Audited Abridged Financial Results

For the year ended 31 December 2024

BAT ZIMBABWE

FINANCIAL HIGHLIGHTS
Group summary (USD)

	YEAR ENDED 31 DECEMBER		
	2024	Year on year	2023 Restated*
	USD	USD	USD
Revenue	36 420 840	(23%)	47 231 988
Monetary loss on hyperinflationary adjustment	(17 070 995)	(10%)	(15 544 670)
Operating (ltoss)/profit	(881 072)	(107%)	12 735 142
(Loss)/Profit before income tax	(3 987 096)	(128%)	14 208 262
(Loss)/Profit attributable to shareholders	(7 109 135)	(178%)	9 074 795
Total assets	25 493 379	1%	25 174 156
Basic (loss)/earnings per share (USD)	(0.34)	(178%)	0.44
Diluted (loss)/earnings per share (USD)	(0.34)	(178%)	0.44
Headline (loss)/earnings per share (USD)	(0.40)	(192%)	0.44

* The comparative balances were previously reported in ZWL. The numbers were restated by converting them to the Group's new presentation currency, USD. For details regarding the change in presentation currency, refer to Note 2.4

Chairman's Report

On behalf of the Board, Management, and employees, I am pleased to present BAT Zimbabwe's Abridged Financial Results for the year ended December 31, 2024. The Business delivered a resilient performance during the period under review, and its fundamentals remain solid.

Operating environment and business overview

In 2024, the Business navigated a challenging operating environment, largely driven by the negative effects of commodity prices shocks, policy uncertainty, supply chain bottlenecks, and, hard currency shortages. Despite these challenges, the Business successfully transitioned from the Zimbabwe Dollar (ZWL) to the Zimbabwe Gold (ZWG), and subsequently to the United States Dollar (USD), demonstrating resilience in the face of economic headwinds whilst driving business continuity. During the period in review, we simplified our Route to Consumer (RTC) model and thus leveraging excellence in commercial execution to drive revenue growth and partially cushion profitability from the impact of commodity prices volatility. Further, we transitioned from solely trading in the local currency to a multi-currency approach, reducing supply chain pressures and contributing towards delivering sustainable shareholder value.

Blocked funds

The Reserve Bank of Zimbabwe (RBZ) approved and registered the Company's blocked funds amounting to USD16.3 million. This is in respect of outstanding amounts consistent with the blocked funds guidelines provided in the Exchange Control Directive RU28 dated 21 February 2019, Exchange Control Circular No. 8 of 24 July 2019. In 2021, The Treasury assumed the liability from RBZ in relation to the blocked funds. The Treasury is currently working on the appropriate instruments to facilitate settlement of the registered blocked funds which were listed as approved blocked funds under Annex 1 of the Finance Act(no. 7) of 2021 (gazetted on 21 December 2021).

Contributions to the Government Treasury

BAT Zimbabwe continues to contribute to the economic development of the country through payment of various taxes to the Government treasury including; Excise Duty, Corporate Tax, Value Added Tax (VAT), Custom Duties, Pay As You Earn (PAYE) and Withholding Tax. The Company's contribution to the Zimbabwe Revenue Authority (ZIMRA) in 2024 decreased by 2% compared to prior year, predominantly due to unpredictable regulatory changes that impacted business

Sustainability front and center

The BAT Group has refined its Sustainability Strategy and is seeking to take a leading role in tackling some of the biggest global sustainability challenges. The Strategy is underpinned by five impact areas, namely, Tobacco Harm Reduction, Climate, Nature, Circularity and Communities. The Strategy aims to do this by responsibly building A Smokeless World as well as reducing its use of natural resources and maintain climate goals as it transitions to **A Better Tomorrow™**. BAT Zimbabwe is aligned to the refined Group Sustainability Strategy which has been adapted to local realities and is striving to create a meaningful impact in the communities in which we operate.

At our factory, our sustainability efforts are guided by both short-term and long-term strategies focused on improving energy efficiency and reducing environmental impact. We leverage Integrated Work Systems (IWS) tools, such as daily direction setting, to prioritise and address operational losses. These efforts are essential for driving immediate improvements in our operations and ensuring continuous optimisation. In terms of energy management, we have implemented various initiatives to improve energy efficiency, reduce power consumption, and reduce emissions.

On the talent front, we continue to champion diversity and inclusion with key initiatives such as driving the increased representation of women and Persons with Disabilities (PWDs) across the business, as well as the introduction of an Apprenticeship Programme. Through the Apprenticeship Programme we aim to bridge the skills gap between tertiary education and practical industry needs, creating workplace-ready future leaders.

The Business is tracking at pace and has already scored a number of milestones including receiving Core certification by the Alliance for Water Stewardship (AWS) for our efforts in driving Good Water Governance (GWG) in our catchment area, maintaining our zero-waste to landfill status, increasing representation of women and PWDs across the Business, successfully implementing skills training initiatives for adult graduates, as well as supporting the health and safety of all our employees.

Reflective of the above, the Board of Directors believes that BAT Zimbabwe is in a strong position to continue delivering sustained value for shareholders.

Board resignations and appointments

Company Secretary

Ms. Phyllis Farah Chenjera resigned from the position of Company Secretary effective 1 March 2024. She was reassigned to a new role within BAT Zimbabwe. The Board subsequently appointed Ms. Mirirai Apolonia Washaya as Acting Company Secretary effective 28 March 2024. She resigned from this role effective 1 March 2025, to pursue interests outside of the BAT Group.

The Board of Directors thank Phyllis and Mirirai for their contribution to the success of the Business and wish them all the best in their future endeavours

In light of these changes, the Board is pleased to announce the appointment of Mr. Takudzwa Mashanda as Company Secretary effective 1 March 2025. Prior to joining the Company, he was Legal and Investment Counsel at Masawara Group Holding. and practiced with two leading corporate and commercial law firms in Zimbabwe being; Dube Manikai Hwacha Law Chambers and BeraMasamba Legal Practitioners, where he specialised in corporate law.

Alternate Non-Executive Director

The Board of Directors is pleased to announce the appointment of Mr. Crispin Ouma Achola effective 1 May 2025 as an Alternate Director to Mr. Philemon Kipkemoi who is currently serving as a Non-Executive Director on the Board. Crispin is the Cluster Director for BAT East & Southern Africa Markets (ESA) based in Nairobi, Kenya. Prior to rejoining BAT in 2021, Crispin worked for Kimberly-Clarke Corporation where he held the position of General Manager West, East & Central Africa (WECA) and Managing Director Nigeria. Prior to this, Crispin had worked with BAT from 1999 to 2017, during which time he held various senior roles, including Managing Director Mozambique, Cluster General Manager Mozambique, Zambia, Zimbabwe and Malawi and Managing Director Sudan. The Board welcomes Cris to the Board and looks forward to his contribution.

Dividends

As disclosed in Note 2.2, the Group changed its functional currency during the period. This resulted in hyperinflation-related accounting adjustments, including a monetary loss, which impacted reported profit. These adjustments are non-cash in nature and do not reflect a meterial change in the Group's underlying USD performance.

Reflective of our commitment to deliver sustained value for shareholders, the Board of Directors has recommended a final dividend of USD 0.20 per share for 2024. The dividend, subject to shareholder approval, will be payable net of Withholding Tax to shareholders on the register as at the close of business on 25 July 2025.

Looking ahead

BAT Zimbabwe's Board and the Leadership Team remain focused and confident in the Company's ability to deliver long-term, sustained shareholder value, in line with our purpose to create A Better Tomorrow™. We remain optimistic of a positive future on the back of demonstrated solid fundamentals, a proven business strategy, an innovative product portfolio as well as the right people to accelerate the transformation of our business.

Lastly, I extend my gratitude and appreciation to my fellow Directors of the Board,, the , Leadership Team, employees, strategic partners, shareholders, and all other stakeholders for their contributions to our resilient performance in 2024

Lovemore T Manatsa
Chairman

23 June 2025

DIVIDEND NOTICE TO SHAREHOLDERS

ACTION	DATE
Announcement Date	23 June 2025
Last Date of Trade-cum dividend	23 July 2025
Share Trade Ex Dividend	24 July 2025
Last Record Date	25 July 2025
Payment Date	28 August 2025
Dividend per Share	USD 0.20

By Order of the Board

Takudzwa Mashanda
Company Secretary

23 June 2025

Directors: L. T. Manatsa (Chairman), F. C. Chikosi (Non-Executive Director), R. P. Kupara (Non-Executive Director), E. I. Manikai (Non-Executive Director), P. Kipkemoi (Non-Executive Director), K. Gitonga (Managing Director), L. Irungu (Finance Director), C. O. Achola (Alternate Director)

Audited Abridged Financial Results

For the year ended 31 December 2024

BAT ZIMBABWE

ABRIDGED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	USD YEAR ENDED 31 DECEMBER 2024	 2023_ Restated*
Revenue	3	36 420 840	47 231 988
Cost of sales		(10 472 974)	(7 267 140)
Gross profit		**25 947 866**	**39 964 848**
Selling and marketing costs	4	(3 147 204)	(3 662 972)
Administrative expenses		(3 823 815)	(3 525 469)
Loss on impairment of trade receivables		(118 734)	(101 472)
Share-based payment expense		(247)	(182)
Other income	5.1	1 258 240	176 886
Other (losses)	5.2	(3 926 183)	(4 571 828)
Monetary (loss) on hyperinflation adjustment		(17 070 995)	(15 544 670)
Operating (Loss)/Profit		**(881 072)**	**12 735 141**
Finance (Cost)/ Income		(3 106 024)	1 473 121
(Loss)/Profit before income tax		**(3 987 096)**	**14 208 262**
Income tax expense	6	(3 122 039)	(5 133 467)
(Loss)/Profit for the year		**(7 109 135)**	**9 074 795**
Foreign exchange impacting translation of comparatives to functional and presentation currency		8 978 665	(6 468 806)
Total comprehensive income for the period		**1 869 530**	**2 605 989**
Attributable to:			
Owners of the parent		(7 109 135)	9 074 795
Total comprehensive Income for the year		**1 869 530**	**2 605 989**
Basic (loss)/earnings per share (USD$)	7	(0.34)	0.44
Diluted (loss)/earnings per share (USD$)	7	(0.34)	0.44
Headline(loss)/earnings per share(USD$)	7	(0.40)	0.44

*The comparative balances were previously reported in ZWL. The numbers were restated by converting them to the Group's new presentation currency, USD. For the details regarding the change in presentation currency, refer to Note 2.4

ABRIDGED CONSOLIDATED STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	USD YEAR ENDED 31 DECEMBER 2024	 2023_Restated*	 2022_Restated*
ASSETS				
Non-current assets				
Property, plant and equipment	8	4 740 323	3 527 465	6 023 792
Intangible assets		-	-	134
Investment property		35 721	24 277	45 940
Financial assets at fair value through profit or loss		100 729	35 663	9 887
Deferred tax asset	9	1 287 443	266 160	-
		6 164 216	**3 853 565**	**6 079 753**
Current assets				
Inventories	13	6 915 227	4 330 974	6 321 252
Trade and other receivables	10	3 477 059	6 024 696	4 592 644
Prepayments**		5 528 363	2 272 223	10 187 796
Current income tax asset		1 277 264	568 549	-
Cash and cash equivalents		2 131 250	8 124 149	6 283 633
		19 329 163	**21 320 591**	**27 385 325**
Total assets		**25 493 379**	**25 174 156**	**33 465 078**
EQUITY AND LIABILITIES				
Equity attributable to the owners of the parent				
Share capital		1 657 618	1 657 618	1 657 618
Non distributable reserve		90 995	56 543	106 982
Retained earnings		17 157 548	16 033 291	14 644 299
Total equity		**18 906 161**	**17 747 452**	**16 408 899**
Non-current liabilities				
Deferred income tax liabilities	9	-	-	1 278 572
Current liabilities				
Trade and other payables	11	5 518 885	6 433 991	14 081 694
Staff benefits liability	12	1 067 229	991 856	1 400 466
Share based payment liability		1 104	857	7 387
Current tax liability		-	-	288 060
Total liabilities		**6 587 218**	**7 426 704**	**17 056 179**
Total equity and liabilities		**25 493 379**	**25 174 156**	**33 465 078**

*The comparative balances were previously reported in ZWL. The numbers were restated by converting to the Group's new presentation currency, USD. For the details regarding the change in presentation currency, refer to Note 2.4

** The prepayments have been separately presented in the current year to comply with the requirement to present separately each material class of similar items.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2024

	ATTRIBUTABLE TO OWNERS OF THE PARENT USD Share capital	 Other reserves	 Retained earnings	 Total
Balance as at 1 January 2023-Restated*	1 657 618	106 982	14 644 299	16 408 899
Profit for the year	-	-	9 074 795	9 074 795
Dividends	-	-	(1 267 436)	(1 267 436)
Foreign exchange impacting translation of comparatives to functional and presentation currency	-	(50 439)	(6 418 367)	(6 468 806)
Balance as at 31 December 2023- Restated*	**1 657 618**	**56 543**	**16 033 291**	**17 747 452**
Balance at 1 January 2024	1 657 618	56 543	16 033 291	17 747 452
(Loss) for the year	-	-	(7 109 135)	(7 109 135)
Dividends	-	-	(710 821)	(710 821)
Foreign exchange impacting translation of comparatives to functional and presentation currency	-	34 452	8 944 213	8 978 665
Balance at 31 December 2024	**1 657 618**	**90 995**	**17 157 548**	**18 906 161**

*Non-distributable reserve
This reserve arose as a result of the change in the Company's functional currency from the Zimbabwe dollar to the United States dollar in 2009. It represents the residual equity that existed as at 1 February 2009, the date of the changeover.

*The comparative balances were previously reported in ZWL. The numbers were restated by converting them to the Group's new presentation currency, USD. For the details regarding the change in presentation currency, refer to Note 2.4

AUDITED ABRIDGED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	USD YEAR ENDED 31 DECEMBER 2024	 2023_Restated*
Cash flows from operating activities			
Cash generated from operations	14	11 590 166	26 336 454
Income tax paid		(5 401 443)	(6 675 629)
Net cash generated from operating activities		**6 188 723**	**19 660 825**
Cashflows from investing activities			
Purchase of property plant and equipment		(286 465)	(458 595)
Proceeds from sale of assets		407 550	105 399
Interest received		-	45 391
Dividends received from investments		-	284
Net cash generated/(used) in investing activities		**121 085**	**(307 521)**
Cashflows from financing activities			
Dividends paid to owners of the parent		(451 984)	(223 265)
Net cash used in financing activities		**(451 984)**	**(223 265)**
Net increase in cash and cash equivalents		**5 857 824**	**19 130 039**
Effect of movement in exchange rates on cash held		(3 106 222)	1 439 727
Effect of inflation on cash and cash equivalents		(8 744 501)	(18 729 250)
Cash and cash equivalents at the beginning of the year		8 124 149	6 283 633
Cash and cash equivalents at end of the year		**2 131 250**	**8 124 149**

*The comparative balances were previously reported in ZWL. The numbers were restated by converting them to the Group's new presentation currency, USD. For the details regarding the change in presentation currency, refer to Note 2.4

NOTES TO THE FINANCIAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2024

1. GENERAL INFORMATION

British American Tobacco Zimbabwe (Holdings) Limited (the Company) and its subsidiaries (together the Group) manufactures, distributes and sells cigarettes through a network of independent retailers, wholesalers and distributors. The Group has a cigarette manufacturing plant in Zimbabwe and sells cigarettes entirely on the Zimbabwean market and exports cut rag outside Zimbabwe.

These consolidated Financial Statements are presented in United States Dollars (USD) which is the Group's functional and presentation currency. Refer to note 2.2 for detail on the functional currency assessment that the Group performed.

The Group is a limited liability company incorporated and domiciled in Zimbabwe. The address of its registered office is Number 1 Manchester Road, Southerton, Harare, Zimbabwe. The Group has its primary listing on the Zimbabwe Stock Exchange.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

Accounting policies are consistent with those used in the previous year except for the Group's presentation currency which has changed from ZWL to USD. The principal accounting policies applied in the preparation of these abridged Financial Statements are set out below.

NOTES TO THE FINANCIAL RESULTS
FOR THE YEAR ENDED 31 DECEMBER 2024 (cont'd)

2.1 Basis of preparation

The abridged consolidated Financial Statements have been prepared in accordance with IFRS Accounting Standards (IFRS Accounting Standards as issued by the International Accounting Standards Board) and IFRS Interpretations Committee (IFRIC) pronouncements and the requirements of the Companies and Other Business Entities Act (Chapter 24:31) except for non-compliance with International Accounting Standard 21, The Effects of Changes in Foreign Exchange Rates in the current and prior years and IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors in respect of the accounting for foreign creditors registered as blocked funds as described in note 15.

The Financial Statements have been prepared under the historical cost convention except for financial assets and financial liabilities at fair value through profit and loss which are measured at fair value.

The abridged consolidated Financial Statements are prepared in United States Dollars (USD). The Group changed its functional currency from ZWG to USD on 1 August 2024. Refer to note 2.2 for the detail on the functional currency assessment that the Group performed.

The Group's key financial accounting and reporting processes rely heavily on automated controls embedded in its enterprise resource planning (ERP) system. However, the Group is in the process of implementing ERP system upgrades and reconfigurations in order to accommodate the changes in functional currency that took place in 2024. As a result, these automated controls have not been fully operational and in their place, management implemented mitigating manual controls and standard operating procedures.

These Financial Statements were authorised for issue by the Group's Board of Directors on 23 June 2025.

2.2 Change in Functional currency

Following the enactment of Statutory Instrument (SI) 185 of 2020 on 24 July 2020, the Group operations witnessed a gradual increase in the use of foreign currency across the business. Subsequently, in June 2022, the government entrenched the multi-currency system into law until 31 December 2025 through Statutory Instrument 118A of 2022. Moreover, on 27 October 2023, Statutory Instrument 218 of 2023 (SI 218/23) extended the settlement of transactions in foreign currency until 31 December 2030, assuring businesses regarding the continuity of the multi-currency system. This has since been confirmed through Finance Act No. 13 of 2023.

As a result of these developments, the Group re-evaluated its functional currency in accordance with IAS 21 (The Effects of Changes in Foreign Exchange Rates).

In assessing functional currency for the Companies, the following factors were considered:

(i) the currency that mainly influences sales prices for goods and services (the currency in which sales prices for goods and services are denominated and settled),
(ii) the currency which influences labour, material, and other costs of providing goods and services,
(iii) the currency in which funds from financing activities are generated, and
(iv) the currency in which receipts from operating activities are usually retained.

Based on the above factors, the businesses concluded that there has been a change in the functional currency from Zimbabwe Gold (ZWG) to United States Dollars (USD) with effect from 1 August 2024. Consequently thereto, the Group also changed its presentation currency to (USD).

However, the Reserve Bank of Zimbabwe (RBZ) through the Monetary Policy Statement (MPS) issued on 6 February 2025 mandated all entities to adopt a common presentation currency, ZWG, for reporting purposes, with effect from the pronouncement date, including for the 2024 audited Financial Statements. The Group then applied ZWG as its presentation currency for regulatory purposes and has published special purpose Financial Statements separately.

2.3 Introduction of a new currency, the Zimbabwe Gold (ZWG)

With effect from 5 April 2024, the Reserve Bank of Zimbabwe introduced a new currency called Zimbabwe Gold (ZWG). The implementation of the new currency was in such a way that all current Zimbabwe dollar balances were then converted into the new currency. The swap rate was guided by the closing interbank exchange rate and the price of gold as at 5 April 2024. The swap rate was used to make legitimate conversions of all ZWL deposits in the banking sector; all ZWL loans and advances made by the sector; all outstanding auction allotments; all export surrender obligations; all prices of goods and services in ZWL; and any other ZWL denominated obligations. As a result of these developments, the Group re-evaluated its functional currency in accordance with IAS 21 (The Effects of Changes in Foreign Exchange Rates) and concluded that its functional currency remained Zimbabwe Gold (ZWG) as at the date of the introduction of the new currency.

Exchange rates used on functional currency migration to ZWG

For the period to 5 April 2024, the Group applied the Willing Buyer Willing Seller rate, as published by the Reserve Bank of Zimbabwe. After the introduction of the ZWG and a refined Willing Buyer Willing Seller foreign currency auction, the Group then adopted the Reserve Bank interbank rate from 8 April 2024 onwards.

The following exchange rates were used to convert the inflation adjusted transactions and balances to ZWG for the respective periods as at 5 April 2024.

Period ending	Exchange rate (ZWL translated to ZWG)
31 December 2023	6,105
5 April 2024	2,499

NOTES TO THE FINANCIAL RESULTS
FOR THE YEAR ENDED 31 DECEMBER 2024 (cont'd)

2.4 Conversion process to ZWG functional currency

Determination of Hyperinflation numbers for the period to 5 April 2024 and prior years comparatives
IAS 29 mandates that Financial Statements in hyperinflationary economies should be presented in the currency's current measuring unit as at the balance sheet date, with corresponding figures from previous periods adjusted similarly. Previously, the Group used conversion factors from the CPI prepared by ZIMSTAT until 31 January 2023. On 31 March 2023, the government introduced a new inflation rate measurement method, leading ZIMSTAT to stop reporting ZWL inflation and CPI figures, in favor of blended CPI figures. This change posed a challenge as the Group relied on ZWL CPI for reporting hyperinflated historical figures.

To address this, the Group applied guidance issued by the Institute of Chartered Accountants Zimbabwe (ICAZ) that complied with IFRS in determining hyperinflation indices. They established a strong correlation between the movement in the Total Consumption Poverty Line (TCPL) and the officially published CPI from January 2019 to January 2022. Consequently, the Group estimated CPI by adjusting the last published CPI based on the monthly movement of the TCPL from February to 31 December 2023.

Determination of Hyperinflation numbers for the period to 5 April 2024 and prior years comparatives.
The conversion factors used to restate the financial information as of 31 December 2023 are as follows;

Dates	CPI	Adjustment Factor
5 April 2024	596,950	1
31 December 2023	65,703	9.09

Conversion of ZWG numbers to USD functional currency
The Group transitioned its reporting currency from ZWG to USD, following the restatement of its historical financial statements in line with IAS 29, " Financial Reporting in Hyperinflationary Economies" as described above. According to IAS 21, "The Effects of Changes in Foreign Exchange Rates", entities operating in hyperinflationary economies must translate their previously reported inflation-adjusted financial statement using the exchange rate at the last reporting date when changing their functional currency.

Exchange rates used on the conversion of prior year balances
IAS 21 requires determining the functional currency based on the economic environment. Due to the difference in exchange rates used to restate comparatives, a "foreign exchange impact of translating to functional currency" arises through other comprehensive income.

The Group applied the interbank rate, as published by the Reserve Bank of Zimbabwe, as its spot rate as follows:

Period Ending	Exchange Rate	
31 July 2024	13.786	(ZWG to USD)
31 December 2023	6 104	(ZWL to USD)
31 December 2022	671	(ZWL to USD)

2.5 Conversion process to ZWG

Functional currency (continued) Cautionary note on use of financial information
The Directors advise users to exercise caution when analysing the financial results due to the impacts on the financial performance of the fluctuations and disparities in exchange rates and rapid inflation. These disparities impact the reliability of the financial information, as the current year's performance comprises a mix of inflation-adjusted data and USD transactions, while comparisons with previous years are based on inflation adjusted data translated using closing exchange rates. Whilst the conversion of the inflation-adjusted ZWL figures into USD was mathematically accurate, the resultant financial information may not accurately reflect the underlying business performance.

2.6 Foreign currency translation
Foreign exchange gains and losses that relate to foreign currency denominated transactions and balances are presented in the profit or loss within "other gains/ losses".

3 SEGMENT INFORMATION
The Group is currently organised into business units for management purposes. The Group has 2 operating segments which management uses to monitor performance and therefore decision making and these are:

	Period ended 31 December 2024		
	Cigarettes	Cut-rag	Total
	USD	USD	USD
External revenue	50 636 170	314 278	50 950 447
Tobacco duties	(14 529 608)	-	(14 529 607)
Net revenue	**36 106 562**	**314 278**	**36 420 840**
Loss before interest, taxation depreciation and amortization	**(3 408 957)**	**28 571**	**(3 380 386)**
Depreciation	(606 710)	-	(606 710)
Interest	-	-	-
Loss before income tax	**(4 015 667)**	**28 571**	**(3 987 096)**
Total assets	**25 412 138**	**81 241**	**25 493 379**
Total liabilities	**6 587 218**	**-**	**6 587 218**

Audited Abridged Financial Results

For the year ended 31 December 2024

NOTES (cont'd)

3 SEGMENT INFORMATION (cont'd)

	Period ended 31 December 2023 (*Restated)		
	Cigarettes	Cut-rag	Total
	USD	USD	USD
External revenue	68 107 711	1 036 456	69 144 167
Tobacco duties	(21 912 179)	-	(21 912 179)
Net revenue	**46 195 532**	**1 036 456**	**47 231 988**
Profit before interest, taxation depreciation and amortization	**12 755 733**	**94 223**	**12 849 956**
Depreciation	(114 814)	-	(114 814)
Interest	1 473 121	-	1 473 121
Profit before income tax	**14 114 040**	**94 222**	**14 208 262**
Total assets	**25 141 927**	**32 229**	**25 174 156**
Total liabilities	**7 426 704**	**-**	**7 426 704**

*The comparative balances were previously reported in ZWL. The numbers were restated by converting them to the Group's new presentation currency, USD. For the details regarding the change in presentation currency, refer to Note 2.4.

4 SELLING AND MARKETING COSTS

	2024	2023_Restated
	USD	USD
Brand Specific expenses	47 112	518 449
Marketing overheads	1 376 494	928 281
Route to market overheads	1 723 598	2 216 242
	3 147 204	3 662 972

5 OTHER INCOME/ (LOSSES)

	2024	2023
	USD	USD_Restated
5.1 Other income		
Group recharges	-	12 584
Dividends received from investments	-	284
Rental income	13 478	50 095
Profit on sale of property, plant and equipment	1 215 575	105 399
Sundry income	29 187	8 524
	1 258 240	**176 886**
5.2 Other (losses)		
Fair value through (loss) or profit of financial asset	(22 616)	30 437
Exchange (losses)	(3 903 567)	(4 602 265)
	(3 926 183)	**(4 571 828)**

6 INCOME TAX

	2024	2023_Restated
	USD	USD
The major components of income tax are shown below:		
Current income tax on profit for the year	4 143 322	6 075 396
Deferred taxation (credit)/ loss	(1 021 283)	(941 929)
	3 122 039	5 133 467

7 (LOSS)/EARNINGS PER SHARE

	2024	2023
	USD	USD_Restated
Basic and diluted		
(Loss)/Profit attributable to equity holders	(7 109 135)	9 074 795
Weighted average number of ordinary shares in issue	20 633 517	20 633 517
Basic and diluted (loss)/earnings per share	**(0.34)**	**0.44**
Headline earnings		
(Loss)/Profit attributable to equity holders	(7 109 135)	9 074 795
Profit on sale of property, plant and equipment	(1 215 575)	-
Headline (Loss)/Earnings	(8 324 710)	9 074 795
Headline (loss)/earnings per share	**(0.40)**	**0.44**

*The comparative balances were previously reported in ZWL. The numbers were restated by converting them to the Group's new presentation currency, USD. For the details regarding the change in presentation currency, refer to Note 2.4

NOTES (cont'd)

8 PROPERTY, PLANT AND EQUIPMENT

	2024	2023
	USD	USD_Restated
Opening net book amount	3 527 465	6 023 792
Additions	286 465	458 595
Disposals	-	(97)
Depreciation charge	(605 098)	(114 811)
Foreign exchange impacting translation of comparatives to functional and presentation currency	1 531 491	(2 840 014)
Closing net book amount	**4 740 323**	**3 527 465**
Cost	9 749 658	5 464 929
Accumulated depreciation	(5 009 335)	(1 937 464)
Net book amount	**4 740 323**	**3 527 465**

9 DEFERRED TAX

	2024	2023
The deferred tax (asset)/liability is made up of:		
Property, plant and equipment-accelerated depreciation	717 578	739 320
Provisions	(274 811)	(215 936)
Allowance for credit losses	(35 179)	(12 910)
Marketable securities-fair value	1 098	356
Inventory write downs	-	(499)
Unrealised exchange differences	(1 696 129)	(1 188 956)
Inventory	-	273 892
Prepayment	-	138 573
	(1 287 443)	**(266 160)**
At 1 January	(266 160)	1 278 572
Credit to the statement of comprehensive income	(1 021 283)	(941 929)
Foreign exchange impacting translation of comparatives to functional and presentation currency	-	(602 803)
	(1 278 443)	**(266 160)**

*The comparative balances were previously reported in ZWL. The numbers were restated by converting them to the Group's new presentation currency, USD. For the details regarding the change in presentation currency, refer to Note 2.4

10 TRADE AND OTHER RECEIVABLES

	31 Dec 2024	31 Dec 2023
	USD	USD
Trade receivables	3 379 237	5 997 674
Less: Provision for impairment of trade debtors	(136 617)	(50 134)
Trade receivables - net	**3 242 620**	**5 947 540**
Other receivables**	22 578	44 926
Receivables from related parties	211 861	32 229
	3 477 059	**6 024 696**

**Other receivables comprise of smaller independent distributors

11 TRADE AND OTHER PAYABLES

	2024	2023_Restated
	USD	USD
Trade payables	220 519	99 876
Amounts due to related parties	4 294 984	2 332 583
Social security and other taxes	521 278	702 763
Accrued expenses	137 419	1 178 586
External dividends	98 381	55 183
Other Payables**	246 304	2 065 000
	5 518 885	**6 433 991**

*The comparative balances were previously reported in ZWL. The numbers were restated by converting them to the Group's new presentation currency, USD. For the details regarding the change in presentation currency, refer to Note 2.4

***Other payables comprise of payroll related creditors, staff claims, and sundry creditors.

12 STAFF BENEFITS LIABILITY

	2024	2023_Restated
	USD	USD
At 1 January	991 856	1 400 466
Utilised during the year	(991 856)	(740 193)
Foreign exchange impacting translation of comparatives to functional and presentation currency	1 067 229	(660 273)
Charge to statement of comprehensive income	-	991 856
At 31 December	**1 067 229**	**991 856**

13 INVENTORIES

	2024	2023_Restated
	USD	USD
Raw materials	4 071 593	3 672 919
Finished goods	2 369 007	540 212
Consumables	474 627	117 843
	6 915 227	**4 330 974**

During the year 2024, USD 5 472 968 (2023: USD 2 170 546) inventory was consumed.

*The comparative balances were previously reported in ZWL. The numbers were restated by converting them to the Group's new presentation currency, USD. For the details regarding the change in presentation currency, refer to Note 2.4

14 CASH GENERATED FROM OPERATIONS

	31 Dec 2024	31 Dec 2023
	USD	USD
(Loss)/Profit before income tax	(3 987 096)	14 208 262
Adjustment for:		
Depreciation	606 710	114 814
(Profit) on sale of property, plant and equipment	(1 215 575)	(105 399)
Fair value loss/(gains) on financial assets at fair value through profit or loss	22 616	(30 437)
Other non-cash items	-	211 173
Finance Cost / (Income)	3 106 024	(1 473 121)
Impairment loss on trade receivables	118 734	101 472
Monetary loss on hyperinflation adjustment	17 070 995	15 544 670
Changes in working capital:		
(Increase) in inventories	(2 584 253)	(989 978)
Decrease/(Increase) in trade and other receivables	2 547 636	(8 400 530)
(Increase)/Decrease in prepayments	(3 256 139)	7 915 572
Increase/(Decrease) in trade and other payables	(915 106)	(1 008 659)
Increase in provisions for other liabilities and charges	75 373	251 663
Increase/(Decrease) in share-based payment provision	247	(3 048)
	11 590 166	**26 336 454**

15. GOING CONCERN

The Group has recognised a net loss after tax of USD 7 109 135 for the year ended 31 December 2024 against a net profit after tax of USD 9 074 795 (Restated) in the previous year. The total current assets exceeded current liabilities by USD 12 741 945. In prior year, current assets exceeded current liabilities by USD 13 893 888 (Restated).

The Reserve Bank of Zimbabwe (RBZ) approved and registered the Group's blocked funds amounting to USD16.3 million in respect of outstanding dividends and goods consistent with the blocked funds guidelines provided in the Exchange Control Directive RU28 dated 21 February 2019 and Exchange Control Circular No. 8 of 24 July 2019. In 2021, The Treasury assumed the liability from RBZ in relation to the blocked funds. The Treasury is currently working on the appropriate instruments to facilitate settlement of the registered blocked funds which were listed as approved blocked funds under Annex 1 of the Finance Act(no. 7) of 2021 (gazetted on 21 December 2021). Following the currency change on 5 April 2024 from ZWL to ZWG, the outstanding blocked funds were converted to ZWG at a rate of ZWG1 : ZWL 2 499. On 1 August 2024 the functional currency was changed from ZWG to USD and the outstanding blocked funds were converted to USD at a rate of USD1 : ZWG 13.79.

The Directors believe that the Treasury will honor its commitment to settle the Group's outstanding foreign liabilities at a rate of ZWL 1: USD 1 registered as 'blocked funds". In the event that the Treasury will not honor its commitment, the majority shareholder, British American Tobacco International Holdings (UK) Limited, has further confirmed that it is the present intention to provide continuing financial support which also indicated that it will not demand repayment of amounts owed by the Group until such a time that it is restored to solvency. The ultimate parent company, British American Tobacco plc will offer financial support to the Group since the majority of the foreign outstanding obligations are owed to related companies within the BAT Group.

The Directors are confident that the Group has adequate resources to continue in operational existence for the foreseeable future and is expected to continue to generate profits.

The consolidated Financial Statements have been prepared on a going concern basis, which assumes that the Group will be able to settle all its outstanding obligations.

*The comparative balances were previously reported in ZWL. The numbers were restated by converting them to the Group's new presentation currency, USD. For the details regarding the change in presentation currency, refer to Note 2.4.

16 SUBSEQUENT EVENTS

The Reserve Bank of Zimbabwe through the Monetary Policy Statement (MPS) issued on the 6th of February 2025 mandated all entities to adopt a common presentation currency, ZWG, for reporting purposes, with effect from the pronouncement date, including for the 2024 audited Financial Statements. The Group has published special purpose financial results presented in ZWG in a separate publication in compliance with this pronouncement.

17 AUDITOR'S STATEMENT

The Financial Statements should be read in conjunction with the complete set of Financial Statements for the year ended 31 December 2024 which have been audited by Messrs KPMG Chartered Accountants (Zimbabwe) who expressed a qualified audit opinion because of non-compliance with International accounting Standard 21, The Effects of Changes in Foreign Exchange Rates in the current and prior years, IAS 8, Accounting policies, Changes in Accounting Estimates and Errors, and the consequential impact on the inflation adjusted amounts determined in terms of IAS 29, Financial Reporting in Hyperinflationary Economies, in respect of the accounting for foreign creditors registered as blocked funds as described in note 3. A copy of the Auditor's audit opinion is available for inspection at the Company's registered office and is found on page 47 - 54 of the Annual Report. The Annual Report is also available on the Company website *www.batzimbabwe.com*. The engagement partner for this audit is Vinay Ramabhai (PAAB Practicing Certificate Number 0569).

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Independent Auditors' Report

To the shareholders of British American Tobacco Zimbabwe (Holdings) Limited

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Qualified opinion

We have audited the consolidated and separate financial statements of British American Tobacco Zimbabwe (Holdings) Limited (the Group and Company), which comprise the consolidated and separate statement of financial position as at 31 December 2024, the consolidated and separate statement of profit or loss and other comprehensive income, the consolidated and separate statement of changes in equity and cash flows for the year then ended, and notes to the financial statements, comprising material accounting policies and other explanatory information, as set out on pages 55 to 97.

In our opinion, except for the possible effect of the matter described in the Basis for qualified opinion section of our report, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of British American Tobacco Zimbabwe (Holdings) Limited as at 31 December 2024, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with IFRS® Accounting Standards and the manner required by the Companies and Other Business Entities Act [Chapter 24:31].

Basis for qualified opinion
Non-compliance with IAS Standards - IAS 21 - The Effects of Changes in Foreign Exchange Rates (IAS 21) in the prior financial year and inappropriate application of IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors (IAS 8) for Blocked Funds

As described in note 13 to the consolidated and separate financial results, the Group and Company has continued to account for foreign liabilities amounting to US$16.3 million, approved as blocked funds on a US$1:ZW1L basis being ZW$16.3 million which was subsequently converted to ZWG at a rate of ZWG 1: ZWL 2,498.72.

And following the changes in functional currency on the 1st of August 2024, the outstanding blocked funds were now converted to USD at a rate of USD1:ZWG13.7859 making the value USD475 and now included under Trade and other payables.

The Directors believe the Reserve Bank of Zimbabwe ("RBZ") will honor their commitment to provide US$16.3 million to the Group and Company in exchange for the ZWL16.3 million already paid to the RBZ by the Group and Company. No legally binding instrument had been issued by the RBZ to confirm the contractual terms supporting settlement of the approved blocked funds.

The accounting of these US$ liabilities as a US Dollar denominated liability at the above stated rates is not in line with the requirement of IAS 21. Accordingly, other losses are understated by USD17 million, Monetary Gain is understated by USD 23.4 million, Trade and other payables balance is understated by USD16.3 million, Opening retained earnings balance as at 1 January 2024 is overstated by USD 26.3 million and the Impact of Translation Reserve is understated by USD3.6 million.

These departures from IAS 21 led to a qualified audit opinion being issued on the consolidated and separate financial statements for the year ended 31 December 2024.

The Group and Company has not restated the consolidated and separate financial results, as required by IAS 8 to resolve the matter which resulted in the qualified opinion in the prior years' relating to the non-compliance with IAS 21, accordingly our conclusion on the comparatives is qualified.

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

Key audit matters

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

<table>
<tr><td colspan="2">Costing of locally manufactured goods.
Refer to note 2.1, 2.2 (iv & v), note 2.15 and note 7</td></tr>
<tr><td>Key audit matter</td><td>How the matter was addressed in our audit</td></tr>
<tr><td>As at 31 December 2024, the Group and Company had locally manufactured goods valued at USD 2.3 million.

Locally manufactured goods have been identified to contain a risk of error in respect of the allocation of indirect costs to finished goods as at 31 December 2024. During the period under review, the Group and Company faced several challenges related to the costing of locally manufactured goods, stemming from significant changes in its functional currency. The Group and Company transitioned from the Zimbabwean Dollar (ZWL) to the Zimbabwe Gold (ZWG) and then to the US Dollar (USD). This sequence of changes introduced complexities in cost determination due to the need to re-evaluate methodologies to account for different economic environments, exchange rates, and hyperinflationary adjustments under IAS 29 during the ZWL period.

Subsequent to the withdrawal of the ZWL on 05 April 2025, and its replacement by ZWG, the</td><td>Our procedures included the following:

• We evaluated the Group and Company's methodology for transitioning between functional currencies to ensure compliance with IAS 29 and other applicable standards.

• We reviewed how currency remeasurements and exchange rates were applied during the ZWL, ZWG, and USD functional currency phases.

• We obtained an understanding of the process followed by management in determining the valuation of locally manufactured goods.

• We evaluated the design and implementation of controls implemented to mitigate the risks of errors, particularly in the calculation and allocation of indirect costs to finished goods.

• We attended managements inventory counts observing the process at locations where inventory is held, including observing the</td></tr>
</table>

<table>
<tr><th colspan="2">Costing of locally manufactured goods.
Refer to note 2.1, 2.2 (iv & v), note 2.15 and note 7</th></tr>
<tr><th>Key audit matter</th><th>How the matter was addressed in our audit</th></tr>
<tr><td>Group and Company has not been able to rely on previously configured IT automated controls as the IT system continues to be developed and reconfigured to support the change in functional currency to the US$. As a result, a manual process has been designed by management to allocate overheads to locally manufactured goods resulting in the increased risk that locally manufactured finished goods may be misstated due to errors in the allocation of indirect costs. Errors in this allocation could distort inventory valuation, cost of sales, and financial performance metrics.

Given the critical nature of this area, it was deemed a Key Audit Matter because of its direct impact on financial reporting, especially in light of the functional currency transitions and the elevated risk of misstatements from both manual processing and overhead allocations.</td><td>process implemented by management to record quantities

• We assessed the accuracy and appropriateness of cost allocation processes, specifically focusing on the methodology for allocating indirect costs to locally manufactured goods.

• We recalculated the value of the locally manufactured goods applying the inputs and valuation methods utilised by management.

• We tested the consistency of overhead allocation methodologies across the different functional currency phases to confirm that they appropriately reflected changes in economic and operational conditions.

• We conducted substantive procedures on inventory valuation to verify that costs allocated to locally manufactured goods were accurate, complete, and in line with financial reporting standards.

• We focused on high-risk areas where misstatements could occur due to manual processing or overhead allocation errors and reconciled allocated overheads to ensure their reasonableness and consistency with the underlying financial data.

• We assessed the adequacy of the disclosures made in respect of the accounting policies and the details of inventory balances held by the Group and Company at the year end.</td></tr>
</table>

Completeness of financial information Refer to note 2.1 and 2.2 (iv & v)	
Key audit matter	**How the matter was addressed in our audit**
During the period under review the Group and Company changed its functional currency from the ZWL to the ZWG, on 5 April 2024, then to the USD from 1 August 2024. This resulted in the Group and Company using the ZWL as its functional currency, for the period 1 January 2024 to 4 April 2024. As the ZWL remained hyperinflationary during this period the Company applied the principles of IAS 29, Accounting for hyperinflationary Economies, during this period. Following the withdrawal of the ZWL and introduction of the ZWG the Group and Company adopted the ZWG as its functional currency from 5 April 2024 to 31 July 2024. The Group and Company changed its functional currency again to the USD for the period 1 August 2024 to 31 December 2024. The Group and Company applied the principles of IAS 21 for each change in functional currency. The Group and Company's key financial accounting and reporting processes rely heavily on automated controls embedded in its enterprise resource planning (ERP) system. However, the Group and Company is in the process of implementing ERP system upgrades and reconfigurations in order to accommodate the changes in functional currency that took place in 2024. As a result, these automated controls have not been fully operational and in their place, management implemented mitigating manual controls and standard operating procedures. The changes in functional currency and adoption of manual operating controls since 5 April 2024 has resulted in manual reconciliations of financial information increasing the risk of a material misstatement arising from incomplete financial records including errors in transferring financial information during each functional currency change during the year. As a result, we considered this to be a key audit matter, with specific audit procedures designed to test the transfer of financial information at each functional currency change and the accuracy and completeness of financial information between 5	Our procedures included the following: • We obtained an understanding of the process of changes in the currency which included our evaluation of the design and implementation of the manual controls and reconciliations adopted by management to ensure: • the completeness of financial information since 5 April 2024; and • the accurate conversion of financial information for each change in functional currency. • We performed tests by way of a full recalculation to evaluate the appropriateness of opening balances and also recalculated the translation of numbers from the ZWL to the ZWG and from the ZWG to the USD. • We performed tests with regards to journal entry processing and recording, tracing transactions from source documents to the transactions recorded in the ledger accounts to assess the completeness of entries. • We assessed the accuracy and completeness of revenue and purchases by tracing actual dispatch and goods received notes raised during the period to the recorded ledger transactions. • We also performed analytical procedures comparing revenue to receipt / transfers recorded through the Group and Company's main trading bank accounts. • We obtained external confirmation of debtors and payable balances to assess the accuracy and completeness of balances recorded. • We obtained a listing of all transactions with the Group and Company's main supplier and traced these back to the underlying ledger accounts. • We assessed the completeness of the Group and Company's asset register and ledger accounts by tracing physical assets from the floor to the asset register and ledger accounts.

Completeness of financial information Refer to note 2.1 and 2.2 (iv & v)	
Key audit matter	**How the matter was addressed in our audit**
April 2024 and 31 December 2024. This increased the extent of work effort that the audit team had to perform in order to reduce the risk of material misstatements at overall financial statements level.	• Review currency change documentation: We obtained and examined official records, board resolutions, and regulatory filings to validate the rationale and approval process for functional currency transitions. • Assess currency conversion adjustments: We recalculated currency conversions and assessed whether proper exchange rates were applied, ensuring accuracy and completeness of financial information across reporting periods. • Inspect opening and closing balances: We compared balances at transition points to confirm consistency and proper adjustments when switching from ZWL to ZWG, and subsequently to USD. • Substantive testing on transactions across periods: We selected samples of transactions from each currency phase and traced them to supporting documentation to verify they were correctly recorded under the relevant functional currency. • Reconcile hyperinflationary adjustments: We evaluated how IAS 29 adjustments were applied and confirmed that all monetary and non-monetary items were properly restated. • Review system change documentation: We examined records detailing the transition from automated processing to manual operations, including policies, controls, and justifications. • Assess manual entry controls: We tested manual transaction recording processes for accuracy, ensuring there were appropriate review and approval mechanisms to prevent errors. • Perform data reconciliation: We compared pre-transition automated records with manually recorded transactions post-transition, identifying any discrepancies or missing entries. • Test completeness of financial Data: We selected a sample of transactions before and after the IT system change and traced them from initiation to financial statement recognition.

Completeness of financial information Refer to note 2.1 and 2.2 (iv & v)	
Key audit matter	**How the matter was addressed in our audit**
	• Trend analysis of key financial data: We compared reported financial trends before and after currency transitions to detect anomalies in revenues, expenses, or asset valuations. • Review third-party confirmations: We obtained confirmations from banks, suppliers, and customers to cross-verify financial records and validate completeness. • Assess management's assertions on completeness: We conducted interviews with finance and accounting personnel to evaluate their process for ensuring completeness in financial reporting. • Evaluate compliance with IFRS and regulatory requirements: We ensured that financial statement presentation and adjustments conform to IFRS and local regulatory standards. • Evaluate disclosures in financial statements: We Verified the completeness and clarity of disclosures regarding functional currency changes, ensuring compliance with IFRS reporting standards.

Other information

The directors are responsible for the other information. The other information comprises the information included in the document titled "British American Tobacco (Holdings) Limited Financial Statements 31 December 2024" but does not include the consolidated and separate financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express 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 when it becomes available 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.

As described in the Basis for qualified opinion section above, the Group and Company have continued to account for foreign liabilities amounting to US$16.3 million, approved as blocked funds on a US$1:ZW1L basis being ZW$16.3 million which was subsequently converted to ZWG at a rate of ZWG 1: ZWL 2,498.72, which is not in compliance with IAS 21. We have, therefore, concluded that the other information is materially misstated for the same reasons with respect to the amounts or other items in the Chairman's statement, Managing Director's report, Finance Director's report, Report of the Audit Committee and the Financial highlights.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of the directors for the consolidated and separate 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 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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group and/or company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the consolidated and separate 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's and 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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/or company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence, regarding the financial information of the entities or business units within the group, as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

KPMG

Vinay Ramabhai
Chartered Accountant (Z)
Registered Auditor
PAAB Practicing Certificate Number 0569

26 June 2025

For and on behalf of, KPMG Chartered Accountants (Zimbabwe), Reporting Auditors

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