All figures in USD	2024	2023
Current income tax	-	-
Deferred tax (note 17) - profit/ loss	171,615	1,275,172
	171,615	**1,275,172**
Loss before income tax	(4,454,306)	(7,324,419)
Reconciliation of current tax expense for the year:		
Notional income tax at statutory rates at 25.75% (2023: 24.72%)	(1,146,984)	(1,810,596)
Adjustments at tax rates relating to:		
Disallowable deductions:		
Taxes	971	6,418
Staff welfare and donations	2,452	6,526
Management fees	43,134	14,551
IAS 29 adjustments	-	361,759
Unused tax losses	1,272,042	146,170
Actual current income tax expense	**171,615**	**1,275,172**

8 INCOME TAX – CONTINUED

8.2 Through other comprehensive income

All figures in USD	AUDITED 2024	2023
Current income tax	-	-
Deferred tax (note 17) – other comprehensive income	-	(1,592,885)
	-	**(1,592,885)**
Other comprehensive income before tax	-	6,443,710
Reconciliation of income tax expense for the year:		
Notional tax at statutory rates	-	(1,592,885)
Adjustments at tax rates relating to:		
Non deductible expenses/ (non taxable income)	-	
Actual income tax credit/ (expense)	**-**	**(1,592,885)**
Total comprehensive income movement	**171,615**	**(317,713)**

9. EARNINGS PER SHARE

All figures in USD	AUDITED 2024	2023
COMPANY		
(i) Basic loss per share		
(Loss) for the period	(53,006)	(126,157)
Weighted average number of shares at year end	1,627,395,595	1,627,395,595
Basic loss per share (USD)	(0.0000)	(0.0001)
(ii) Diluted loss per share		
Weighted average number of shares used in the calculation of basic earnings per share	1627 395 595	1627 395 595
Weighted average number of shares at year end	1,627,395,595	1,627,395,595
Diluted loss per share (USD)	(0.0000)	(0.0001)

Notes to the Financial Statements - Continued
For the year ended 30 September 2024

9. EARNINGS PER SHARE – CONTINUED

All figures in USD	AUDITED 2024	2023
GROUP		
(i) Basic loss per share		
Loss for the period	(4,282,691)	(6,049,247)
Weighted average number of shares at year end	1,627,395,595	1,627,395,595
Basic loss per share (USD)	(0.0026)	(0.0037)
(ii) Diluted loss per share		
Weighted average number of shares used in the calculation of basic loss per share	1627 395 595	1627 395 595
Weighted average number of shares at year end	1,627,395,595	1,627,395,595
Diluted loss per share (USD)	(0.0026)	(0.0037)

10. PROPERTY, PLANT AND EQUIPMENT

All figures in USD	AUDITED 2024	2023
Buildings and leasehold improvements		
Fair value	9,634,350	9,622,474
Accumulated depreciation	(1,112,885)	-
Net book amount	**8,521,465**	**9,622,474**
Plant and machinery		
Fair value	9,901,188	9,805,400
Accumulated depreciation	(1,071,298)	-
Net book amount	**8,829,890**	**9,805,400**
Computer equipment and furniture		
Cost	240,160	221,022
Accumulated depreciation	(192,834)	(178,396)
Net book amount	**47,326**	**42,626**
Bearer plants		
Cost	5,240,612	5,103,197
Accumulated depreciation	(1,135,405)	(997,762)
Net book amount	**4,105,207**	**4,105,435**
Motor vehicles		
Cost	918,126	948,283
Accumulated depreciation	(566,871)	(578,225)
Net book amount	**351,255**	**370,058**
Total property, plant and equipment		
Cost or fair value	25,934,436	25,700,376
Accumulated depreciation	(4,079,293)	(1,754,383)
Net book amount	**21,855,143**	**23,945,993**

10. PROPERTY, PLANT AND EQUIPMENT – CONTINUED

	AUDITED	
All figures in USD	2024	2023
Reconciliation of movements for the year ended 30 September 2024		
Opening net book amount	23,945,993	18,714,237
Additions at cost		
Property plant and equipment excluding bearer plant		
- buildings and leasehold improvements	11,882	98,270
- plant and machinery	104,795	541,840
- computer equipment and furniture	19,136	24,015
- motor vehicles	9,739	21,398
	145,552	**685,523**
Bearer plants	137,416	313,527
Total additions	**282,968**	**999,050**
Disposals at carrying amount		
plant and machinery	(8,360)	-
- cost	(9,008)	-
- accumulated depreciation	648	-
motor vehicles	(3,992)	-
- cost	(39,897)	(16,920)
- accumulated depreciation	35,905	16,920
Total disposals	**(12,352)**	**-**
Revaluation surplus for the year		
- buildings and leasehold improvements	-	2,685,301
- Gross carrying amount adjustment	-	(1,398,220)
- Accumulated depreciation adjustment	-	1,398,220
- plant and machinery	-	3,758,409
- Gross carrying amount adjustment	-	(628,762)
- Accumulated depreciation adjustment	-	628,762
	-	**6,443,710**
Depreciation for the year		
- buildings and leasehold improvements	(1,112,885)	(1,398,220)
- plant and machinery	(1,071,947)	(628,762)
- Computer equipment and furniture	(14,438)	(19,296)
- bearer plants	(137,643)	(137,139)
- motor vehicles	(24,551)	(27,587)
	(2,361,464)	**(2,211,004)**
Closing net book amount	**21,855,145**	**23,945,993**

The Group's bearer plants at year end comprise tea bushes, macadamia trees, avocado trees and banana trees.

The Group performed a revaluation of its buildings, leasehold improvements as well as plant and machinery in the prior year ended 30 September 2023.

10B. PROPERTY, PLANT AND EQUIPMENT – CONTINUED

The valuers performed the valuation in 2023 using the cost approach reporting on Gross replacement cost and Depreciated replacement cost. This approach is considered a last resort as explained in Note 4.4.1. The results are shown below:

	AUDITED			
	Gross replacement cost		Depreciated replacement cost	
All figures in USD	2024	2023	2024	2023
Buildings and leasehold improvements	-	64,494,254	-	9,622,459
Plant and machinery	-	22,958,050	-	9,805,400
	-	**87,452,304**	**-**	**19,427,859**

The depreciated replacement cost has been used for the purposes of valuing the assets and the results are shown below:

	AUDITED	
All figures in USD	2024	2023
Increase in carrying amount of property, plant and equipment	-	6,443,710
Deferred tax on revaluation surplus	-	(1,592,885)
	-	**4,850,825**

Fair value hierarchy

The note below explains the judgements and estimates made in determining the fair values of the assets that are recognised and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its non-financial assets and liabilities into the three levels prescribed under the accounting standards.

IFRS 13 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Fair value measurements are categorised into level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
Level 2 inputs are the inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly.
Level 3 inputs are unobservable inputs for the asset or liability.

In determining the fair values of buildings and leasehold improvements in prior year, the Group used the Level 3 fair value hierarchy. The unobservable input applied in the valuation was the rate per square metre. The rate ranged from USD6.85 to USD109.75 depending on the type as well as age of the property. A high rate per square metre results in high fair value.

Below is an analysis of the degree of sensitivity of profit or loss to a 5% change in the rate per square metre at year end.

	AUDITED	
All figures in USD	2024	2023
Rate per square metre		
Increase in profits	-	481,123
(decrease) in profits	-	(481,123)

10B. PROPERTY, PLANT AND EQUIPMENT – CONTINUED

Fair value hierarchy – continued

In revaluing the assets, the following were estimated to be the useful lives of the assets:

	Original useful life	Remaining useful life
Buildings	40 Years	1 - 39 Years
Leasehold improvements	5 - 25 Years	1 - 10 Years
Plant and machinery	3 - 20 Years	1 - 15 Years

11. BIOLOGICAL ASSETS

	AUDITED						
	Produce growing on bearer plants						
All figures in USD	Tea on bush	Macadamia on tree	Fruits on tree	Poultry	Timber	Seasonal crops	Total
30 SEPTEMBER 2024							
Fair value at the beginning of the year	268,109	1,247,516	91,616	41,487	113,637	125,998	**1,888,363**
Increase due to biological transformation	954,227	2,259,015	101,692	1,066,539	23,269	312,022	**4,716,764**
Decrease due to harvesting of agricultural produce (harvested but not yet sold)	(345,168)	(51,271)	-	-	-	(40,520)	**(436,959)**
Decrease due to harvesting of agricultural produce (harvested and sold)	(2,229,533)	(2,163,458)	(131,798)	(1,025,279)	-	(416,871)	**(5,966,939)**
Change in fair value less estimated costs to sell	1,688,905	180,735	19,493	(82,747)	(23,270)	24,768	**1,807,884**
Fair value at the end of the year	**336,540**	**1,472,537**	**81,003**	**-**	**113,636**	**5,397**	**2,009,113**
Current	336,540	1,472,537	81,003	-	-	5,397	**1,895,477**
Non-current	-	-	-	-	113,636	-	**113,636**
	336,540	**1,472,537**	**81,003**	**-**	**113,636**	**5,397**	**2,009,113**

	AUDITED						
	Produce growing on bearer plants						
All figures in USD	Tea on bush	Macadamia on tree	Fruits on tree	Poultry	Timber	Seasonal crops	Total
30 SEPTEMBER 2023							
Fair value at the beginning of the year	204,853	1,828,909	53,218	99,428	96,445	171,653	**2,454,506**
Increase due to biological transformation	766,136	1,672,847	132,784	242,285	65,523	567,173	**3,446,748**
Decrease due to harvesting of agricultural produce (harvested but not yet sold)	(129,013)	(154,438)	-	-	-	(793)	**(284,244)**
Decrease due to harvesting of agricultural produce (harvested and sold)	(2,476,704)	(1,613,760)	(107,546)	(96,746)	-	(793,139)	**(5,087,895)**
Change in fair value less estimated costs to sell	1,902,837	(486,042)	13,160	(203,480)	(48,331)	181,104	**1,359,248**
Fair value at the end of the year	**268,109**	**1,247,516**	**91,616**	**41,487**	**113,636**	**125,998**	**1,888,363**
Current	268,109	1,247,516	91,616	41,487	-	125,998	**1,774,726**
Non-current	-	-	-	-	113,636	-	**113,636**
	268,109	**1,247,516**	**91,616**	**41,487**	**113,636**	**125,998**	**1,888,363**

11. BIOLOGICAL ASSETS – CONTINUED

Biological assets comprise produce growing on the bearer plants, seasonal crops and timber. Produce growing on bearer plants is measured at fair value less costs to sell with changes recognised in profit or loss as the produce grows. The fair value was determined by the maturity profile of the produce on the bearer plant at time of reporting and the expected selling price of the produce less costs to sell. The fair value for poultry and gum trees was determined by reference to the market price.

The Group is exposed to financial risks arising from changes in commodity prices. The Group does not anticipate that commodity prices will decline significantly in the foreseeable future and, therefore, has not entered into derivative or other contracts to manage the risk of a decline in commodity prices. The Group reviews its outlook for commodity prices regularly in considering the need for active financial risk management. During the dry season the risk of damage from fire is significant. The Group reduces this risk in the best possible manner by implementing appropriate fire prevention measures such as clearing underbrush ahead of the dry season, constructing fire breaks and 24-hour surveillance. Climate and weather changes pose the risk of damage and affect productivity and quality. The Group has not obtained insurance coverage for the plantations as the premium will be excessive in relation to the expected losses. The Group is not involved in any contract farming initiatives. The farming activities are for the Group by the Group.

The valuation of biological assets is exposed to changes in sensitive parameters such as the average selling prices and mature units.

Below is an analysis of the degree of sensitivity of the profit or loss to a 1% change in the average selling prices of produce.

All figures in USD	2024	2023
Average selling price sensitivity		
Increase in profits	25,414	23,617
Decrease in profits	(25,414)	(23,617)

Below is an analysis of the degree of sensitivity of profit or loss to a 1% change in the estimated yield of crops at year end.

	AUDITED	
All figures in USD	2024	2023
Yield sensitivity		
Increase in profits	20,091	18,884
Decrease in profits	(20,91)	(18,884)

Below is an analysis of the degree of sensitivity of profit or loss to a 2% change in the estimated equivalent mature units of growing crops at year end.

	AUDITED	
All figures in USD	2024	2023
Maturity sensitivity		
Increase in profits	37,802	32,975
Decrease in profits	(37,802)	(32,975)

Notes to the Financial Statements - Continued
For the year ended 30 September 2024

11. BIOLOGICAL ASSETS – CONTINUED

Fair value hierarchy

The note below explains the judgements and estimates made in determining the fair values of the biological assets that are recognised and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its non-financial and assets and liabilities into the three levels prescribed under the accounting standards.

IFRS 13 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Fair value measurements are categorised into level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
Level 2 inputs are the inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly;
Level 3 inputs are unobservable inputs for the asset or liability.

In determining the fair values of the biological assets as stated above, the Group used the Level 3 fair value hierarchy as shown below;

Level 3 inputs

Valuation inputs and relationships to fair value

	USD	USD	Observable inputs	Unobservable inputs	Market price in USD		Yield Range		Maturity Range in Percentage	
	2024	2023			2024	2023	2024	2023	2024	2023
Category							Unit of measure as shown in Unobservable Input Column (kilograms)			
Tea on bush	336,540	268,109	Market price	Yield and maturity per bush in kgs	US$1.55-$1.74	US$1.55-$1.74	3,023,311	3,023,311	8-12%	8-12%
Macadamia on tree	1,472,537	1,247,516	Market price	Yield and maturity per tree in kgs	US$1.83-$1.92	US$1.83-$1.92	1,335,560	1,315,560	58%	58%
Fruits on tree	81,003	91,616	Market price	Yield and maturity per tree in kgs	US$0.09- $0.37	US$0.09- $0.37	905,000	1,415,000	0-58%	0% -51%
Poultry	-	41,487	Market price	Grade and maturity	US$0.32-$0.42	US$0.32-$0.42	-	118,116	-	100%
Timber	113,636	113,637	Market price	Grade and maturity	US$3.02-$3.29	US$3.02-$3.29	69,080	69,080	100%	100%
*Seasonal crops	5,397	125,998	Market price	Yield and maturity per hectare	US$0.16-$0.18	US$0.16-$0.18	3,300,000	1,260,000	0% - 100%	0% - 100%
TOTAL	**2,009,113**	**1,888,363**								

** Seasonal crops are made up of commercial maize, maize seed, sugar beans, potatoes, sunflower, soya beans and green mealies*

Fair value less cost to sell are determined with reference to the market for similar produce

For all the categories, the relationship of unobservable inputs to fair value is that the higher the crop yield/ grade and maturity, the higher the fair value.

12. INVESTMENT IN JOINT VENTURES

Bonemarrow Investments trading as Claremont Power Station is a joint venture of the Group although the Group owns a 55% ownership interest in Claremont Power Station. There is a contractual arrangement with Goldsaif (Private) Limited and other facts and circumstances that indicate that the parties to the joint arrangement have rights to the net assets of the joint arrangement. The contractual arrangement gives control of the arrangement to both parties. Decisions about the relevant activities require the unanimous consent of both the Group and Goldsaif (Private) Limited. The contractual arrangement establishes that both parties are liable to the arrangement only to the extent of their respective interests in the arrangements, which includes any long-term interests that, in substance, form part of the Group's net investment in the joint venture. Accordingly, Claremont Power Station is classified as a joint venture of the Group.

Mombe Shoma (Private) Limited is a joint venture arrangement between the Group and Van Leenhoff Family for the purposes of cattle ranching. There is a contractual arrangement that states together with other circumstances indicate that both parties have rights to the net assets of the investment. The initial investment was valued at US$22,053 and was in the form of contribution of cattle to the joint venture. The Group holds a 50% stake in the arrangement. As such, Mombe Shoma is classified as a joint venture of the Group.

Claremont Orchards Holdings (Private) Limited, a property company is a joint venture between the Group and Tuinbouw Zonder Grenzen BV. A contractual agreement between the two parties confers to each of the shareholder, 50% ownership as well as rights to net assets of Claremont Orchards. As such, the property company has been classified as a joint venture.

Name of Joint venture	Principal activity	Place of incorporation and principal place of business	Proportion of ownership interests held by the Group 2024	2023	Proportion of voting rights held by the Group 2024	2023
Bonemarrow Investments (Private) Limited trading as Claremont Power Station	Hydro Electricity Generation	Zimbabwe	55%	55%	50%	50%
Claremont Orchards Holdings (Private) Limited	Property holding	Zimbabwe	50%	50%	50%	50%
Mombe Shoma (Private) Limited	Cattle ranching	Zimbabwe	50%	50%	50%	50%

	AUDITED					
	Bonemarrow Investments (Private) Limited trading as Claremont Power Station		Claremont Orchards Holdings (Private) Limited		Mombe Shoma (Private) Limited	
All figures in USD	2024	2023	2024	2023	2024	2023
Summarised balance sheet						
Current assets:						
Trade and other receivables	2,108	1,421	317,000	196,000	99,023	**206,768**
Cash and cash equivalents	12,860	1,185	-	-	425	**24,043**
Total current assets	14,968	2,606	317,000	196,000	99,448	**230,811**
Non-current assets	1,631,377	302,710	155,562	175,850	948,633	**656,182**
Total assets	**1,646,345**	**305,316**	**472,562**	**371,850**	**1,048,081**	**886,993**
Current liabilities:						
Trade and other payables	915,123	28,256	60,318	87,561	-	**-**
Financial liabilities (excluding trade and other payables)	-	-	-	-	-	**664**
Total current liabilities	**915,123**	**28,256**	**60,318**	**87,561**	**-**	**664**
Total liabilities	**915,123**	**28,256**	**60,318**	**87,561**	**-**	**664**
Net (liabilities)/ assets	**731,222**	**277,060**	**412,244**	**284,289**	**1,048,081**	**886,329**

12. INVESTMENT IN JOINT VENTURES - CONTINUED

	AUDITED					
	Bonemarrow Investments (Private) Limited trading as Claremont Power Station		Claremont Orchards Holdings (Private) Limited		Mombe Shoma (Private) Limited	
All figures in USD	2024	2023	2024	2023	2024	2023
Extracts from statement of comprehensive income						
Revenue	278,014	124,373	200,000	144,184	3,250	150,992
Interest income	-	-	-	-	-	7,368
Depreciation and amortisation	(34,422)	3,457	(20,288)	(20,288)	-	-
Interest expense	-	-	-	-	(8,864)	-
Income tax expense	(46,736)	(57)	(51,411)	(9,026)	-	-
Profit from continuing operations	**196,856**	**127,773**	**128,301**	**114,870**	**(5,614)**	**158,360**
Profit for the period	**196,856**	**127,773**	**128,301**	**114,870**	**(5,614)**	**158,360**
Other comprehensive income						
Total comprehensive income	**196,856**	**127,773**	**128,301**	**114,870**	**(5,614)**	**158,360**
Group's share in %	55%	55%	50%	50%	50%	50%
Group's share in USD	108,271	70,275	64,151	57,435	(2,807)	79,180
Dividends received from joint venture	-	-	-	-	-	-

The reconciliation of carrying amount of the investments in joint ventures is shown below:

	AUDITED			
	COMPANY		GROUP	
All figures in USD	2024	2023	2024	2023
Summarised financial information:				
Carrying amount at the beginning of the year	450	450	1,444,503	1,181,705
Share of net profit of joint ventures accounted for using the equity method	-	-	160,245	459,583
Dividends received	-	-	-	(196,785)
Carrying amount of the Group's net interest in joint venture	**450**	**450**	**1,604,748**	**1,444,503**

13. INVESTMENT IN SUBSIDIARIES

COMPANY

	AUDITED	
All figures in USD	2024	2023
Investments in subsidiaries	1,536	1,536

* The investments are held in the form of unquoted shares in the subsidiaries.

13. INVESTMENT IN SUBSIDIARIES

Details of the Group's principal subsidiaries, all incorporated or registered in Zimbabwe as their place of business at 30 September 2024 are as follows:

NAME OF SUBSIDIARY	OWNERSHIP INTEREST 2024	OWNERSHIP INTEREST 2023	PRINCIPAL ACTIVITY
Claremont Orchards 1988 (Private) Limited	100%	100%	Agriculture
Southdown Holdings (Private) Limited	100%	100%	Property Company
Clearwater Tea Manufacturing Company (Private) Limited	100%	100%	Property Company
Roscommon Development Company (Private) Limited	100%	100%	Property Company
Ariston Management Services (Private) Limited	100%	100%	Owns the following divisions: Southdown Estate, Clearwater Estate, Roscommon Estate, Blended Tea Factory, Kent Estate, and Corporate Head Office

Unless otherwise stated, the above subsidiaries have share capital consisting solely of ordinary shares that are held directly by the Group and the proportion of ownership interest held equals the voting rights held by the Group.

14. INVENTORIES

All figures in USD	AUDITED 2024	2023
Farm produce	436,959	284,244
Finished goods	10,345	100,782
Consumables and materials	625,917	357,577
	1,073,221	**742,603**

14B. COST OF SALES

All figures in USD	AUDITED 2024	2023
Opening Stock	742,603	1,064,843
Puchases	8,785,689	7,878,928
Closing stock	(1,073,221)	(742,603)
	8,455,071	**8,201,168**

Consumables and materials refer to items such as pesticides. Inventory write-downs relate to products that would have gone wholly or partly unsalable and those whose selling prices have declined below the cost. There were no write downs during the period under review, nor in the prior year.

15. TRADE RECEIVABLES FROM CONTRACTS WITH CUSTOMERS AND OTHER RECEIVABLES

Classification

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 90 days and are therefore all classified as current. Trade receivables are recognised initially at the amount of consideration expected to be received. In addition, all the facts, conditions and events are considered in estimating the transaction price for contracts containing variable elements in a bid to better predict the amount of consideration to which the Group will be entitled. The Group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. Details about the Group's impairment policies and the calculation of the loss allowance are provided below.

Fair values of trade receivables

Due to the short term nature of the current receivables, their carrying amount is considered to be the same as their fair value.

Impairment and risk exposure

Information about the impairment of trade receivables and the Group`s exposure to foreign currency risk and credit risk can be found in Note 22.2 and Note 22.4 respectively.

	AUDITED			
All figures in USD	**2024**	**2023**	**2024**	**2023**
Trade receivables	-	-	716,397	641,262
Allowance for expected credit losses	-	-	(180)	(3,117)
Net trade receivables	**-**	**-**	**716,217**	**638,145**
Other receivables and prepayments*	-	14,139	2,577,877	2,917,289
Allowance for expected credit losses	-	-	-	(29)
Net other receivables	**-**	**14,139**	**2,577,877**	**2,917,260**
Trade and other receivables	-	14,139	3,294,274	3,558,551
Allowance for expected credit losses	-	-	(180)	(3,146)
Net trade and other receivables	**-**	**14,139**	**3,294,094**	**3,555,405**

(i) Classification of financial assets at amortised cost

The Group classifies its financial assets as at amortised cost only if both of the following criteria are met:
- the asset is held within a business model whose objective is to collect the contractual cash flows, and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

(ii) Other receivables

These amounts generally arise from transactions outside the usual operating activities of the Group. Interest may be charged at commercial rates where the terms of repayment exceed six months. Collateral is not normally obtained. The non-current other receivables are due and payable within three years from the end of the reporting period. Further information relating to loans to related parties and key management personnel is set out in Note 24 Related parties.

Included in other receivables for the Group is an amount receivable from a related party of US$2,550,016 (2023:US$2,373,161). These funds are receivable on demand.

Allowance for expected credit losses

The Group measures the allowance for expected credit losses on trade and other receivables at an amount equal to lifetime ECL. The expected credit losses on trade and other receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of all information available which includes both the current as well as reasonable and supportive forward looking information available as at the reporting date.

The Group writes off trade and other receivables when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings.

15. TRADE RECEIVABLES FROM CONTRACTS WITH CUSTOMERS AND OTHER RECEIVABLES – CONTINUED

The following table details the risk profile of trade and other receivables based on the Group's provision matrix.

	AUDITED				
		2024		2023	
All figures in USD	Expected credit loss Rate	Gross Amount	Lifetime expected credit losses	Gross Amount	Lifetime expected credit losses
Trade receivables					
Foreign debtor: Amount not due (debtor in current with no history of default)	0.005%	-	-	-	-
Foreign debtors (secured)	0.000%	78,945	-	166,362	-
Current	0.005%	475,958	24	398,024	20
31 days to 60 days	0.010%	84,738	8	71,363	7
61 days to 90 days	0.5%	(16,615)	(83)	1,034	5
91 days to 120 days	1.5%	66,914	1,003	1,362	20
Amount in +120 days	5%	26,277	1,314	-	-
		716,217	**2,266**	**638,145**	**52**

** In the year 2023, the allowance for expected credit losses on trade receivables in +120 days were provided for at different rates, i.e. 5% and 100%. Trade receivables assessed at an expected credit losses rate of 5% relate to debtors with no history of default.*

	AUDITED				
		2024		2023	
All figures in USD	Expected credit loss Rate	Gross Amount	Lifetime expected credit losses	Gross Amount	Lifetime expected credit losses
Other receivables					
** Origin Global Holdings	0%	2,550,016	-	2,373,161	-
Prepayments	0%	7,292	-	211,896	-
Staff debtors (in current - fully recoverable through payroll)	0%	13,559	-	4,181	-
Other debtors	0%	7,010	-	327,993	-
Amount in +120 days	0%	–	–	29	-
		2,577,877	**-**	**2,917,260**	**-**
Total net receivables		**3,294,094**	**2,266**	**3,555,405**	**52**

*** The Origin Global Holdings Limited receivable is secured against the loan payable by the Group to Origin Global Holdings, as disclosed in note 24. In the event that Origin Global Holdings Limited defaults on the above receivable, the Group has an enforceable right to set off losses against the mentioned loan payable.*

There was no change in the expected credit loss rate from prior year.

Movement in allowance for expected credit losses

	AUDITED	
All figures in USD	2024	2023
Balance at beginning of the year	3,146	12,460
Expected credit losses (change)/ release	(2,966)	1,476
IAS 29 adjustment	-	(10,790)
Balance at the end of the year	**180**	**3,146**

15. TRADE RECEIVABLES FROM CONTRACTS WITH CUSTOMERS AND OTHER RECEIVABLES – CONTINUED

Movement in allowance for expected credit losses – continued

In determining the recoverability of a trade receivable, the Group considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the reporting date. Disclosure on concentration risk is shown on note 5 and note 22.

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses lifetime expected losses on all trade receivables and contract assets. To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets. The expected loss rates are based on the payment profiles of sales over a period of 36 months before 30 September 2024 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the gross domestic product and the unemployment rate of the countries in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

Trade receivables and other receivables are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the group, or the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts and a failure to make contractual payments for a period of greater than 2 years past due.

Impairment losses on trade receivables and other receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

16. SHARE CAPITAL

	NUMBER OF SHARES	
	2024	2023
AUTHORISED SHARE CAPITAL		
Issued shares at the end of the year	1,627,395,595	1,627,395,595
Unissued shares		
- Shares under the control of directors	29,370,286	29,370,286
- *Shares allocated to share option scheme	23,075,000	23,075,000
- **Shares set aside under the 2011 Ariston Share Ownership Trust	320,159,119	320,159,119
	2,000,000,000	**2,000,000,000**

* *This class of ordinary shares have been allocated towards a share option scheme which will come into effect at any time that the Board of Directors resolves to grant Options to subscribe for such number of Ordinary Shares and to such employee as it may think fit.*

** *The Ariston Share Ownership Trust was created in response to the Indigenous Act Laws enacted in 2011 which required companies in different industries of which one of them is agriculture to set aside shares for employees and the community. Ariston allocated 16% its authorised share capital towards this requirement.*

*** *There was no movement of shares during the year*

16. SHARE CAPITAL - CONTINUED

GROUP

All figures in USD	AUDITED 2024	2023
Share capital and share premium		
Share capital at nominal value	440,460	440,460
Share premium	2,956,158	2,956,158

COMPANY

All figures in USD	AUDITED 2024	2023
Share capital and share premium		
Share capital at par value	440,460	440,460
Share premium	2,956,158	2,956,158
Movement in the number of ordinary shares		
Issued		
At beginning of year	1,627,395,595	1,627,395,595
Share issues	-	-
Share options exercised	-	-
At end of year	**1,627,395,595**	**1,627,395,595**
Nominal value of share capital		
1,627,395,595 ordinary shares of with a nominal value of USD0.02 cents each 2023 - 1,627,395,595 ordinary shares of with a nominal value of USD0.02 cents each	440,460	440,460
Share premium		
Nominal value of share premium		
1,627,395,595 ordinary shares of with a nominal value of USD0.02 cents each and issued at USD0.21 cents each 2023 - 1,627,395,595 ordinary shares of with a nominal value of USD0.02 cents each and issued at USD0.21 cents each	2,956,158	2,956,158

17. DEFERRED TAX

COMPANY

All figures in USD	AUDITED 2024	2023
Deferred tax movement		
At the beginning of year	-	-
- Statement of Profit or Loss movement (credit) (i)	-	-
	-	**-**

The Company has not recognised a deferred tax asset in its statement of financial position for unused tax losses amounting to US$13,103. The unused tax losses expire at the end of the financial year ending 30 September 2029.

17. DEFERRED TAX - CONTINUED

GROUP

All figures in USD	AUDITED 2024	2023
Income tax expense		
Current tax	-	-
Deferred tax movement	171,615	(1,275,173)
	171,615	**(1,275,172)**
Deferred tax movement through comprehensive income	-	1,592,885
	171,615	**317,713**
Deferred tax liability		
Carrying amount at the beginning of the year	3,788,178	3,470,465
Movement through profit/ loss	(171,615)	(1,275,172)
Movement through other comprehensive income	-	1,592,885
Carrying amount at the end of the year	**3,616,563**	**3,788,178**
Analysis of deferred tax		
Property, plant and equipment	4,438,236	4,596,854
Biological assets	517,347	466,803
Right of use	8,141	20,956
Estimated credit losses on trade and other receivables	46	(778)
Provisions	-	286,269
Unrealised exchange gain/ (loss)	20,933	(1,013,711)
Assessed losses	(1,368,140)	(568,215)
	3,616,563	**3,788,178**
Income tax movement	171,615	(317,713)

The Group has not recognised temporary differences amounting to US$363,541 (2023: USD472,861) as these relate to Investments in joint ventures. The Group can control the timing and distribution of its share of profits in the joint ventures. It is probable that share of profits will not be distributed in the foreseeable future.

18. TRADE AND OTHER PAYABLES

	AUDITED			
	COMPANY		GROUP	
All figures in USD	2024	2023	2024	2023
Trade payables	-	-	3,399,694	2,671,486
Other payables	96,406	57,539	2,522,894	2,874,221
	96,406	**57,539**	**5,922,588**	**5,545,707**

Trade payables are unsecured and are usually settled on average 30 days from purchase (2023: 28 days). The carrying amounts of trade and other payables are considered to be the same as their fair values due to their short term nature. No interest is charged on the trade payables.

All figures in USD	AUDITED 2024	2023
At 30 September the ageing analysis of trade payables was as follows:		
Current	1,705,549	584,049
30-120 days	191,380	277,909
Above 120 days	1,502,765	1,809,528
	3,399,694	**2,671,486**
Provisions		
Employee benefits (current)	251,004	16,232
Zimbabwe Revenue Authority Assessment on Customs duty	510,833	-
	761,837	**16,232**

18. TRADE AND OTHER PAYABLES - CONTINUED

The provision for employee benefits represents accrued annual leave.

The provision for the Zimbabwe Revenue Authority Assessment on Customs duty relates to an assessment that was made for goods imported during the financial year amounting to a liability of USD510,833.

The entire amount of the provision is presented as current since the Group does not have an unconditional right to defer settlement for any of these obligations. The movement of provisions is shown below:

	AUDITED	
All figures in USD	2024	2023
Carrying amount at the beginning of the year	16,232	91,215
Provisions charged to profit or loss	904,208	73,436
Amounts used during the year	(158,603)	(69,430)
Inflation adjustments	-	(78,989)
Carrying amount at the end of the year	**761,837**	**16,232**

19. BORROWINGS

	AUDITED	
All figures in USD	2024	2023
Ariston Management Services (Private) Limited had borrowing facilities totalling USD9,233,147 (2023: USD7,029,580). The utilised portion was:	9,233,147	7,029,582
	9,233,147	**7,029,582**
Secured – at amortised cost		
Loans from banks	3,005,707	2,487,298
Bank overdrafts	-	17,497
Loans from related parties (note 24)	6,227,440	4,524,787
	9,233,147	**7,029,582**
Split by term		
Amount due for settlement after 12 months	5,658,025	5,996,532
Amount due for settlement within 12 months	3,575,122	1,033,050
	9,233,147	**7,029,582**
Split by currency		
Borrowings in ZWL	-	-
Borrowings in US$	9,233,147	7,029,582
	9,233,147	**7,029,582**
The movement of borrowings is shown below:		
Carrying amount at the beginning of the year	7,029,582	5,422,306
Proceeds	750,000	6,891,407
Interest	667,215	531,672
Repayments	(613,256)	(3,743,533)
Transfer from payables	1,399,606	-
Movements in exchange rates	-	21,703,580
Inflation adjustments	-	(23,775,850)
Carrying amount at the end of the year	**9,233,147**	**7,029,582**

19. BORROWINGS - CONTINUED

The principal features of the Group's borrowings are as follows.

(i) Bank loans of USD 3,005,707 (2023: USD 2,487,298) are secured by an assignment of export receivables of Ariston Management Services (Private) Limited and an act of surety signed for the full amount of exposure

The average effective interest rate on bank loans approximates 13% (2023: 12%) per annum.

(ii) Bank overdrafts are repayable on demand. There were no overdraft balances as at year end (2023: USD 17,497) previously secured by joint and several guarantees. The average effective interest rate on bank overdrafts was 80% per annum (2023: 75% per annum.)

(iii) Loans from related parties of the Group are secured by mortgage bond of USD2 million over Clearwater Estate and carry interest of 6% (2023: 6%) per annum charged on the outstanding loan balances. The loans are due at the end of the loan agreement which has an undefined tenure.

(iv) Lease liabilities are effectively secured as the rights to the leased assets recognised in the financial statements revert to the lessor in the event of default.

20. LEASES

On 1 October 2021 the Group entered into a lease contract with a landlord for the use of premises as an office. This contract is for a total period of 5 years and has been recognised as a right of use asset in the Group's records.

Interest payable on the lease arrangements averaged 15% per annum. (2023: 15% per annum)

The statement of financial position shows the separate line item for the right-of-use assets where the group is a lessee. It comprises the following:

Amounts recognised in the statement of financial position.

	AUDITED	
All figures in USD	2024	2023
Right of Use Assets		
Buildings	31,616	46,919
Plant and equipment	-	24,983
Motor vehicles	-	12,870
	31,616	**84,772**

Amounts recognised in the statement of profit or loss

	2024	2023
Interest expense	7,630	8,613
Rentals paid	18,000	18,000

All figures in USD	Buildings	Plant and Equipment	Motor Vehicles	Total
Balance as at 1 October 2022	19,326	54,905	28,284	**102,515**
Addition	35,413	-	-	**35,413**
Depreciation charge for the year recognised in statement of profit and loss	(7,820)	(29,922)	(15,414)	**(53,156)**
Balance as at year ended 30 September 2023	46,919	24,983	12,870	**84,772**
Addition	-	-	-	**-**
Depreciation charge for the year recognised in statement of profit and loss	(15,303)	(24,983)	(12,870)	**(53,156)**
Balance as at 30 September 2024	**31,616**	**-**	**-**	**31,616**

20. LEASES – CONTINUED

Lease liabilities are as follows:

	AUDITED					
	Minimum lease payments		Interest		Present value	
All figures in USD	2024	2023	2024	2023	2024	2023
Not later than one year	18,001	15,626	6,544	5,256	11,457	10,370
Later than one year and not later than five years	72,000	60,739	12,858	7,203	59,142	53,536
More than five years	–	24,430	–	7,368	–	17,062
	90,001	**100,795**	**19,402**	**19,827**	**70,599**	**80,968**

The lease liabilites are analysed as:

	AUDITED	
All figures in USD	2024	2023
Current liabilities	11,457	10,370
Non-current liabilities	59,142	70,598
	70,599	**80,968**

Lease liabilities are secured by the assets leased. The liabilities comprise variable and fixed interest rate arrangements with repayment periods not exceeding five years.

On 1 October 2021, the Group entered into a contract with a landlord for renting office space for a lease term of 5 years. The contract had an option to extend the term and the Group exercised that option on 1 October 2022. This resulted in the Group modifying the contract with the landlord that increased the lease term but without adding the right to use more underlying assets. The contract is for the same premises. Since the modification does not add the right to use more assets, nor is the increase in rentals commensurate, the modification will be accounted for by remeasuring the initial lease. As a result, the future lease cash outflows which are not already included in lease liabilities amounted to US$5,000 as at year-end.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for all leases which the Group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- amounts expected to be payable by the group under residual value guarantees
- payments of penalties for terminating the lease, if the lease term reflects the group exercising that option.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

20. LEASES – CONTINUED

The lease payments are discounted using the interest rate implicit in the lease.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. The Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

21. CAPITAL COMMITMENTS

There were no significant capital expenditure contracts at the end of the reporting period which were not recognised as liabilities.

22. FINANCIAL RISK MANAGEMENT

The Group's risk management is predominantly controlled by the group finance function under policies approved by the board of directors. Group finance identifies and evaluates financial risks in close co-operation with the Group's operating units. The board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of financial instruments , and investment of excess liquidity.

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk, and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's future financial performance. The primary objective of the financial risk management function are to establish risk limits and to ensure that risk stays within limits.

22.1 Market risk

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. Ultimate responsibility for market risk management rests with the Board of Directors, which has built an appropriate market risk management framework and the market risks are managed through observation of market trends in various factors noted below within approved monetary and exchange control authority parameters.

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market prices. The company's market risks arise from open positions in (a) foreign currencies and (b) interest bearing assets and liabilities, to the extent that these are exposed to general and specific market movements.

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the functional currency of the relevant group entity. In the current year, the functional currency was denominated as the US dollar, thus the risk was determined as minimal. The US dollar denominated bank loans are expected to be repaid with receipts from US dollar denominated sales.

22. FINANCIAL RISK MANAGEMENT – CONTINUED

22.2 Foreign Currency Risk

Foreign exchange risk is the risk arising from fluctuations in foreign exchange rates and their effect on future commercial transactions or recognised assets and liabilities denominated in a currency that is not the entity's functional currency. As the entity changed its functional currency to the United States dollar in the current year, the foreign currency risk was determined as minimal.

22.3 Price risk

Price risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices, other than those arising from interest rate risk and currency risk, whether those changes are caused by factors specific to the individual financial instrument or its issuer on factors affecting all financial instruments traded in the market. The trading environment has been characterised by liquidity challenges. Costs of inputs and manpower however, assume a rising trend resulting in the need to set competitive selling prices. Potential customer resistance to high prices and the reduction in sales transaction volumes are potential risks. This risk is mitigated by the fact the group agrees prices with clients before hand. Prices are affected mostly by factors such as quality. those arising from interest rate risk and currency risk, whether those changes are caused by factors specific to the individual financial instrument or its issuer on factors affecting all financial instruments traded in the market.

The group does not hold any equity security hence it is not affected by fluctuations in equity securities and thus bears no significant exposure to price risk related to equity securities.

22.4 Credit risk

This refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties. The Group conducts credit assessments on these counterparties based on publicly available information and the Group's own trading records to rate its major customers. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread among approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved regularly. Ongoing credit evaluation is performed on the financial condition of accounts receivable. Apart from one customer in the retail market who is also the largest local customer of the Group, the Group does not have significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The Group defines counterparties as having similar characteristics if they are related entities. Concentration of credit risk related to this retail market customer approximates 20% of gross monetary assets at any time during the year. Concentration of credit risk to any other counterparty did not exceed 20% of gross monetary assets at any time during the year. The Group does not hold any security from customers. Refer to Note 15 on trade and other receivables. The Group has no exposure to credit risk in relation to debt investments.

	AUDITED	
All figures in USD	2024	2023
Net trade and other receivables	3,294,094	3,555,405
Cash at bank	16,632	107,158
	3,310,726	**3,662,563**

The Group had no exposure to credit risk arising from financial guarantees for the year (2023: USD nil).

The fair value of cash and cash equivalents at 30 September 2024 approximates the carrying amount because of their short term nature. The credit quality of financial assets can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates:

22. FINANCIAL RISK MANAGEMENT – CONTINUED

22.4 Credit risk – continued

Trade receivables (excluding related parties receivables)

	AUDITED	
All figures in USD	2024	2023
Counterparties without external credit rating:		
Group 1 - Existing customers with no defaults in the past.	2,266	(8,256,357)
Group 2 - Existing customers with some defaults in the past. All defaults were fully recovered	-	-
Group 3 - Existing customers with defaults not recovered.	2,266	8,897,619
Total trade receivables	**4,532**	**641,262**

Cash and cash equivalents

There are no significant concentrations of credit risk with respect to cash and cash equivalents as the Group holds cash accounts with large financial institutions with sound financial and capital cover.

22.5 Interest rate risk

The Group's policy is to adopt an observation of market dynamics approach to manage interest rate risk while maximising profit. Ultimate responsibility for interest risk management rests with the Board of Directors, which has built an appropriate risk management framework to manage the interest risk through a non-speculative approach within approved monetary control authority parameters. Interest rates are fixed per contract and are locked in for the duration of the borrowing contract. The risk is assessed before entering into any debt contract to ensure that the Group's cashflow is protected.

	AUDITED	
All figures in USD	2024	2023
Interest bearing borrowings	3,005,707	4,019,249
Exposure to interest rate risk The following average interest rates applied during the year ended and as at 30 September:	13%	13%

	AUDITED	
All figures in USD	Equity	Profit/(loss) for the year
10% appreciation effect - 2024	(9,937,503)	(3,854,422)
10% appreciation effect - 2023	(13,791,925)	(1,078,580)
10% depreciation effect - 2024	(12,145,837)	(4,710,960)
10% depreciation effect - 2023	(16,856,797)	(1,318,264)

Cash flow and fair value interest rate risk

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest. The Group finances its operations through a mixture of retained earnings and borrowings. The Group borrows principally in United States of America dollars at fixed and floating interest rates. The interest rate characteristics of new borrowings and the refinancing of existing borrowings are positioned according to expected movements in interest rates. Borrowings from holding company have fixed interest rates as determined from time to time (see note 19) and bears no significant exposure to interest rate risk.

22. FINANCIAL RISK MANAGEMENT – CONTINUED

22.6 Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities, based on the earliest date on which the Group can be required to pay. The tables include both interest and principal cash flows. The contractual maturity is based on the earliest date on which the Group may be required to pay.

Liquidity risk is the risk that the Group may fail to meet its payment obligations when they fall due, the consequences of which may be the failure to meet the obligations to creditors. The Group identifies this risk through periodic liquidity gap analysis and the maturity profile of assets and liabilities. Where major gaps appear, action is taken in advance to close or minimise the gaps. Cash flow forecasting is performed in the operating entity. The Group monitors rolling forecasts of the company's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Group does not breach borrowing limits or covenants on any of its borrowing facilities. Such forecasting takes into consideration the Group's debt financing plans, covenant compliance and compliance with internal statement of financial position ratio targets.

COMPANY

All figures in USD	Weighted average effective interest rate %	1-3 months USD	3 months to 1 year USD	1-2 years USD	Above 2 years USD	Total USD
AUDITED						
2024						
Related party payables	0%	–	31,290	–	–	**31,290**
Trade and other payables	0%	–	65,119	–	–	**65,119**
2023						
Related party payables	0%	–	–	57,147	–	**57,147**
Trade and other payables	0%	–	–	603	–	**603**

GROUP

All figures in USD	Weighted average effective interest rate %	1-3 months USD	3 months to 1 year USD	1-2 years USD	Above 2 years USD	Total USD
AUDITED						
2024						
Interest bearing borrowings	13%	1,025,106	1,980,601	–	–	**3,005,707**
Related party borrowings	7%	–	–	6,227,441	–	**6,227,441**
Lease liabilities	13%	2,759	11,745	12,974	43,121	**70,599**
Trade and other payables	0%	2,542,426	1,600,637	1,779,524	–	**5,922,587**
2023						
Interest bearing borrowings	13%	365,954	1,143,355	2,112,177	–	**3,621,486**
Related party borrowings	7%	–	–	5,110,955	–	**5,110,955**
Lease liabilities	13%	8,128	13,698	12,655	46,487	**80,968**
Related party payables	0%	–	1,399,609	–	–	**1,399,609**
Trade and other payables	0%	368,609	3,777,485	–	–	**4,146,094**

The Group has access to financing facilities amounting to USD6,683,131 (2023: USD7,722,304); of which USD0 (2023: USD1,241,496) were unused at the end of the reporting period. The Group expects to meet its obligations from cash flows and proceeds of maturing financial assets.

Surplus cash held by the Group over and above balance required for working capital management is invested in time deposits, choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient headroom.

22. FINANCIAL RISK MANAGEMENT – CONTINUED

22.7 Financial risk management strategies for biological assets

The Group is exposed to risks arising from environmental and climatic changes, commodity prices and financing risks. The Group's geographic spread of farms allows a high degree of mitigation against adverse climatic conditions such as droughts, floods and disease outbreaks. The Group has strong environmental policies and procedures in place to comply with environmental and other laws.

The Group is exposed to risks arising from fluctuations in the price and sales volume of produce and livestock. Where possible, the Group enters into supply contracts for produce and livestock to ensure sales volumes can be met by its customers. The Group has long-term contracts in place for supply of produce to its major customers.

The seasonal nature of the business requires a high level of cash flow at different seasons in the year. The group actively manages the working capital requirements and has secured sufficient credit facilities to meet the cash flow requirements to manage this risk. The group follows prudent industry accepted care practices with respect to the use of fertilisers, insecticides and herbicides to control diseases and insect infestation. *Refer to note 11 for detail on fair value determination and sensitivities.*

22.8 Fair values

The carrying amounts of receivables, cash and short-term deposits, payables and accrued expenses, and short-term borrowings approximate their fair values due to the short-term maturities of these assets and liabilities.

23. CAPITAL MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from 2018.

The capital structure of the Group consists of net debt and equity of the Group (comprising issued share capital, share premium, accumulated losses/distributable reserves).

The Group's Board reviews the capital structure of the Group regularly. As part of this review, the Board considers the cost of capital and the risks associated with each class of capital. The gearing ratio at 30 September 2024 was 60% (2023: 46%).

	AUDITED	
All figures in USD	2024	2023
Debt (i)	9,303,746	7,110,550
Cash and bank balances	(16,632)	(107,158)
Net debt	**9,287,114**	**7,003,392**
Equity (ii)	11,041,670	15,324,361
Net debt to equity ratio	**84%**	**46%**

(i) Debt is defined as long and short-term borrowings and lease liabilities.
(ii) Equity includes all capital and reserves of the Group that are managed as capital.

24. RELATED PARTY DISCLOSURES

COMPANY

Other payable to Ariston Management Services (Private) Limited, a 100% subsidiary of the Company

As Ariston Holdings Limited (the Company) does not trade, and is a holding company, Ariston Management Services (Private) Limited pays for expenses on behalf of the Company. The outstanding amount is unsecured and will be settled in cash. No guarantees have been given or received.

All figures in USD	AUDITED 2024	2023
Carrying amount at the beginning of the year	(56,938)	174,071
Amounts advanced	2,702,548	-
Repayment	-	(346,866)
Inflation adjustment		115,857
Carrying amount at the end of the year	**2,645,610**	**(56,938)**

Other receivable from Claremont Orchards Holdings Limited, a 50% joint venture of the Company

This amount payable to the Company is unsecured and will be settled in cash. No guarantees have been given or received.

All figures in USD	AUDITED 2024	2023
Carrying amount at the beginning of the year	14,137	14,137
Repayment	(14,137)	-
Carrying amount at the end of the year	**-**	**14,137**

GROUP

Origin Global Holdings holds 71% of the Company Ordinary shares and the remaining 29% are widely held.

Interest in subsdiaries are disclosed in Note 13

Other receivable from Origin Global Holdings Limited, the major shareholder of the Company

The Group has an agreement that allows Origin Global Holdings Limited to receive funds from customers on behalf of the Group. The outstanding amount is secured by the borrowing below and will be settled in cash. No expense has been recognised in the current or prior years for bad or doubtful debts in respect of the amounts owed by related parties.

All figures in USD	AUDITED 2024	2023
Carrying amount at the beginning of the year	2,373,161	2,429,572
Amounts advanced	1,148,300	1,492,677
Amounts repaid	(731,445)	(493,192)
Management fee expense	(240,000)	(101,818)
Movement in exchange rates	-	1,149,842
Inflation adjustments	-	(2,103,920)
Carrying amount at the end of the year	**2,550,016**	**2,373,161**

24. RELATED PARTY DISCLOSURES – CONTINUED

GROUP- continued

Borrowings from Origin Global Holdings Limited, the major shareholder of the Group

The Group has a loan agreement with Origin Global Holdings Limited. The weighted average interest rate on related party borrowings is 6% per annum (2023: 6% per annum). The related party borrowings are payable beyond 12 months from the reporting date, accordingly they are classified as non-current. The movement schedule is shown below:

All figures in USD	AUDITED 2024	2023
Carrying amount at the beginning of the year	3,444,854	3,175,635
Finance cost	213,068	86,508
Movements in exchange rates	-	2,990,158
Repayment	-	(57,466)
Inflation adjustments	-	(2,749,981)
Carrying amount at the end of the year	**3,657,922**	**3,444,854**
Net amount of the borrowings from Origin Global Holdings Limited	**3,657,922**	**3,444,854**

Borrowings from Richtrau No 27 (Pty) Limited, a company related to Origin Holdings; the major shareholder of the Group

During the financial year ended 2023, the Group entered into a loan agreement with Richtrau No 27 (Pty) Ltd. The weighted average interest rate on related party borrowings is 8% per annum. The related party borrowings are payable beyond 12 months from the reporting date, accordingly they are classified as non-current. The movement schedule is shown below:

All figures in USD	AUDITED 2024	2023
Carrying amount at the beginning of the year	1,079,933	-
Loans advanced	-	114,932
Finance cost	89,889	35,703
Movements in exchange rates	-	929,298
Carrying amount at the end of the year	**1,169,822**	**1,079,933**

Other payable to Richtrau No 27 (Pty) Limited, a company related to Origin Holdings; the major shareholder of the Group

In 2023, the Group received advances from Richtrau No 27 (Pty) Ltd. The amounts do not attract interest.

All figures in USD	AUDITED 2024	2023
Carrying amount at the beginning of the year	1,399,610	-
Amounts advanced	87	5,052,402
Movements in exchange rates	-	995,650
Inflation adjustments	-	(4,648,442)
Carrying amount at the end of the year	**1,399,697**	**1,399,610**
Net amount of the borrowings from Richtrau No 27 (Pty) Limited, a company related to Origin Holdings	**2,569,519**	**2,479,543**
Total borrowings from related parties	**6,227,441**	**5,924,397**

24. RELATED PARTY DISCLOSURES – CONTINUED

Other payable to Mombe Shoma (Private) Limited, a joint venture of the Group

The amount relates to an amount payable to Mombe Shoma as a result of a shortfall on the initial investment into the joint venture. As the contract had a moratorium, there was no interest charge in 2022.

	AUDITED	
All figures in USD	2024	2023
Carrying amount at the beginning of the year	69,690	52,490
Interest	8,863	7,368
Movements in exchange rates	-	125,663
Inflation adjustments	-	(115,831)
Carrying amount at the end of the year	**78,553**	**69,690**

Directors and key management

The schedule below shows the movement in the payables' balance relating to remuneration due to directors and key management that were unpaid at year end. The amounts do not attract interest. These are payable within 12 months and have been classified as other payables.

	AUDITED	
All figures in USD	2024	2023
Carrying amount at the beginning of the year	62,822	74,904
Remuneration of directors and other members of key management personnel during the year	80,740	407,695
Payments made	(16,883)	(451,080)
Movements in exchange rates	-	271,468
Inflation adjustments	-	(240,165)
Carrying amount at the end of the year	**126,679**	**62,822**

25. DEFINED CONTRIBUTION PLANS

The employees of the Group are also members of a State-managed retirement benefit plan operated by the National Social Security Authority. The Group is required to contribute a specified percentage of basic pay to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefit plan is to make the specified contributions.

The total expense recognised in profit or loss amounts to USD70,814 (2023: USD78,646) representing contributions payable by the Group at rates specified in the rules of the plan.

26. GOING CONCERN

Company

The Company has a current ratio of 0.66. US$2,096,909 of the US$5,411,755 trade and other payables balance in the Company's financial statements relates to an intercompany balance with its subsidiary, Ariston Management Services (Private) Limited. As the Company does not generate its own separate revenue, its expenses are paid for by Ariston Management Services (its wholly owned subsidiary), resulting in the payable balance. The Directors have performed an assessment of the Company's ability to continue as a going concern and determined that the Company's plans and activities adequately mitigate risks related to its going concern. It is on this basis that the financial statements have been prepared on a going concern basis.

26. GOING CONCERN – CONTINUED

Group

The Directors have undertaken a detailed review of the going concern status of the Group and are satisfied that the Group has adequate resources to continue operating for the foreseeable future. In forming this view, they considered the diminishing impact of the COVID-19 pandemic and the ongoing implications of the Russia–Ukraine conflict. These global developments have contributed to increased production costs and continued pressure on commodity pricing.

For the year ended 30 September 2024, the Group incurred a loss for the year of USD 4,282,691, an 29% improvement compared to the prior year's loss of USD 6,739,561.

At year end, the Group's current liabilities exceeded current assets by USD 3,229,743, largely due to the process of replacing short-term borrowings with longer-term facilities that was ongoing. Loans amounting to USD 2,067,650, which were due at year end, therefore were classified as current liabilities, were restructured, post year-end and the last repayment was extended to 31 January 2026. In addition, loans amounting to USD 453,660 were repaid shortly after the reporting date.

To further strengthen its financial position, the Group secured longer-term funding for capital expenditure (USD1,000,00) and working capital loans (USD2,000,000) totalling USD 3,000,000 post year-end. The maturity profiles for these loans are April 2026 for the working capital and December 2027 for the capital expenditure repayments. This will afford the Group sufficient time to stabilise operations, improve liquidity, and return to profitability.

During the reporting period, the Group intensified efforts to improve tea quality in order to grow export volumes and achieve better pricing. The Group has also signed off-take agreements with major macadamia buyers, with indicative prices expected to exceed those achieved in the current year. To address the impact of erratic rainfall, the Group invested in irrigation infrastructure. In 2023, a solar power plant was commissioned to reduce reliance on diesel generators and mitigate the effects of ongoing power outages. This initiative has led to significant cost savings and supports the Group's environmental sustainability objectives through the use of renewable energy. Further solar installations are planned at Roscommon, Clearwater, and Kent estates. To stabilise operations and enhance efficiency, several cost-reduction initiatives are currently underway and will be implemented in the 2025 financial year. These include a comprehensive staff rationalisation exercise and increased automation of key processes.

The Directors' assessment included a review of the Group's financial performance and position as at 30 September 2024, as well as an evaluation of short-and medium-term prospects.

This assessment took into account the prevailing economic environment in Zimbabwe, global market dynamics for the Group's export commodities, climate change risks, and supply chain considerations. The Directors are confident that the Group's strategic plans and initiatives demonstrate its ability to remain viable and meet its obligations as they fall due. Consequently, these financial statements have been prepared on the basis that the Group will continue as a going concern.

27. EVENTS AFTER THE REPORTING DATE

There have been no significant events after the reporting date.

ANALYSIS OF SHAREHOLDERS

SIZE OF SHAREHOLDING	NUMBER OF SHAREHOLDERS	% NO. OF SHAREHOLDERS	SHARES HELD	% OF SHARES HELD
1-5000	1,278	66.25	1,862,009	0.11
5001-10000	180	9.33	1,349,261	0.09
10001-50000	282	14.62	6,327,466	0.39
50001-100000	61	3.16	4,456,532	0.27
100001 and above	128	6.64	1,613,400,327	99.14
	1,929	**100.00**	**1,627,395,595**	**100.00**

CATEGORIES OF SHAREHOLDERS

SHAREHOLDERS GROUP	NUMBER OF SHAREHOLDERS	% NO. OF SHAREHOLDERS	SHARES HELD	% OF SHARES HELD
Non-Resident Transferable	6	0.30	1,154,874,531	70.96
Companies	237	11.77	210,584,930	12.94
Nominee Company	52	2.58	120,972,136	7.43
Pension Funds	23	1.14	65,039,890	4.00
Insurance Companies	8	0.40	48,419,235	2.98
Individuals	1,523	79.84	25,422,453	1.56
FCDA Resident and New Non-Resident	55	2.73	1,083,671	0.07
Investment, Trust and Property Companies	17	0.84	842,406	0.05
Fund Managers	3	0.15	129,904	0.01
Charitable and Trusts	4	0.20	16,439	0.00
Estates	1	0.05	10,000	0.00
	1,929	**100**	**1,627,395,595**	**100**

TOP TWENTY SHAREHOLDERS

HOLDER NAME	TOTAL HOLDING	% OF TOTAL ISSUED SHARES
ORIGIN GLOBAL HOLDINGS LIMITED	1,154,636,981	70.95
STANBIC NOMINEES (PRIVATE) LIMITED - NNR A/C 110008380002	82,314,586	5.06
BARATO INVESTMENTS LIMITED	70,324,454	4.32
NATIONAL SOCIAL SECURITY AUTHORITY-NPS	54,413,428	3.34
NSSA-NATIONAL PENSION SCHEME	47,530,830	2.92
MEGA MARKET (PVT) LTD	30,555,046	1.88
NATIONAL SOCIAL SECURITY AUTHORITY (W.C.I.F.)	24,321,664	1.49
SCB NOMINEES 033667800003	23,535,412	1.45
IMARA AFRICA SERIES SPC LTD	19,368,309	1.19
WORKERS COMPENSATION INSURANCE FUND	13,967,863	0.86
MUTARE MART	7,599,900	0.47
NYARADZO LIFE ASSURANCE COMPANY	7,385,315	0.45
BETAVEST (PRIVATE) LIMITED	6,418,300	0.39
ECONET GROUP ZIMBABWE PENSION FUND-FML A/C 140043880025	5,814,732	0.36
STANBIC NOMINEES (PVT) LTD A/C 110008090011	5,507,476	0.34
PUBLIC SERVICE PF-PLATINUM	4,349,909	0.27
ZB FINANCIAL HOLDINGS GROUP PENSION FUND	2,969,382	0.18
QUANTAFRICA WEALTH MANAGEMENT	2,694,600	0.17
MUNSTER INVESTMENTS (PVT) LTD	2,481,060	0.15
CORPSERVE NOMINEES (PVT) LTD	2,177,867	0.13
	1,568,367,114	96.37
REMAINING HOLDING	**59,028,481**	**3.63**
TOTAL ISSUED SHARES	**1,627,395,595**	**100.00**

Notice to Shareholders

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the seventy-eighth (78th) Annual General Meeting ("AGM") of Ariston Holdings Limited ("the Company") will be held in the Centenary Room, Royal Harare Golf Club, 5th Street Extension, Harare, Zimbabwe on 27 May 2025 at 1400 hours to consider the following business.

ORDINARY BUSINESS

1. Financial Statements
   To receive, consider and adopt the audited financial statements for the year ended 30 September 2024, together with the reports of the directors and auditors thereon.

2. Re-election of directors
   To elect directors who retire by rotation, in accordance with the provisions of the Company's Articles of Association. In accordance with the provisions of the Companies and Other Business Entities Act (Chapter 24:31), the directors will be elected as separate resolutions;

   2.1 Mr T. Zifamba retires by rotation and being eligible offers himself for re-election.

3. Retirement of directors
   3.1 Mrs M. Mazingi retires by rotation and does not offer herself for re-election.

4. Director's remuneration
   To approve directors' fees for the year ended 30 September 2024.

5. Auditors
   5.1 To approve the remuneration of the independent auditors for the year ended 30 September 2024.
   5.2 Messrs PricewaterhouseCoopers (now Vista Chartered Accountants (Zimbabwe), were the independent auditor of Ariston Holdings Limited for the financial year ended 30 September 2024 and for the past four years.

   At the annual general meeting to be held on 27 May 2025, Shareholders will be required to appoint an independent auditor of Ariston Holdings Limited for the financial year beginning 1 October 2024.

ANY OTHER BUSINESS

PROXIES

A member entitled to attend and vote at the above meeting may appoint one or more proxies to attend, vote and speak on his/her behalf. A proxy need not be a member of the Company. A member wishing to appoint a proxy must lodge the completed proxy form at the registered office of the Company or the office of the Transfer Secretaries (ZB Transfer Secretaries (Private) Limited, 21 Natal Road, Avondale, Harare) not less than 48 hours before the appointed time for holding of the meeting.

A. Museta
Company Secretary

REGISTERED OFFICE

18 Coghlan Road
Greendale
Harare
P.O. Box 4019
Harare

5 May 2025

ARISTON
HOLDINGS LIMITED

Registered Office: 18 Coghlan Road, Greendale, Harare, P.O. Box 4019, Harare

PROXY FORM

For use at the seventy-eighth (78th) Annual General Meeting ("AGM") of Ariston Holdings Limited to be held in the Centenary Room, Royal Harare Golf Club, 5th Street Extension, Harare, Zimbabwe on 27 May 2025 at 1400hrs.

I/We..

of...being the registered holder/s

of...ordinary shares in

Ariston Holdings Limited do hereby appoint:-

1. ....or failing him/her,

2. ....or failing him/her,

the Chairman of the AGM, as my/our proxy to vote on my/our behalf at the seventy-seventh AGM of Ariston Holdings Limited to be held in the Centenary Room, Royal Harare Golf Club, 5th Street Extension, Harare, Zimbabwe on 27 May 2025 and at any adjournment thereof and to vote for me/us on my/our behalf or to abstain from voting as indicated below:

	FOR	AGAINST	ABSTAIN
1. Adoption of the financial statements for the year ended 30 September 2024 together with the reports of the directors and auditors thereon.			
2. Election of directors			
2.1 Appointment of director, T. Zifamba			
3. Approval of directors' fees for the year ended 30 September 2024			
4. Auditors			
4.1 Approval of fees for the auditors for the year ended 30 September 2024			
4.2 Appointment of auditors for the financial year beginning 1 October 2024			

Signature of Shareholder.. Date..

AFFIX
STAMP
HERE

THE COMPANY SECRETARY

ARISTON HOLDINGS LIMITED
Registered Office:
P.O. Box 4019
Harare
Zimbabwe

THE COMPANY SECRETARY

ARISTON HOLDINGS LIMITED
Registered Office:
18 Coghlan Road
Greendale
Harare

ARISTON
HOLDINGS LIMITED

Registered Office`;
18 Coghlan Road, Greendale, Harare
P.O. Box 4019 Harare