

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

### **FINANCIAL HIGHLIGHTS**

	UNAU	UNAUDITED	
All figures in USD	Half Year Ended 30-Mar-25		
REVENUE EBITDA (excluding fair value adjustments)	1,991,087 (1,203,037)	-18% 9%	
LOSS AFTER TAXATION (USD)	(1,437,871)	-32%	
BASIC EARNINGS PER SHARE (USD)	(0.0009)	-32%	
HEADLINE EARNINGS PER SHARE (USD)	(0.0009)	-87%	

### CHAIRMAN'S STATEMENT

# **Operating environment & overview**

The 2024/2025 agricultural season, year to date experienced normal to above normal rainfall for the Chipinge and Chimanimani located Estates. The Group however, continued to rely heavily on its irrigation systems in place. Extremely hot conditions persisted briefly at the beginning of the season. Year to date rainfall was slightly above prior year. Norton's rainfall eventually improved with poor distribution characterised by a significant initial hot period of no rain. The Group had mitigatory measures in place, to ensure that production volumes would not be severely affected and dryland agricultural activities were increased with the planting of maize over several hectares.

Challenges continued to be presented by the economic environment, both local and external. These were characterised locally by increasing input costs and liquidity challenges slowing down the working capital chain. This was compounded by a difficult external market.

### **Financial performance**

Revenue of USD1,991,087 generated during the first half of the year was 18% below the prior comparative period. This was mainly attributable to a decline in local tea sales volumes. The decline in revenue posted, countered by a 24% improvement in the cost of production resulted in the Group posting a gross loss during the period of USD441,078.

In the comparative period, the Group had significant unrealised exchange losses, mainly arising from United States Dollar denominated liabilities. Since the change in functional currency, exchange gains have been generated arising from Zimbabwe dollar denominated liabilities, these improved by 78% from the prior comparative period. Finance cost declined by 25%, compared to

# Condensed Group Statement of Profit or Loss and Other Comprehensive Income

	Hal <u>f</u> Year	Half Year
All figures in USD	Ended 31-Mar-25	Ended 31-Mar-24
Revenue	1,991,087	2,427,642
Cost of production	(2,432,165)	(3,209,074)
Gross loss	(441,078)	(781,432)
Other operating income	16,623	8,872
Operating expenses	(2,103,831)	(2,370,480)
Fair value adjustments	1,547,879	1,308,464
Loss from operations	(980,407)	(1,834,576)
Exchange gain/ (loss)	51,333	231,337
Share of net profit of a joint ventures accounted for		
using the equity method	63,256	13,621
Loss before interest and taxation	(865,818)	(1,589,618)
Finance costs	(380,467)	(304,188)
Loss before taxation	(1,246,285)	(1,893,806)
Income tax expense	(191,586)	(207,422)
Loss for the year	(1,437,871)	(2,101,228)
Other comprehensive income	-	-
Total comprehensive income before tax on		
comprehensive income	(1,437,871)	(2,101,228)
Tax on other comprehensive income	-	-
Total comprehensive income for the year	(1,437,871)	(2,101,228)
Number of 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
Losses per share (dollars)		

(0.0009)

(0.0009)

(0.0013)

(0.0013)

# **Condensed Group Statement of Financial Position**

Basic earnings per share

Diluted earnings per share

All figures in USD	As at 31-Mar-25	As at 31-Mar-24	As at 31-Sep-24
ASSETS			
Non - current assets			
Property, plant and equipment	20,845,614	22,454,507	21,855,143
Biological assets	113,637	113,637	113,636
Right of use assets	5,038	58,194	31,616
Investment in joint ventures	1,668,004	1,458,124	1,604,748
investment in joint ventures	22,632,293	24,084,462	23,605,143
Current assets	22,002,270	2-1,00-1,102	20,000,140
Biological assets	3,443,356	3,083,190	1,895,477
Inventories	1,185,937	1,226,538	1,073,221
Trade and other receivables	2,983,789	3,094,293	3,294,094
Cash and cash equivalents	1,171,177	323,433	16,632
	8,784,259	7,727,454	6,279,424
	-,,	-,,	-,,
TOTAL ASSETS	31,416,552	31,811,916	29,884,567
EQUITY			
Share capital and reserves			
Share capital	440,460	440,460	440,460
Share premium	2,956,158	2,956,158	2,956,158
Revaluation reserve	13,790,146	13,790,146	13,790,146
Distributable reserves	(7,582,965)	(3,963,631)	(6,145,094)
	9,603,799	13,223,133	11,041,670
LIABILITIES			
Non-current liabilities			
Borrowings	8,241,803	6,373,768	5,658,025
Deferred tax	3,808,149	3,995,600	3,616,563
Lease liabilities	47,970	65,013	59,142
	12,097,922	10,434,381	9,333,730
Current liabilities			
Borrowings	2,759,089	1,237,105	3,575,122
Trade and other payables	6,950,155	6,307,792	5,922,588
Contract liabilities	-	598,606	11,457
Lease liabilities	5,587	10,899	-
	9,714,831	8,154,402	9,509,167
TOTAL LIABILITIES	21,812,753	18,588,783	18,842,897
TOTAL EQUITY AND LIABILITIES	31,416,552	31,811,916	29,884,567

the prior comparative period. As a result of all the above, the Group posted a 32% decline in the loss incurred during the first half of the year.

# Volumes and operations

During the period ended 31 March 2025, 1,004 tonnes of tea were produced. This was a 45% decline compared to the prior period's volume of 1,830 tonnes. Export tea volumes were contained given the prevailing lower export prices and export proceeds retention of 30%, however the local demand remained firm and supported margins

Overall, tea sales revenue ended the period at 2.5 % lower than prior comparative period.

### Macadamia

Tea

Production volumes for the period at 411 tonnes were 32% below the prior period. During the current period, 140 tonnes of macadamia nuts were sold relating to mostly the current year stock and a few tonnes from prior year. In the prior comparative period, no current season macadamia nuts had been sold as at 31 March 2024. Significant sales will now be achieved as the season commences in April to end of May.

### Other products

The "Other Products" comprises commercial maize, seed maize, soya beans, avocados, vegetables and fruits. These products contributed 5% to the Group's revenue, a decline of 16% compared to the proportion achieved in prior period. The contribution of other products will increase in the coming months as a result of the maize crop which will be harvested and sold in the second half of the year. 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.

### Joint ventures

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 performance.

#### Investments

No capital investments were made during the period as the Group intensifies restructuring of business operations

All figures in USD	Share capital	Share premium	Revalu- ation reserve	Distribu- table reserves	Tota
Half year ended 31 March 2024					
Balance as at 1 October 2023	440,460	2,956,158	13,790,146	(1,862,403)	15,324,36
Total comprehensive income for the period		-	-	(2,101,228)	(2,101,228
Balance as at 31 March 2024	440,460	2,956,158	13,790,146	(3,963,631)	13,223,13
Half year ended					
<b>30 September 2024</b> Balance as at 1 April 2024 Total comprehensive income for	440,460	2,956,158	13,790,146	(3,963,631)	13,223,13
the period		-	-	(2,181,463)	(2,181,463
Balance as at 30 September 2024	440,460	2,956,158	13,790,146	(6,145,094)	11,041,67
Half year ended 31 March 2025					
Balance as at 1 October 2024 Total comprehensive income for	440,460	2,956,158	13,790,146	(6,145,094)	11,041,67
the period	-	-	-	(1,437,871)	(1,437,871
Balance as at 31 March 2025	440,460	2,956,158	13,790,146	(7,582,965)	9,603,79

### **Condensed Notes and Supplementary Information**

**Condensed Group Statement of Changes in Equity** 

	Half Year	Half Year
	Ended	Ended
All figures in USD	31-Mar-25	31-Mar-24
Depreciation and amortisation		
Depreciation of property, plant and equipment excluding		
bearer plants	1,119,504	1,486,985
Depreciation of bearer plants	73,439	68,821
Depreciation of right of use assets	17,718	26,578
	1,210,661	1,582,384
Capital expenditure for the period		
Purchase of property plant and equipment excluding	1 010	20.201
bearer plants	1,019	20,391
Capital expenditure incurred on bearer plants	152,848 <b>153.867</b>	56,280
Commitments for capital expenditure	153,007	76,671
Authorised by directors but not contracted	417.032	673.329
Authorised by directors but not contracted	417,032	673.329
The capital expenditure will be financed out of the	417,032	073,327
Group's own resources and existing facilities.		
oroups own resources and existing facilities.		
Income tax expense		
Current tax	-	-
Deferred tax movement	(191,586)	(207,422)
	(191,586)	(207,422)
	Lielf Veen	

# Unaudited **Financial Results**

For the six months ended

# 31 March 2025

#### Outlook

The first half of the year is mainly characterised by incurring production costs, while the majority of selling activities occur in the second half. The Group is looking forward to an improved selling season for the current year. The operating environment is expected to remain challenging, therefore the Group will continue to focus on cost control measures whilst driving revenue The tea production season commenced well with harvests being slightly lower than those harvested in the prior comparative period.

The Group expects a harvest of more than 300 hectares from the maize crop planted at Kent.

### Dividend

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

### Directorate

Ariston Holdings Limited wishes to announce the retirement of Mrs. Thembiwe Mazingi from the Board with effect from 27 May 2025, in accordance with the company's Articles of Association relating to director rotation and retirement.

Mrs. Mazingi has served on the Board for 20 years with distinction, providing valuable insights and guidance throughout her tenure. The Board extends its sincere gratitude to Mrs. Mazingi for her dedicated service, commitment, and contribution to the growth and governance of the Company. The Board wishes Thembi the best as she embarks on her new endeavours

### 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 for the business.

By order of the board

Alexander Crispen Jongwe CHAIRMAN

28 July 2025

### 8. Reportable segments

All figures in USD	Half Year Ended 31-Mar-25	Half Year Ended 31-Mar-24
Revenue from major products		
Tea	1,625,401	1,667,215
Macadamia nuts	267,172	556,563
Vegetables and fruits	75,280	103,089
Poultry	-	97,154
Other	23,234	3,621
Total	1,991,087	2,427,642

All revenue is recognised at a point in time

All figures in USD	South- down Estates	Claremont Estate	Kent Estate		
	LSIdles	LState	LState	Onice	1014
31-Mar-25					
Segment revenue	1,950,845	-	40,242	-	1,991,08
Segment EBITDA (excluding	(((())))		(570.050)	(400 750)	(4.045.00)
fair value adjustments)	(446,368)	-	(578,859)	(190,758)	(1,215,986
Segment depreciation and impairment	960,344		204,355	45,963	1 210 44
Segment assets (excluding	700,344	-	204,555	43,703	1,210,66
intersegment assets)	22,643,806	289,050	3,291,279	5 174 704	31,398,83
Segment liabilities (excluding		207,030	5,271,277	3,174,704	51,570,00
intersegment liabilities)	(7,129,639)	(84,831)	(863 311)	(12,974,625)	(21 052 40
Net segment assets/	(7,127,007)	(04,001)	(000,011)	(12,774,020)	(21,002,40
(liabilities)	(3,012,187)	(12,092)	(532,410)	3,556,688	
30-Mar-24 Segment revenue Segment EBITDA (excluding fair value adjustments) Segment depreciation and Impairment Segment assets (excluding intersegment assets) Segment liabilities (excluding intersegment liabilities) Net segment assets/	2,289,987 (914,020) 1,244,644 23,435,300 (7,485,942)	- 289,050	137,655 (351,873) 286,546 3,614,122 (543,062)	51,194	31,811,91
(liabilities)	(1,589,932)	(12,092)	(190,950)	1,792,974	

The financial information have been prepared based on statutory records which are maintained on a cost basis except for certain biological assets, property, plant and equipment and financial instruments that are measured at fair value, and have been adjusted to fully comply with IFRS Accounting Standards.

# 10 Statement of compliance

The Group's condensed consolidated financial results have been prepared in compliance with International Accounting Standard (IAS) 34 Interim Financial Reporting promulgated by the International Accounting Standards Board ("IASB"), IFRS Accounting Standards, which include standards and interpretations approved by the IASB as well as the Standing Interpretations Committee ("SIC"), and in the manner required by the Companies and

# **Condensed Group Statement of Cash flows**

	Half Year Ended	Half Year Ended
All figures in USD	31-Mar-25	31-Mar-24
Cash flows from operating activities		
Loss before taxation	(1,246,285)	(1,893,806)
Change in working capital	1,213,701	1,337,869
Non-cash items	(366,661)	270,951
Cash generated from/ (utilised in) operating activities	(399,245)	(284,986)
Cash flows from investing activities		
Property, plant and equipment acquired	(153,867)	(76,671)
Proceeds from sale of property, plant and equipment	-	1,701
Cash generated utilised in investing activities	(153,867)	(74,970)
Cash flows from financing activities		
Proceeds from borrowings	3,190,000	817,591
Repayments of borrowings	(1,798,144)	(250,360)
Repayments of lease arrangements	9,000	9,000
Cash generated from financing activities	1,400,856	576,231
Net increase in cash and cash equivalents	847,744	216,275
Cash and cash equivalents at beginning of the year	323,433	107,158
Cash and cash equivalents at the end of the year	1,171,177	323,433

A	II figures in USD	31-Mar-25	31-Sep-24
b D	Deferred tax liability		
	Carrying amount at the beginning of the period	3,616,563	3,788,178
Μ	1ovement through profit/ loss	(191,586)	(171,615)
C	carrying amount at the end of the period	3,424,977	3,616,563
Α	nalysis of deferred tax liability		
	Property, plant and equipment	3,848,388	4,438,236
	liological assets	790,256	517,347
R	light of use	14,086	8,141
	stimated credit losses on trade and there receivables	-	46
	rovisions	74,000	-
	ssessed losses	(1,319,810)	(1,368,140)
U	Inrealised exchange loss	18,057 <b>3,424,977</b>	20,933 <b>3,616,563</b>
		3,424,777	3,010,303
	nvestment in joint ventures		
	leginning of the period	1,604,748	1,444,503
	hare of profit for the period Dividends received	63,256	160,245
	ind of the period	1,668,004	1.604.748
	rade and other payables	2 022 500	2 200 (0)
	rade payables	3,823,509 3,126,646	3,399,694
C	)ther payables*	6,950,155	2,522,894 <b>5,922,588</b>
*	Other payables include provisions and statutory liabilities	0,730,135	
	orrowings		
	t amortised cost		
	oans from banks	4,318,403	3,005,707
	oans from related parties	6,682,489	6,227,440
		11,000,892	9,233,147
I	ong-term	8,241,803	5,658,025
	hort-term	2.759.089	3.575.122
		11,000,892	9,233,147
т	he movement of borrowings is shown below:		
Ċ	Carrying amount at the beginning of the period	9,233,147	7,029,582
	roceeds	3,190,000	750,000
lr	nterest	375,889	667,215
R	lepayments	(1,798,144)	(613,256)
Т	ransfer from payables**	-	1,399,606
C	carrying amount at the end of the period	11,000,892	9,233,147
(i)	Bank loans of USD 4,318,403 (2024: USD 3,005,707) export receivables of Ariston Management Services surety signed for the full amount of exposure.		
			(000 ( 100))

The average effective interest rate on bank loans approximates 13% (2024: 12%) per

- (ii) Bank overdrafts are repayable on demand. There were no overdraft balances as half year end (2024: USD4,531) previously secured by joint and several guarantees. The average effective interest rate on bank overdrafts was 75% per annum in 2024.
- (iii) Loans from related parties of the Group are secured by mortgage bond of USD2 million over Clearwater Estate and carry interest of 6% (2024: 6%) per annum charaed 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.

The Group did not have any debt covenants

Other Business Entities Act (Chapter 24:31) and the Zimbabwe Stock Exchange rules.

### 11 Currency of reporting

Year Ended

The Group's condensed consolidated financial statements are presented in United States of America Dollars ("USD") which is the functional currency of all its components, except for one joint venture, Bonemarrow Investments (Private) Limited trading as Claremont Power Station. For consolidation purposes the financial statements of that joint venture. whose functional currency is still the ("ZWG"), have been translated to USD in line with the requirements of The Effects of Changes in Foreign Exchange Rates ("IAS 21").

### 12 Accounting policies

The Group has adopted all the new and revised accounting pronouncements applicable for the period ended 31 March 2025 as issued by the IASB. The accounting policies adopted in the preparation of the condensed consolidated financial statements as at 31 March 2025 have been consistently applied in these Group financial results. This interim financial report is to be read in conjunction with the 30 September 2024 annual report.

### 13 Going concern

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 half year ended 31 March 2025, the Group incurred a loss for the year of USD1,437,871 a 32% improvement compared to the prior year's loss of USD 2,101,228.

The Group's current liabilities exceeded current assets by USD930,572, largely due to the process of replacing short-term borrowings with longer-term facilities that was ongoing.

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 USD3,000,000, these funds were receved in the current period. 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.

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, including 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 31 March 2025, 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. Accordingly, these financial results were prepared on a going concern basis.

### 14 Events after reporting date

There have been no significant events after the reporting date.