





# Everything you want, for your cold beverages.

>Lorem ipsum

## OUR CORPORATE PURPOSE

We are driven to enhance our customers' quality of life, by making their money go further and giving them choice and service that goes beyond their expectations.

## OUR MISSION STATEMENT

We earn the trust of the people we serve by first anticipating, then fulfilling their needs with our superior-quality products, a unique shopping experience, customer-focused service and continuous innovation, while generating long-term profitable growth for our shareholders.



## OUR VALUES

### • We Serve

For the OK Family, serving customers is at the heart of everything we do. We constantly strive to satisfy the needs of our customers better than the best of our competitors. We seek to always be relevant in their lives and to form lifelong relationships.



### • We are responsible

We encourage our associates to be active and responsible citizens and will allocate resources for activities that enhance the quality of life for our customers, our associates and the communities we serve.



### • We improve

We are committed to continuous improvement, and our operating procedures will increasingly reflect our belief. We are best positioned to serve changing consumer needs.



### • We act with Integrity

We will provide all associates and customers with a safe, friendly work and shopping environment and will treat each of them with dignity, respect, openness, honesty and fairness.



### • We reward

We will conduct our business to produce returns that reward investment by shareholders and allow the Company to grow.



# ABOUT THIS REPORT

OK Zimbabwe Limited, a Company listed on the Zimbabwe Stock Exchange (ZSE) since 2001 presents the annual report for the year ended 31 March 2025. This report integrates both financial and sustainability information to demonstrate our commitment to responsible business practices and values.

## Reporting Scope

The report contains information for OK Zimbabwe Limited ("the Company") and its subsidiaries together "the Group". This information relates to key activities of the Group which includes our country wide retail and wholesale operations, butcheries, bakeries and distribution centres in Zimbabwe. In this report, all references to "our", "we", "us", "OKZL", and "the Group" refers to OK Zimbabwe Limited.

## Disclosure Frameworks

In developing this report, we were guided by the following:

- The Companies and other Business Entities Act [Chapter 24:31];
- Securities and Exchange (Zimbabwe Stock Exchange Listing Requirements) Rules [SI.134 of 2019];
- IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards);
- Global Reporting Initiative ("GRI") Standards (2021).

## Sustainability Data

The report was compiled using qualitative and quantitative data extracted from the Group's policy documents, records and from personnel accountable for material issues herein presented. In some cases, estimations were made and confirmed for consistency with business activities.

## Assurance

The Financial statements were audited by KPMG Chartered Accountants (Zimbabwe) in accordance with the International Standards of Auditing (ISAs). The independent auditors' report is found on page 90 to 97. A GRI Content Index is contained on page 157 to 160. Sustainability information was validated for compliance with the GRI Standards by the Institute for Sustainability Africa (INSAF), an independent subject matter expert. The sustainability data provided in this report was not externally assured but reviewed by our Internal Audit team.

## Report Declaration

The Board acknowledges its responsibility for ensuring the integrity of this report and confirms that it is presented in accordance with the GRI Standards (2021).

## Report Currency

All financial figures in this report are stated in United States Dollars (US\$).

## Restatements

OK Zimbabwe Limited did not make any restatement of sustainability data previously published.

## Forward Looking Statements

This report may contain forward looking statements which are based on current estimates and projections by OK Zimbabwe Limited. These statements however do not guarantee future developments and results, as these may be affected by several anticipated and unanticipated risks and uncertainties. Stakeholders are cautioned against placing undue reliance on forward looking statements contained herein. We commit to publicly share any revisions of the forward-looking statements to reflect changes in circumstances and or events after the publication of this report through trading and website updates.

## Feedback on the Report

The Group welcomes feedback from all stakeholders to enhance future reporting and operational practices. We value opinions and feedback from all stakeholders on how we can improve our operations and reporting. Kindly share your feedback with the Group Company Secretary, Mrs. Margaret Munyuru, on [mmunyuru@okzim.co.zw](mailto:mmunyuru@okzim.co.zw)



**Herbert Nkala**  
Chairman  
30 October 2025



**Willard Zireva**  
Group Chief Executive Officer

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# GROUP OVERVIEW

## INSIGHT INTO OK ZIMBABWE LIMITED

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### Insight into the Group

OK Zimbabwe Limited is a leading customer-oriented retail Group, registered and publicly listed on the Zimbabwe Stock Exchange, providing comprehensive access to a broad range of products and allied services developed in response to its customers' requirements for convenience and value. The Group is segmented as follows:

### What makes us unique

Our business is home grown, it was founded and is run by Zimbabweans. We set ourselves apart by striving to offer value through our product range, quality, service and fair pricing.

**vimbai**  
capital

**bon marché**  
LIQUOR

shoppers**choice**

### CORE

#### Retail

- OK Stores.
- Bon Marche' Stores.
- Food Lovers' Market Stores.
- Liquor Stores

#### Wholesale

- OKmart Stores
- Farmers & Builders Mart.

### SUPPORT

#### Fresh Produce, Manufacturing and inhouse brands

- Butcheries
- Bakeries
- Delicatessen
- OK House brands
- Private Labels
- Fruit & Vegetables

### BEYOND

#### Value Added Services

- Instore Banking Services
- Money Remittances
- Agency Banking
- Insurance
- Prepaid Electricity
- Online Store
- DSTV Payments







## OUR STORE BRANDS



Forty nine (49) outlets operate under the OK brand, stores are located in the major towns and cities around Zimbabwe, catering for the widest range of customers.

### Premier Events and Promotions

- OK Grand Challenge Jackpot Promotion.
- Christmas Is Here Campaign.
- Summer Savings.
- Fair Price Movement.



### HARARE

#### OK Store Locations (24)

- Ardmbare
- Avonlea
- Budiriro
- Fife Avenue
- First Street
- Glen View
- Houghton Park
- J.Nyerere Way
- Kuwadzana Main
- Kwame Nkrumah
- Mbuya Nehanda
- Mabelreign
- Mabvuku
- Machipisa
- Malvern
- Marimba
- Mbare
- Mufakose
- Queensdale
- Seke Makoni
- St Marys
- Third Street
- Waterfalls
- Sanganayi

### BULAWAYO

#### OK Store Locations (3)

- Entumbane
- Jason Moyo
- Lobengula

### OTHERS

#### OK Store Locations (22)

- Bindura
- Chegutu
- Chinhoyi
- Chipinge
- Chiredzi
- Gwanda
- Gweru
- Hwange
- Kadoma
- Karoi
- Kwekwe
- Marondera
- Masvingo
- Mutare
- Ngezi
- Norton
- Rusape
- Triangle
- Victoria Falls
- Zvishavane
- Banket \*
- Banket Liquor\*

\* Closed in July 2025

## OUR STORE BRANDS (continued)

# bon marché

Simply Good

Bon Marche' is a brand that caters for the high end shopper segment and operates eight (8) stores in the northern suburbs of Harare.

#### Premier Events and Promotions

- Liv'it Up Promotion
- Ultimate Powerwalk.
- Summer Savings.



### Bon Marché Stores

#### ALL STORES

##### Bon Marché Stores (9)

- Avondale
- Belgravia
- Borrowdale Brooke
- Borrowdale Sam Levy
- Chisipite
- Eastlea
- Mount Pleasant
- Westgate
- Marondera \*

*\*closed in August 2025.*





## OUR STORE BRANDS (continued)



OKmart operates on a hybrid retail/wholesale model and offers a unique one-stop experiential shopping of a deep assortment of products in its edible and non-edible categories. The model is slanted towards encouraging wholesale or bulk purchases. There are eight (8) stores operating under the OKmart brand, the stores are located in all the major cities and towns in Zimbabwe.

### Premier Events and Promotions

- Mega Money Maker Promotion
- Summer Savings



## ALL STORES

### OKmart Store Locations (8)

- Bulawayo
- Gweru
- Harare
- Kwekwe
- Masvingo
- Mutare
- Victoria Falls
- Chivhu





## OUR STORE BRANDS (continued)

# FOOD LOVER'S MARKET

The Group operated (3) three stores under the Food Lover's Market brand during FY2025. However, as part of the ongoing corporate restructuring thrust, the Group ceased operations in the Borrowdale and Avondale stores in June 2025.

### ALL STORES

#### Food Lover's Market Stores

- Bulawayo
- Avondale \*
- Borrowdale \*

*\*Closed in June 2025*





## OUR JOURNEY

- The Group closed operations in (5) OK Stores, OK Chitungwiza, OK Robson Manyika, OK Kuwadzana Express, OK Glen Norah, and at the Bulk Cash and Carry Store located in Graniteside during FY2025.
- All Alowell Pharmacies closed in August 2025.

Stores	FY2024	Stores Opened	Stores Closed	FY2025
OK	52	-	4	48
OK Bulk Store,	1	-	1	-
OK Liquor Stores	1	-	-	1
Bon Marche'	9	-	-	9
OKmart	8	-	-	8
Food Lover's Market	3	-	-	3
Total Stores	74	-	5	69
Trading Space (m <sup>2</sup> )	108,585	-	4,470	104,115
Alowell Phamarcy	4	2	-	6

1942

Opened an inaugural branch along First Street in Harare.

1952

The second branch opened in Bulawayo.

1953

The business was incorporated as Spring Master Corporation Limited.

1977

Delta Corporation Limited acquired business operations of SpringMaster Corporation Limited.

1984

The Company changed its name to Deltrade Limited.

2001

Delta Corporation demerges from Deltrade Limited.

Deltrade Limited changed its name to OK Zimbabwe Limited.

2011

Two Makro operations and premises (in Harare and Bulawayo) were acquired from Massmart in 2011 after which the stores were re-branded to OKmart.

2022

Adopted a new Corporate Strategy.

Acquired the assets and business of Talwart Investments (Private) Limited. The business operates under Fresh and Green City (Private) Limited.

Registered Alowell Medical Investments (Private) Limited trading as Alowell Pharmacies.

2025\*

\*Withdrew from the Food Lover's Market Stores Territorial Licence Agreement.

Ceased operations under Alowell Medical Investment (Private) Limited and closed all instore pharmacies.

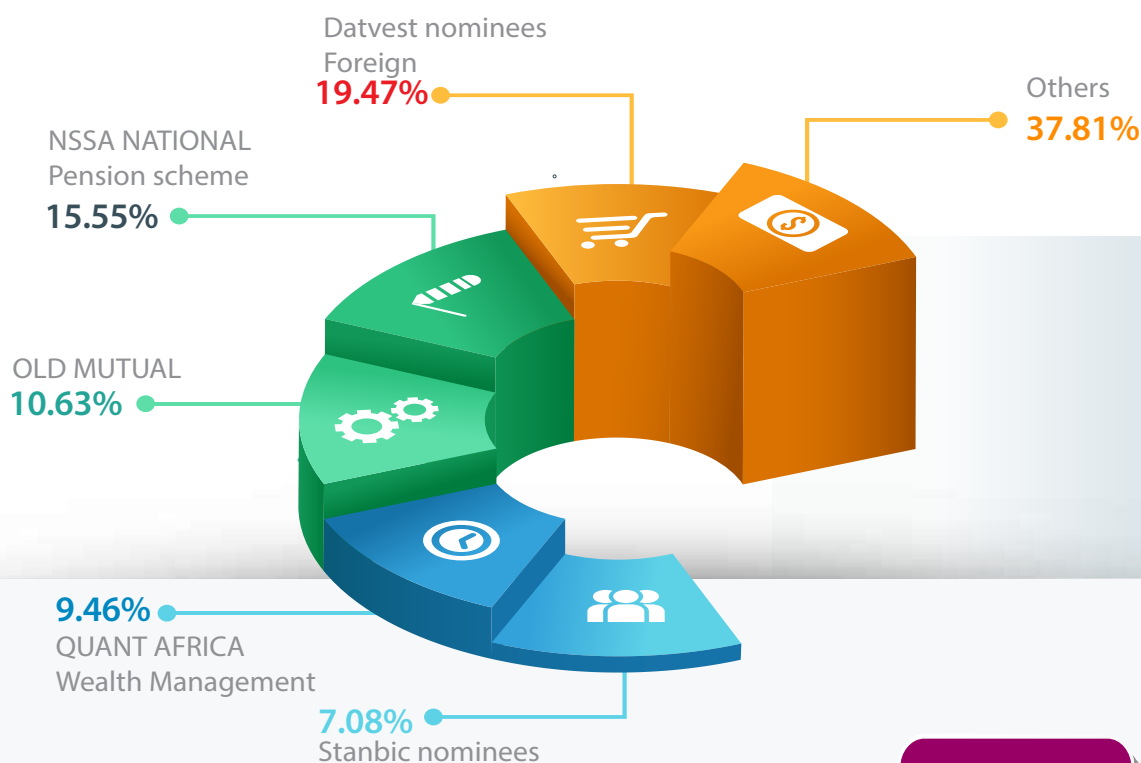
It all started with the inaugural retail outlet along First Street in Harare, formerly Salisbury in 1942. The last 83 years have seen the expansion of the Group through organic growth and diversification. The business has since diversified to become a leading retail giant offering an assortment of products.

\*Changes occurred after 31 March 2025.



## SHAREHOLDING STRUCTURE

As at 31 March 2025, the Group's ownership structure included major shareholders such as Datvest Nominees Foreign (19.47%), National Social Security Authority (15.55%), Old Mutual Life (10.65%), Quant Africa Wealth Management (9.46%) and Stanbic Nominees (7.08%).



## GROUP STRUCTURE AND PROFILE

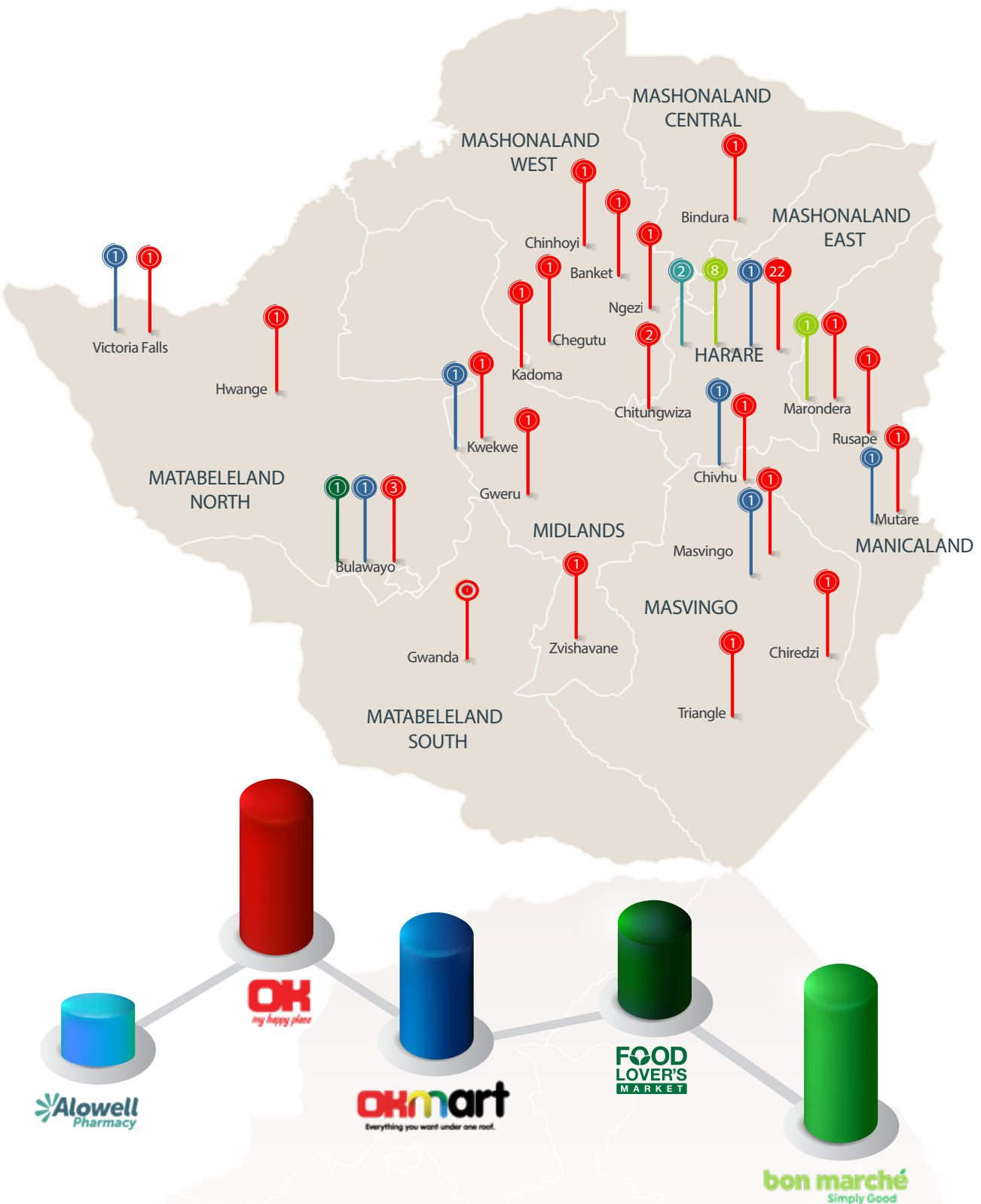
The Group controls seven subsidiaries namely Fresh and Green City (Private) Limited, Alowell Medical Investments (Private) Limited, Eriswell (Private) Limited, Winterwest Investments (Private) Limited, Swan Technologies (Private) Limited, OK Zimbabwe Financial Services (Private) Limited and OK Group Procurement (Proprietary) Limited.

**OK ZIMBABWE LIMITED**



# OUR MARKETS

The Group has the widest retail coverage in Zimbabwe. Our branch network is spread across all the regions in the country.



# STRATEGIC PERFORMANCE REVIEW

## STRATEGIC PERFORMANCE REVIEW

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# GROUP PERFORMANCE HIGHLIGHTS



## Financial Highlights

	2025	2024
Revenue (US\$)	245,170,679	511,012,345
Overheads (US\$)	87,311,942	137,442,340
EBITDA (US\$)	(5,170,378)	39,605,970
Attributable Earnings (US\$)	(25,031,057)	(619,367)
Overheads (% of sales)	35.6%	26.9%
Operating profit (% of sales)	(11.25%)	(0.04%)
Inventory (US\$)	16,480,675	25,262,734
Stock-turn (times)	9.61	13.08
Current ratio	0.56	0.84
Employee Benefits (% of sales)	11.3%	10.5%
Borrowings (US\$)	8,029,907	3,524,335

## Operational Highlights

Number of Stores  
(Count)

69 Stores

74 Stores - FY24



Customers Served  
(Count)

22,154 million

34,448 million FY24



Sales Volume  
(Units)

208,534 million

236,119 million FY24



## Sustainability Highlights

Total Employees  
(Headcount)

3,311

4,116 FY24



Water (m3)

122,530

146,663 FY24



Electricity  
(KWh)

39,786,822

51,923,253 FY24



Average Training  
(Hours)

3.08 hours

1.86 hours FY24



Community  
Investments (Value)

US\$52,393

US\$43,317 FY24



Recordable  
Work-Related Injuries  
(Count)

68

119 FY24



## CHAIRMAN'S STATEMENT



### Operating Environment

During the year ended 31 March 2025, the Group operated under very difficult economic conditions marked by exchange controls that distorted pricing, constrained liquidity, unstable exchange rates culminating in the ZWG depreciating by almost 100%, and intensified competition from the informal sector. The introduction of the ZWG at the start of the financial year brought about some market stability but this quickly changed towards the half year when foreign currency shortages triggered the rapid depreciation of the local currency and the resultant negative impact of that on inflation. This development pushed many of our suppliers and service providers to demand payment in US\$ or shortened payment terms in cases where they invoiced in ZWG, leading to understocking. Controls on the exchange rate applicable in setting prices led to distortions that left the business with uncompetitive prices

when compared to the informal sector. These challenges, together with supply chain problems and declining sales volumes, increased income to expense ratio and frequent power cuts resulted in depressed operations and distressed financial situation for the Group. The business was posting losses and could not pay suppliers such that by the end of the year the Group had a working capital funding gap.

#### Group Financial Performance

The Group Revenue declined by 52% to US\$ 245 million when compared to prior year and against an average inflation rate of 15.21%. The decline is attributed to supply chain disruption, unstable exchange rate especially in the first half of the year, liquidity crunch in the economy and heightened competition from the informal sector compounded by exchange rate controls that distorted pricing.

Supply chain disruptions were as a result of the Group failing to settle suppliers' accounts on time leading to some withholding deliveries while others demanded payment upfront. These challenges resulted in the Group's operational capacity being impacted negatively.

The Group's overheads reduced by 43.91% over prior year and this is largely due to tight cost containment measures implemented. However, this was not sufficient for the Group to be profitable as revenue contracted at a much faster rate than operating costs. The only significant expense increase was fuel and repairs and maintenance because of more use of generators caused by persistent power outages.

The Group performed a comprehensive impairment review of all cash-generating units (CGUs). Due to constrained operational capacity,

## CHAIRMAN'S STATEMENT (continued)

the Group recognised an impairment of US\$ 10.3 million as the recoverable amounts of certain CGUs were lower than their respective carrying amounts. The net exchange gain of US\$ 13.5 million resulted from remeasurement of monetary liabilities following the devaluation of the ZWG.

As a result of the factors highlighted the Group recorded a significant loss for the year of US\$ 25.0 million.

As a result of negative cash flows, capital expenditure had to be capped at US\$ 0.9 million for the year.

### Change in Functional Currency

The country allows use of multi-currencies for transactions, but the economy is experiencing the dominance of the US\$ and this has been confirmed in the monetary policy statements pronouncements issued by the Reserve Bank of Zimbabwe. The level of use of the US\$ in the market has resulted in growth in the Group's US\$ denominated transactions in the company, necessitating a review of the functional currency of the Group at the beginning of the period. Based on this review, the Directors concluded that the functional currency of the Group had changed from ZWG and resolved to adopt US\$ with effect from 1 April 2024.

The comparative figures were previously presented in ZWL inflation-adjusted terms, as disclosed in the notes to the financial statements. The application of hyperinflation accounting in prior years created certain distortions in those figures upon conversion to US\$. While management implemented adjustments to mitigate some of these distortions, the financial statements for the current period are not fully comparable with those of the prior period.

### Directorate

During the year under review, the Board welcomed Mrs. Kiitumetsi Zawanda to the Board who joined with effect from 1 June 2024. Two non-executive directors, Mrs. Rufaro Audrey Maunze- Bhebhe and Mrs. Keresia Mtemererwa-Nyawo retired from the Board. The Board would like to express its sincere appreciation to Mrs. Rufaro Audrey Maunze-Bhebhe and Mrs. Keresia Mtemererwa-Nyawo for their dedicated service and valuable contributions during their tenure.

In an effort to stabilise the Group and turn the business around to profitable operations, the Board made management changes with

effect from 26 February 2025 as follows:-

- Mr. Maxen Phillip Karombo (Chief Executive Officer) and Mr. Phillimon Mushosho (Chief Financial Officer) left the employment of the Group under voluntary separation agreements.
- Mr. Willard Vimbai Zireva, who had previously led the Group as Chief Executive Officer from 2001 until retiring in 2017, was engaged as interim Chief Executive Officer.
- Mr. Alex Edgar Siyavora, another former Chief Executive Officer and long-serving Chief Finance Officer of the Group, took on the role of interim Chief Financial Officer.

This interim leadership team working together with the interim Supply Chain Director, Mr. Muzvidzwa Chingaira, was entrusted with stabilizing and steering the Group through a strategic recovery period while substantive replacements are identified and employed to lead the Group into the future.

### Dividend

The Board resolved not to declare a dividend for the year ended 31 March 2025 as the Group is in a loss position.

### Sustainability

The Group remains committed to sustainable business practices by integrating appropriate measures and practices in its business operations, new projects and supply chain. Perennial power cuts and disconnections due to challenges in settling electricity bills led to reliance on back-up diesel generators and this negatively impacted the carbon footprint. The Group will continue to pursue investments in renewable energy to reduce carbon footprint and protect the environment from pollution. Through the branch network, the Group was involved in various local community activities and made donations in line with its Corporate Social Investment (CSI) thrust to invest back in the communities it serves and operates in.

### Outlook

A rights issue exercise was successfully concluded in July 2025 and US\$20 million proceeds were received in August 2025. An additional capital raise plan of US\$10.5 million through the sale of immovable properties is in progress, with offers received in August 2025 currently under consideration. The properties on sale include supermarket buildings that will be disposed on a sale and leaseback basis. The leaseback arrangement is necessary to ensure the Group continues to operate in its strategic

store locations. Some of the funds raised will be applied to settle part of the Group's debt and this is expected to unlock supplier credit support for restocking.

The Board and management's initial focus has been to stop the decline in performance and financial distress and to steer the business back to stability, profitability, and long-term sustainability. The process of restructuring the Group for survival and growth has already started to ensure proper management of debt to avoid insolvency, it operates with an appropriate organisational structure, efficient operations and that it adapts to changing market conditions. Once the Group is fully resourced and the stores are fully stocked it is expected that employees will be more confident about the future. However, when the Group was in decline retail skills were lost as trained and experienced personnel left employment for better opportunities. It will therefore be essential to retrain the existing staff to raise levels of customer service and standards of performance.

Looking ahead, cost optimisation and in-store as well as online sales strategies will remain central to achieving and sustaining the required growth. The recovery of the Group has started, but it will take some time to return to normal operations. The Board and management are confident that with proper focus and diligence the ultimate goal of delivering consistent shareholder returns in the medium term is attainable.



**H. Nkala**  
**Chairman**  
30 October 2025



# LEADERSHIP AND GOVERNANCE

## LEADERSHIP AND GOVERNANCE

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# Le marché

Live Well



## DIRECTORATE



**Hebert Nkala**

Non-Executive Chairman (Independent)

Tenure on the Board: **13 years**

**Qualifications:**

MBA (UZ),  
BSc Business Studies (University of Wales UK).

**Other Directorships:**

Arena Investments Pvt Ltd, FBC Holdings Ltd, Tanganda Tea Group (Pvt) Ltd, Sun Casinos (Pvt) Ltd, Centerpoint Mall and Hotels (Pvt) Ltd, Shungu Dzevana Children's Home. He is a trustee of the Joshua Mqabuko Nkomo Foundation.



**Vimbai Willard Zireva**

Group Chief Executive Officer

Tenure on the Board: **One month**

**Qualifications:**

CA (Z), MBL (UNISA).

**Other Directorships:**

Zimbabwe Sugar Association (ZSA), Horticultural Development Council (HDC).



**Alex Edgar Siyavora**

Group Chief Finance Officer

Tenure on the Board: **One month**

**Qualifications:**

CA (Z), MBL (UNISA).

**Other Directorships:**

African Sun (Private.) Limited.



**Rutenhuro James Moyo**

Non-Executive Director (Non-Independent)

Tenure on the Board: **9 years**

**Qualifications:**

MBA, BSc (UZ).

**Other Directorships:**

Remoggo PCC (Mauritius), Cheetah Express Logistics & Supaswift Zimbabwe, Fedex Licensees in Zimbabwe & DRC, National Tyre Services, Auto Tyres Zimbabwe, Retail Africa Ltd (Mauritius), Tongaat Hullet, Waygu Africa (Pvt) Ltd, FBC Holdings Ltd, Tsebo Zimbabwe (Pvt) Ltd.



**Rose Mavima**

Non-Executive Director (Independent)

Tenure on the Board: **8 years**

**Qualifications:**

BBS (UZ).

**Other Directorships:**

Hanawa Super Foods (Pvt) Ltd.



**Kitumetsi Zawanda**

Non-Executive Director (Non-Independent).

Tenure on the Board: **9 months**

**Qualifications:**

LLBS Hons (UZ), EMBA (MSU)

**Other Directorships:**

Budget Health Medical Aid Society.





**Lindsay Webster-Rozon**

Non-Executive Director (Independent)

Tenure on the Board: **6 years**

**Qualifications:**

MBA (McGill University, Canada), BBA, BA Psychology (St Andrews University USA).

**Other Directorships:**

Webster-Rozon (Pty) Ltd.



**Andrew Stuart McLeod**

Non-Executive Director (Non-Independent)

Tenure on the Board: **7 years**

**Qualifications:**

CA (SA), B Comm (UCT), DIP Theory of Accounting.

**Other Directorships:**

Forbes Investment Holdings Pty Ltd, Forbes Holdings and Management Pty Ltd, Peninsula Beverage Properties Pty Ltd, Onaghan Investments No 15 Pty Ltd, Origen Engineering Solutions CIOSE Corporation, JLP Investment Holdings Pty Ltd, Peninsula Speciality Beverages Pty Ltd, Avroy Shlain Cosmetics Pty Ltd, Polyoak Packaging Holdings, The Carpenters Shop NPC, IAFPEF.



**Wonder Stan Nyabereka**

Non-Executive Director (Non-Independent)

Tenure on the Board: **3 years**

**Qualifications:**

MBA (Cumbria University), BSc (UZ).

**Other Directorships:**

Revival & Zimswitch Technologies.



**Tawanda Lloyd Gumbo**

Non-Executive Director (Independent)

Tenure on the Board: **5 years**

**Qualifications:**

CA (SA & Z).

**Other Directorships:**

Zimbabwe Mercantile Exchange.

## SENIOR MANAGEMENT



**Vimbai Willard Zireva**

**Group Chief Executive Officer**

**Qualifications:**

CA (Z), MBL (UNISA).

**Experience**

Willard was recalled from retirement in February 2025 to lead the Company's turnaround efforts. He initially joined the Group in 1984 as Chief Finance Officer and subsequently held positions as General Manager, Managing Director, and ultimately Chief Executive Officer, the role from which he retired in 2017.

Prior to joining the Group, Willard served as Finance Manager for Manica Freight (Private) Limited. He qualified as a Chartered Accountant in 1981 and holds a Bachelor of Accountancy degree from the University of Zimbabwe and a Masters in Business Leadership degree from the University of South Africa.

Willard has sat and chaired a number of both listed and private companies and is currently Chairman of the Zimbabwe Sugar Association (ZSA) and a board member of the Horticultural Development Council (HDC).



**Alex Edgar Siyavora**

**Group Chief Finance Officer**

**Qualifications:**

CA (Z), MBL (UNISA).

**Experience**

Alex was recalled from retirement in February 2025 to work alongside the Chief Executive Officer in turning around the business. He was Chief Executive Officer of the business between 2017 and 2021.

Alex initially joined the Group in 2001 as Finance Director. Prior to joining the Group, he worked for Price Waterhouse Chartered Accountants (Zimbabwe) before joining Coca-Cola Swaziland as Finance Manager and subsequently Merlin Limited as Group Finance Director.

Alex qualified as a Chartered Accountant in 1989 and holds a Bachelor of Accounting Science (Honours) and a Masters in Business Leadership degree from the University of South Africa.



**Muzvidzwa Chingaira**

**Supply Chain Director**

**Qualifications:**

M.CIPS (UK), B.Com & MBL (UNISA).

**Experience**

Muzvidzwa was recalled from retirement in February 2025 to work alongside the Chief Executive Officer in turning around the business. He holds a Bachelor of Commerce degree from the University of South Africa (UNISA) and a Master of Business Leadership degree from the School of Business Leadership (SBL-UNISA) and a graduate diploma in Purchasing & Supply Management from the Chartered Institute of Purchasing and Supply, United Kingdom. He is a founder member of the Chartered Institute of Purchasing and Supply, United Kingdom-MCIPS.

Muzvidzwa worked for a Cash and Carry Wholesale from 1979, before joining the Group as a management trainee in 1982. Over the last 28 years, he worked his way up from Assistant Buyer, Group Buyer to Buying Manager and to Procurement Executive.



**Margaret Munyuru**  
**Company Secretary and Corporate Affairs Director**

**Qualifications:**

LLBS Hons (UZ), ICSAZ, MSc International Relations (UZ), LLM in International Economic Law (UNISA).

**Experience**

Margaret is a seasoned legal expert with a strong background in legal, governance, risk management and compliance systems in the financial services and retail sectors.

With a Bachelor of Laws Honours degree attained from the University of Zimbabwe and specialisation in international economic law and international relations, Margaret brings vast wealth of knowledge to the Management team. She is an accomplished analytical thinker and passionate problem solver who has the ability to read and interpret complex regulations and make accurate operational decisions regarding them.

She has a track record of developing and implementing policies, procedures and programs.



**Brian Muradzikwa**  
**Group Treasurer**

**Qualifications:**

CA (Z), BCom, MBL (UNISA).

**Experience**

Brian joined the Group in August 2003 as a Finance Manager and was promoted to the position of Finance Executive in May 2017. He took over the current position in July 2021. He trained with Deloitte and Touché (Zimbabwe) in 1998 and is a qualified Chartered Accountant. He joined Caltex Oil Zimbabwe (Pvt) Ltd in 2002 as Finance Manager.

He holds a Bachelor of Commerce Honours Degree in Accounting from NUST and a Master in Business Leadership Degree from the University of South Africa.



**Vupenyu Gumbo**  
**Operations Director**

**Qualifications:**

BComm Hons in Marketing (NUST).

**Experience**

Vupenyu is a highly experienced retailer with more than 20 years local and regional experience in FMCG, clothing, and general merchandise environments. He started his retail career as a graduate trainee at the Group in 1998.

He worked at Red Star, CFI Retail t/a Town and Country; in various capacities including General Manager – Operations, Special Projects, and was later promoted to Managing Director. Vupenyu spent nearly 10 years in Country GM roles at Woolworths - Tanzania and Uganda as well as Lesotho and Zambia. Vupenyu re-joined the Group in June 2019.



## SENIOR MANAGEMENT (continued)



**Jane Masenda**

**General Manager, Internal Audit Services**

### Qualifications:

CA (Z).

### Experience

Jane is a qualified Chartered Accountant and has more than 14 years' experience in internal audit and risk management. Prior to her appointment, Jane served as the Finance Manager – Budgeting and Control, where she played a pivotal role in the development and implementation of the annual budget, standard operating procedures and financial reporting.

Before joining the Group, she served as Group Head of Internal Audit at Econet Wireless Limited and Associate Director at Ernst & Young, where she managed audit and risk management services for several major companies including Zimbabwe Platinum Limited and Pyxus Holdings (Africa Division).

In addition to her work in Zimbabwe, Jane has over 10 years of experience in the regional market holding Senior Management positions at Ernst & Young South Africa, servicing high profile entities such as AVI, South Africa Roads Agency Limited, Pretoria Portland Cement, South African Airways, Transnet and Harmony Gold.



**Lackson Mundira**

**ICT Director**

### Qualifications:

MBL (UNISA), BBS and Computing Science (UZ).

### Experience

Lackson joined the Group from Sasai Fintech formerly Cassava Fintech International, where he was Chief Technology and Innovations Officer. He has over 21 years' experience of creating added value through the strategic and cost-effective application of information technologies in alignment with organizational goals.

He worked for the Econet Group in various capacities including Software Development Manager, Head of Value-Added Services, and General Manager, of IS Development. Lackson is experienced in leading and directing on-shore & off-shore IT operations in the areas of SAP Technologies, Cybersecurity, Governance, Risk & Control, Programme Management, Digital & Analytics, Business Process Automation and Digital Transformation.

Lackson holds a Masters in Business Leadership from UNISA and a Bachelor of Business Studies and Computing Science from the University of Zimbabwe.



**Stanley Meck**

**Marketing Director**

### Qualifications:

BBS Hons in Marketing (UZ), Dip in Mgmt Prc (Henley Business School of the Reading UK), MBA (Steinbeis University Germany).

### Experience

Stanley joined the Group in December 2022 as Marketing Manager responsible for Strategy, Innovation and Shopper Connections, a position he held until his elevation to Marketing Director.

As Marketing Manager, he was part of cross functional teams responsible for the launch of the Group's new generation stores and the incubation of a new financial solutions business, Vimbai Capital. He has held various local and regional roles across Marketing, Innovation, Price and Margin management, starting out at Unilever Southeast Africa, Delta Beverages, SABMiller (now ABInBev), Simbisa Brands and Lafarge.

Passionate about building strong brands, Stanley holds an Honours Degree in Business Studies Marketing) from the University of Zimbabwe, a Post Graduate Diploma in Management Practice from Henley Business School of the University of Reading, (UK) and a Masters in Business Administration from Steinbeis University (Germany).

## SENIOR MANAGEMENT (continued)



**Takudzwa Mudarikwa**

**Human Resources Director**

### Qualifications:

EMBA (NUST), BSc Hon Psychology (UZ),  
Dip in Personnel Management & Labor  
Relations (IPMZ), Dip in Payroll  
Administration (IPTA).

### Experience

Takudzwa joined OK Zimbabwe Limited in April 2021 as the Human Resources Manager. He is a seasoned Human Resources and Operations professional having also served as an Operations Business Executive in the Midlands and Masvingo Cluster since 2022.

Prior to joining OK Zimbabwe Limited, he has worked for Unilever where he served as the Human Resources Business Partner for Southeast Africa (SEA); Zimbabwe, Malawi and Zambia having joined in 2018 as the Industrial Relations Specialist for Supply Chain (SEA).

Takudzwa holds an EMBA (NUST), Bsc. Hon. Psychology (UZ), a Diploma in Personnel Management & Labour Relations (IPMZ) and a Diploma in Payroll Administration (IPTA).



# **CORPORATE GOVERNANCE**



## CORPORATE GOVERNANCE

### Corporate Governance

The Group is dedicated to upholding the principles of good corporate governance and adhering to best practices. The Group values business ethics, openness, transparency, integrity, and accountability in its interactions with all stakeholders. The primary objective of the Group's corporate governance system is to ensure that Directors, Executives, and Managers fulfil their responsibilities faithfully, effectively, and efficiently. The Group regularly assesses and updates its structure, operations, policies, and procedures to ensure compliance with national laws and generally accepted corporate governance practices.

The Group aligns its corporate governance instruments with relevant regulations such as the Companies and Other Business Entities Act [Chapter 24:31], SI.134 of 2019 Securities and Exchange (Zimbabwe Stock Exchange Listing Requirements) Rules 2019, and the National Code on Corporate Governance in Zimbabwe (ZIMCODE). Further, the Group benchmarks international best practices, including the King IV Code of Corporate Governance of South Africa, to continuously improve its corporate governance standards.

### Board Responsibility

The Group upholds a strong system of corporate governance where the Board of Directors play a crucial role in guiding the business. The Board is responsible for determining the overall strategic direction, major policies, and risk tolerance levels of the Group. They review and approve significant purchases, sales, as well as interim and annual operating outcomes. Strategic and operational budgets also require the Board's approval.

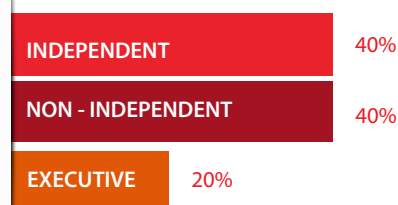
To ensure effective implementation, the Board utilises key performance indicators and best practice benchmarks to assess the application of the overall strategy, policies, and risk management. Executive management provides structured reports to the Board, enabling them to monitor the Group's performance and make informed decisions. This commitment to transparent reporting, strategic oversight, and adherence to corporate governance principles ensures that the Group operates with integrity, accountability, and in the best interest of its stakeholders.

### Board Composition

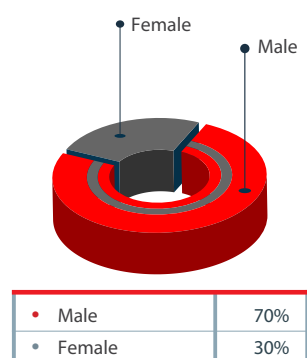
The Group's Articles of Association provides for the appointment of Independent Directors. The Board consists of two (2) Executive Directors and eight (8) Non-Executive Directors, out of which four (4) are independent. This composition ensures a balance of perspectives and expertise in the decision-making processes.

Additionally, the Chairman of the Board is an Independent Non-Executive Director, further reinforcing the independence and objectivity of the Board's leadership. The Directors bring a wealth of experience and possess diverse professional and commercial skills that are vital for effectively fulfilling their duties and contributing to the overall success of the Group.

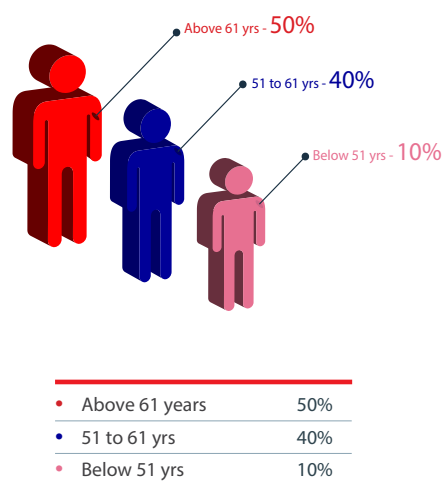
#### BOARD COMPOSITION



#### BOARD GENDER DISTRIBUTION

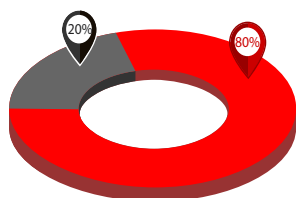


#### BOARD AGE DISTRIBUTION



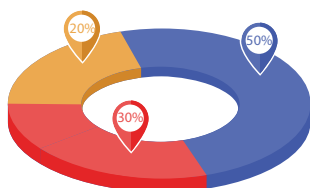
## CORPORATE GOVERNANCE (continued)

### NATIONALITY



• Zimbabwean	80%
• South African	20%

### BOARD TENURE



• Below 5 years	20%
• 5 to 10 years	50%
• Above 10 years	30%

### Nomination and Selection of Board members

The process of selecting and appointing directors involves both shareholder election and the active involvement of the Board. While shareholders have the ultimate authority to elect and appoint directors at the Annual General Meeting, the Board plays a significant role in the selection and recommendation process.

The Board delegates this responsibility to the Board Human Resources Committee, which functions as the Nominations Committee. This Committee is specifically mandated by the Board Charter to address succession planning matters and is responsible for considering and recommending potential directors for appointment.

The Nominations Committee assesses the qualifications, expertise, and suitability of potential candidates, ensuring they possess the necessary skills and competencies to contribute effectively to the Board's functioning. The Committee then presents its recommendations to the Board for consideration and approval.

The Board regularly reviews the size and composition of the Board to ensure it remains diverse and has the appropriate mix of experience, competencies, and skills to fulfil its responsibilities effectively. The following broad categories have been identified as desirable competencies of Board members:

- Ability to analyse information, think strategically, and review and challenge management to make informed decisions and assess performance;
- Demonstrate knowledge, experience and competence in the business including financial literacy;
- Diversity of race, age, gender, ethnicity, background and interests;
- Independence - determined following the Group's policy on independence (where relevant); and
- Personal and professional integrity, good communication skills and ability to work harmoniously with fellow Directors and management.

### Board Induction and Evaluation

The Group's Secretary is responsible for the induction process of new directors. Newly appointed directors go through an induction procedure where they receive the appropriate training, assistance, and information. As soon as the Board confirms the appointment of a new director, the Group Secretary contacts the new director and facilitates an induction. The Group Secretary provides a copy of the Director Induction Manual and takes them through the manual as an initial introduction to Board processes and ongoing reference.

### Board Communication Systems with Stakeholders

The Board is approachable and encourages stakeholders to come forward to communicate critical concerns. The business has several platforms for directly communicating with stakeholders which include quarterly Board meetings, regular meetings with the CEO, annual report, employee representative meeting and quarterly trading updates.

### Remuneration Policy

The Remuneration Policy promotes the Group's long-term financial performance and creates long-lasting shareholder value. The policy aims to ensure that directors are appropriately compensated based on their qualifications, responsibilities, and commitment. It is designed to align with market standards, enabling the attraction and retention of directors with the desired qualifications and profile.

## CORPORATE GOVERNANCE (continued)

However, the policy also emphasises the importance of not compromising the independence of non-executive directors by setting remuneration at excessively high levels. The shareholders decide on the remuneration of the Board of Directors annually at the Annual General Meeting.

The Group's remuneration policy is based on the following principles:

- Alignment with long-term value creation for shareholders;
- Talent attraction, retention and motivation;
- Compensation for professional accountability and career paths;
- Internal equity and external competitiveness; and
- The balance between the remuneration elements.

### Directors Declarations

Directors are not precluded from entering or being interested in contracts or arrangements within the Group as illustrated by the terms of the Group's Articles of Association. However, on an instance where a director is directly or indirectly, interested in a contract or proposed contract which has been or is to be entered into by the Group is required to declare the nature and extent of this interest. Such a director is not permitted to vote in respect of any contract or arrangement in which he or she is interested.

Any service rendered by the directors and all director's interests in the Group is required to be conducted on an arm's length basis. Full disclosure of any such arrangements by all the current Executive and Non-Executive Directors must be made in accordance with legal requirements. On an annual basis, Directors are required to submit in writing whether they have interests in any contracts of significance to the Group, which could give rise to conflict of interest.

### Share Dealing

Closed periods are from the end of the interim and annual reporting periods to the announcement of financial and operating results for the respective periods. While the Group is under a cautionary announcement, no Director, officer or employee may trade in the Group's shares during closed periods. In addition, no Director, officer or employee of the Group may deal directly or indirectly in the Group's shares based on unpublished price-sensitive information regarding its business or affairs.





## CORPORATE GOVERNANCE (continued)

### Board Committees

#### Audit and Finance

##### Tawanda Lloyd Gumbo (Chairperson)

Andrew Stuart McLeod,  
Wonder Stan Nyabereka,  
Kiitumetsu Zawanda,  
Alex Edgar Siyavora (Ex- Officio)

Four Non-Executive Directors including the chairperson make up the committee and they convene at least twice a year. The internal and external auditors attend the meetings and have unrestricted access to the Chairperson of the committee.

The function of the Audit and Finance Committee is:

- To advise the Board on all matters relating to corporate governance and regulatory issues. In particular, it monitors financial controls, accounting systems and assesses the processes for identifying, monitoring and managing business risks;
- To review any significant abnormal transactions, ensures there are no restrictions on the external auditors work and follows up matters reported or unresolved with the auditors;
- To review the Group's financial statements and external audit fees before submission to the Board for consideration and approval and
- To monitor the Internal Audit Charter, plans, programs, reports and recommends appointment of external auditors.

#### HUMAN RESOURCES

##### Rutenhuro James Moyo (Chairperson)

Herbert Nkala,  
Rose Mavima,  
Vimbai Willard Zireva (Ex-Officio).

Human Resource Committee has three Non-Executive Directors and one Executive Director and its responsibility includes:

- Makes recommendations on all major human resources policy issues, including Board appointments and the remuneration policy of the Executive Directors and senior management. The objective of the policy is to ensure the right calibre of management is recruited and retained;
- The Committee also considers, at the Board level, remuneration levels and conditions of services of employees to ensure that these are fair, appropriate and in line with the market and the Group's remuneration philosophy.

#### Marketing

##### Rose Mavima (Chairperson)

Lyndsay Webster-Rozon,  
Kiitumetsu Zawanda,  
Andrew Stuart McLeod,  
Vimbai Willard Zireva (Ex-Officio)

Four Non-Executive Directors and one Executive Directors make up the Committee.

The role of the Marketing Committee is:

- To support overall comprehensive marketing, public relations and communications strategy;
- To develop and implement a consistent and active communication strategy to all stakeholders;
- To contribute its expertise to assist management in establishing business marketing, branding and communication plans and initiatives; and
- To build and maintain policies for stakeholder management.

#### BUSINESS DEVELOPMENT

##### Wonder Stan Nyabereka (Chairperson)

Rutenhuro James Moyo,  
Andrew Stuart McLeod,  
Lyndsay Webster- Rozon,  
Vimbai Willard Zireva, (Ex-officio),  
Alex Edgar Siyavora (Ex-officio),  
Tawanda Lloyd Gumbo.

Five Non-Executive Directors and two Executive Directors make up the Committee.

The role of the Business Development Committee is:

- To assist the Board in fulfilling its responsibilities for overseeing and facilitating the development, implementation and monitoring of the Company's business strategies and plans;
- To exercise the Board's authority with respect of the revenue, evaluation and approval of certain Strategic transactions, subject to the provisions of the Company's Articles of Association and relevant governance instruments;
- To drive the Company's growth and development strategy relating to corporate development, business development, project generation and expansion initiatives; and
- To oversee corporate development opportunities and their execution.



## CORPORATE GOVERNANCE (continued)

### Meeting Attendance

The Board of Directors maintains a schedule of quarterly meetings throughout the year. These meetings provide regular opportunities for the Board to convene and address important matters related to the Group's governance and strategic direction. In addition to the scheduled quarterly meetings, the Board has the flexibility to convene additional meetings when necessary. These additional meetings may be called to address urgent or time-sensitive issues that require the attention and deliberation of the Board.

Board Member Name	Main Board	Possible	Audit and Finance	Possible	Human Resources Committee	Possible	Marketing Committee	Possible	Business Development Committee	Possible
H. Nkala	4	4	N/A	N/A	4	4	N/A	N/A	N/A	N/A
V.W. Zireva (**)	0	0	0	0	0	0	0	0	0	0
A.E. Siyavora (**)	0	0	0	0	N/A	N/A	N/A	N/A	0	0
M. P. Karombo (*)	4	4	4	4	4	4	4	4	3	4
P. Mushosho (*)	4	4	4	4	N/A	N/A	N/A	N/A	4	4
R. J. Moyo	4	4	N/A	N/A	4	4	N/A	N/A	4	4
R. Mavima	4	4	N/A	N/A	4	4	4	4	N/A	N/A
A. S. Mleod	4	4	4	4	N/A	N/A	4	4	4	4
L. Webster-Rozon	4	4	N/A	N/A	N/A	N/A	4	4	3	4
K. Mtemererwa (*)	3	3	N/A	N/A	N/A	N/A	3	3	3	3
T. L. Gumbo	3	4	3	4	N/A	N/A	N/A	N/A	3	4
R. A. Maunze (*)	3	3	3	3	3	3	N/A	N/A	N/A	N/A
W. S. Nyabereka	4	4	4	4	N/A	N/A	N/A	N/A	4	4
K. Zawanda	3	3	2	2	N/A	N/A	2	2	N/A	N/A

### Key

(\*)- Retired

N/A - Not a member of the Committee

(\*\*) Members who rejoined the Group in February 2025.



## SUSTAINABILITY GOVERNANCE

The Board of Directors is ultimately responsible for sustainability matters, which has been delegated to the Audit and Finance Committee. To assist with sustainability management, the Group established a cross-functional Environmental, Social and Governance (ESG) Council. This Council provides recommendations and supports the executives in addressing sustainability-related issues and implementing strategic interventions.

### Managing the Sustainability Reporting Process

The Group established internal controls to enhance the credibility and integrity of our sustainability reporting. These internal controls are crucial in ensuring that the information disclosed in sustainability reports is accurate, reliable, and transparent.

The Group adopted the GRI Standards to guide the sustainability reporting process. We continually review and improve our sustainability reporting processes to ensure they are effective in addressing stakeholder needs and regulatory requirements.

This includes regular training of employees involved in the reporting process and ongoing assessment of emerging trends in sustainability reporting. We implemented internal controls to enhance our sustainability reporting as presented below:



### Governance Structure

- The Group has a governance structure to oversee the sustainability reporting process. This includes a dedicated cross functional ESG Advisory Council responsible for overseeing, coordinating and monitoring the sustainability reporting process, ensuring compliance with relevant standards and communicating sustainability-related risks and opportunities to the Board of Directors.
- The Group developed an ESG Framework.

### Policies and Procedures

- We developed specific controls, tools, policies and procedures to ensure accuracy and completeness of ESG information reported in our sustainability reports. These controls include segregation of duties, regular reconciliations and independent verification of ESG data.

### Data Accuracy and Verification

- The business ensures the accuracy of its sustainability data through regular verification processes conducted by the Group's internal audit department to validate the reported information.

### Data Accuracy and Verification

- The Group actively engages with stakeholders, including investors, customers, suppliers, and communities, to gather feedback on its sustainability performance. This two-way communication helps in identifying areas for improvement and enhancing the credibility of our sustainability reports.





# CORPORATE INTEGRITY AND COMPLIANCE

## CORPORATE INTEGRITY AND COMPLIANCE

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- 35 Anticorruption
- 35 Rights of Employees
- 36 Diversity and Inclusion
- 36 Cybersecurity and Data Privacy
- 37 Retail Security Practices
- 37 Regulatory Compliance



## CORPORATE INTEGRITY AND COMPLIANCE

### Business Ethics

The Group established a strong reputation in the industry by demonstrating a steadfast commitment to good business ethics and compliance with regulations. The Group acknowledges the risk of high compliance costs, which can sometimes stifle the ease of doing business, as well as the risk of penalties and fines for non-compliance.

<b>Policies</b>	• Code of Ethics.
<b>Processes</b>	• Internal risk assessments. • Internal Audits. • External Audits.
<b>Goals</b>	• Full compliance with relevant laws and regulations. • Operating in a fair and ethical manner.
<b>KPI</b>	• Number of fines levied on the business.
<b>Progress made</b>	• Minimal penalties were imposed on the Group.

Due to the ever-changing business ethics and compliance environment, prompt and adaptive adjustments need to be made in the attempt to keep up with the trends.

### Anti-corruption

The Group has earned the trust of suppliers and stakeholders through its commitment to transparency and accountability, minimising corruption risks and promptly addressing any potential red flags.

The Group recognises the need to incorporate the awareness and participation-based approach to involve management and employees in relation to the risks associated with corruption. With the continuous feedback sessions, we are able to receive more ideas that we can implement regarding fighting corruption.



<b>Policies</b>	• Anti- Bribery and Corruption Policy. • Policy guidelines on supply of goods and services by employees. • Zero- tolerance Policy.
<b>Goals</b>	• Promote transparency, accountability and good ethical practices.
<b>Actions</b>	• Imposing substantial penalties for contravention of anti-bribery policies.
<b>Processes</b>	• Internal risk assessments. • Internal Audits. • External Audits.
<b>Targets</b>	• Continuous maintenance and improvement of the business reputation.
<b>KPI</b>	• Number of reports on corrupt activities. • Effective enforcement of penalties to perpetrators. • Tip-off anonymous system. • Conducting background checks during the recruitment and selection process.
<b>Targets</b>	• Minimal reports have been made regarding corruption.

### Rights of Employees

The Group is committed to ensuring fair and respectful treatment for all employees in accordance with national labour laws and international human rights standards. Employees have the right to a safe and healthy working environment, freedom from discrimination, and access to fair wages and working hours.

Additionally, our strong ethical practices and compliance with labour regulations improve brand reputation and net promoter score. By participating in platforms like the NECCS helps us adhere to the relevant frameworks and guidelines which further strengthens our commitment to the rights of our employees. We conduct liaison meetings as a way of gathering feedback and to address any concerns.

<b>Policies</b>	The Human Resources Manual.
<b>Goal</b>	• Maintain 100% compliance on upholding employee rights.
<b>Commitments</b>	• Labor Act [Chapter 28:01].
<b>Targets</b>	• Achieving zero human rights breaches.
<b>KPIs</b>	• Pre-task assessments. • Participation in following labour compliance audits: - National Commercial Employers Association of Zimbabwe (NECCS), - Collective Bargaining Agreements. • Feedback from employees.
<b>Progress made</b>	• Effective implementation of various mechanisms aimed at protecting employee and promoting a culture of respect and dignity.

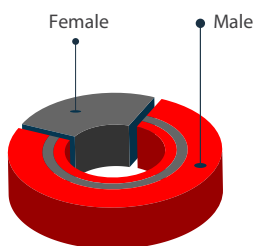


## CORPORATE INTEGRITY AND COMPLIANCE (continued)

### Diversity and Inclusion

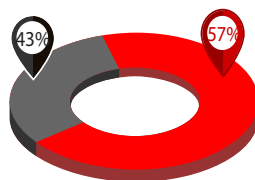
The Group embraces diversity and inclusion as structural pillars that shape our culture and drive achievements. The Group recognises the profound impact of fostering an inclusive culture, where individuals from diverse backgrounds are valued, respected, and empowered to contribute their unique perspectives. Employees become more engaged and productive, as they feel their contributions are valued. Further, our commitment to diversity and inclusion enhances our brand reputation, making us an employer of choice in the industry. However, efforts to foster greater inclusivity at times, leads to reduced social cohesion, as employees from different backgrounds navigate unfamiliar cultural norms, increasing risk of conflict due to ethnic differences. The development of silos and the exclusion of minority groups are concerns we aim to address, although communication and resistance to change can undermine our efforts.

<b>Policies</b>	The Human Resources Manual.
<b>Goal</b>	<ul style="list-style-type: none"> <li>• Providing equal employment opportunities for all.</li> </ul>
<b>Commitments</b>	<ul style="list-style-type: none"> <li>• Labor Act [Chapter 28:01].</li> </ul>
<b>Targets</b>	<ul style="list-style-type: none"> <li>• Achieve a 50-50 gender distribution.</li> <li>• Conduct monthly feedback sessions.</li> <li>• Have quarterly National Works Council Meetings.</li> </ul>
<b>KPIs</b>	<ul style="list-style-type: none"> <li>• The number of men to women employed during the reporting period.</li> </ul>
<b>Progress made</b>	<ul style="list-style-type: none"> <li>• Our current gender distribution of 43% female and 57% male.</li> <li>-Conducted 4 National Works Council meetings.</li> </ul>



**Board Gender Distribution**

• Male	70%
• Female	30%



**Employees Gender Distribution**

• Male	57%
• Female	43%

We met the licencing requirements of the Data Protection Authority, Postal and Telecommunications Regulatory Authority of Zimbabwe (POTRAZ) and was issued with a Data Controller licence in March 2025. Upon receiving our licence, six executive staff members were trained, and a Data Protection Officer was appointed. The Group now focuses on operationalising data protection compliance protocols and employee training as a way of showing our commitment to promoting data protection and privacy.

The Group remains cognisant of cyber threats and attacks; hence, the need for prioritisation of ongoing investment to enhance technical and organisational controls that mitigate against phishing, identity theft and data breaches. We conduct regular risk assessments using Shelt Inc and BUI to identify vulnerabilities and implemented training and awareness via the KnowB4 platform to combat phishing attacks. The Group adopted advanced security technologies, such as AI –driven threat detection Sophos EDR. The Group remains committed to protecting the privacy rights of our valued stakeholders through upholding our obligations to the Cyber and Data Protection Act and the Cyber and Data Protection Regulations (SI 155 of 2024).



### Cybersecurity and Data Privacy

The Group is committed to privacy protection and data security and adheres to ISO 27001 risk management framework and Zimbabwe's Cyber and Data Protection Act (Chapter 12:07), ensuring regulatory adherence and strategic cybersecurity governance.

CORPORATE INTEGRITY AND COMPLIANCE (continued)

Retail Security Practices

The Group acknowledges that a secure and well-controlled environment is foundational to protecting our people, assets, and operations. During the period under review, the Security and Loss Control function enhanced its focus on minimising losses, managing risk, and upholding operational integrity across all store formats and business units. Proactive, intelligence-led strategies were implemented, including targeted security audits, store risk profiling, and wider deployment of surveillance and monitoring technologies. These efforts yielded improved control of shrinkage, heightened accountability, and strengthened the safety of both employees and customers.

A key advancement during the period was the successful implementation of remote viewing capabilities, enabling live surveillance of branch operations from the Head Office. This significantly improved situational awareness and response time. The in-house technical team played a critical role in maintaining and attending to faults on key security infrastructure, including CCTV systems, alarm systems, and access control. By leveraging internal capacity, the Group realised significant cost savings, reduced dependency on outsourced providers, and ensured quicker turnaround times for system faults. Further cost optimisation was achieved through a strategic reduction in physical guarding guided by enhanced electronic surveillance and improved risk control measures. This initiative was executed without compromising the security posture of the business.

Partnerships were reinforced with internal departments and external law enforcement agencies, resulting in improved incident response and compliance with legal and regulatory frameworks. These actions not only deterred future incidents but also led to the successful recovery of stock, further reducing the impact of losses to the business. Security awareness and training programmes were delivered across the business to reinforce a culture of vigilance, accountability, and shared responsibility.

The Group remains committed to continued investment in systems, processes, and people to build organisational resilience and ensure safe and trusted retail environments for all stakeholders.

Security personnel trained on human rights

The Group’s security personnel were trained in human rights policies to ensure zero infringements when conducting their work. The following personnel were trained during the

	UNIT	2025	2024
Internal security personnel trained	Count	214	192

Regulatory Compliance

The Group places a strong emphasis on regulatory compliance to reduce financial risks, maintain a good reputation, and improve operational efficiency. This commitment enhanced trust among investors and lenders, improving access to capital and boosting competitiveness.

The maintenance of a compliance program serves as a safeguard against unexpected regulatory changes. While compliance costs have increased, we effectively managed these costs. The Group engaged with the regulators to negotiate reasonable compliance requirements and fees to ensure long-term success.

The Group is committed to maintaining compliance with all applicable rules and regulations. We apply for the necessary licenses, adhere to prescribed procedures, and consistently monitor the evolving regulatory landscape to ensure the business remains compliant. We engage with stakeholders to identify and address compliance risks before they materialise.

In instances of non-compliance, the Group promptly pays any penalties to avoid further legal actions and negotiates with regulators to find reasonable solutions.



## CORPORATE INTEGRITY AND COMPLIANCE (continued)

### Regulatory Compliance (continued)

<b>Policies</b>	<ul style="list-style-type: none"> <li>• Zimbabwe Stock Exchange regulations.</li> <li>• Companies and Other Businesses Entities Act [Chapter 24:31].</li> </ul>
<b>Processes</b>	<ul style="list-style-type: none"> <li>• Internal risk assessment processes.</li> <li>• Internal and external audits.</li> </ul>
<b>Targets</b>	<ul style="list-style-type: none"> <li>• Zero penalties and compliance related risks.</li> </ul>
<b>KPIs</b>	<ul style="list-style-type: none"> <li>• Number of fines and penalties levied.</li> <li>• Frequency of legal actions taken for non-compliance.</li> </ul>
<b>Progress made</b>	<ul style="list-style-type: none"> <li>• Minimal operational setbacks and fines in the reporting period.</li> </ul>

### Statement of Compliance with Laws and Regulations

The Group is dedicated to meeting both voluntary and mandatory compliance requirements, whether they are domestic or international. Management assumes full responsibility for maintaining compliance at the highest standards. Our legal compliance department, composed of experienced professionals, oversees compliance issues across the Group. These professionals collaborate with designated managers and executives to implement compliance management plans within the Group. Key regulatory areas include:

- Operations;
- Human Resources;
- Safety, Health and Environment;
- Food Standards and Quality Control;
- Marketing and Competition;
- Business Information Systems; and
- Finance.

Compliance management is a significant part of our risk management process which covers some of the following areas of risk mitigation:

- Monitoring and scanning changes in the regulatory landscape;
- Continuous compliance risk identification;
- Establishment of policies and procedures to mitigate compliance risks; and
- Internal audits to identify risk areas.

During the reporting period, we are confident that we complied with all relevant legal, regulatory, and voluntary requirements.

### Compliance with the ZSE Practice Note 16 listing requirements:

Economic	Environment	Social	Governance
Economic Performance (page 83-84) Indirect Economic Impacts (Page 83-84) Defined Contribution Plans (page 83-84) Procurement (page 59) Tax (page 83-84)	Materials (page 57) Energy (page 62) Waste (page 66) Water (page 61) Emissions (page 67)	Employment (page 72) OHS (page 75) Training (page 76) Gender Diversity (page 36) Local Community (page 80)	Board Composition (page 27) Board Committees (page 30) Board Qualifications (page 20-21) Company profile (page 12) Compliance with laws and regulations (page 38)

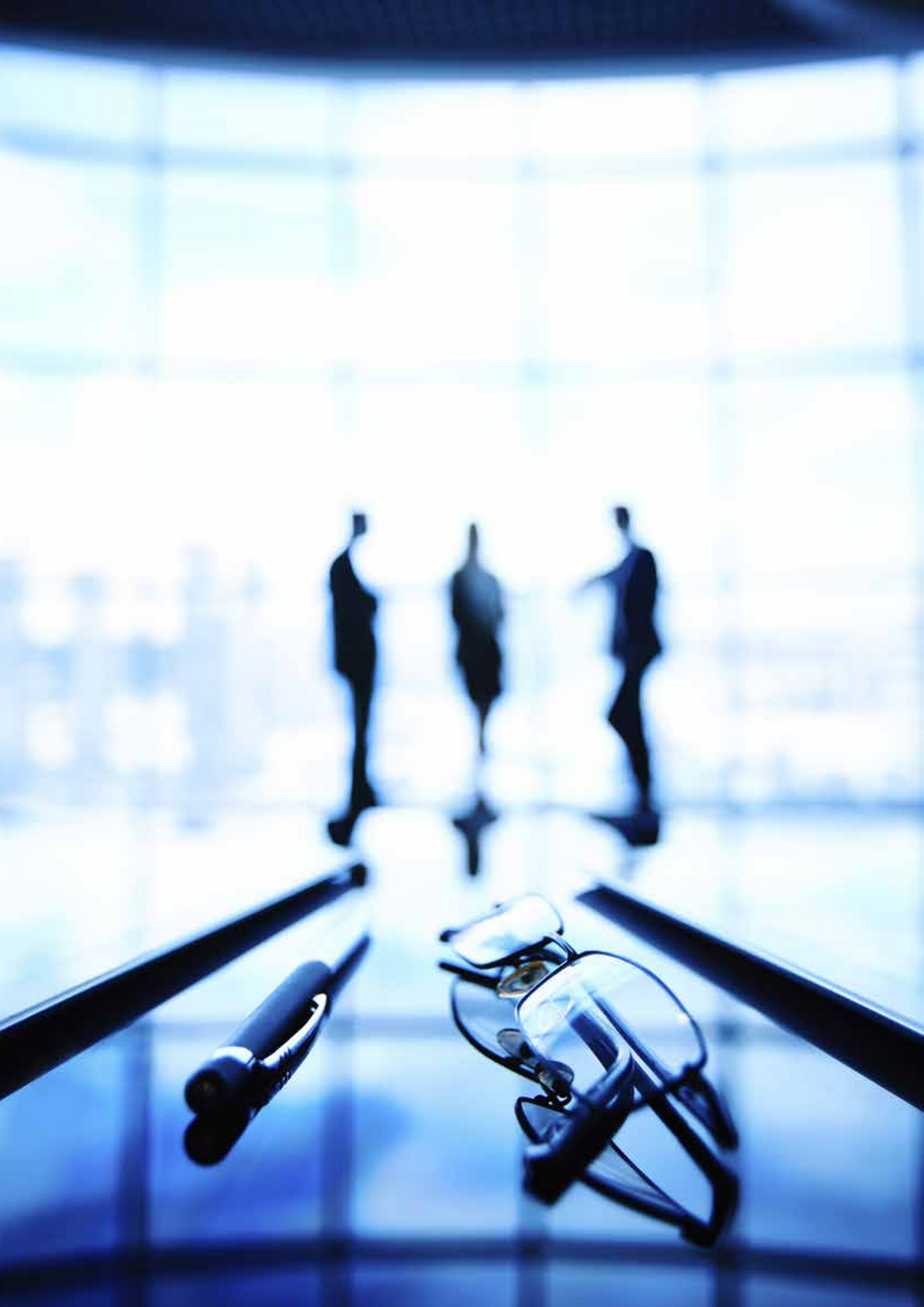
### Accounting Philosophy

Whenever feasible, the Group adopts new accounting standards early. However, if an accounting standard is considered fundamentally inappropriate, the Group will comply but disclose its concerns regarding that standard's requirements. Our dedication to meaningful reporting and adherence to accounting standards reflects commitment to transparency, accountability, and providing reliable financial information to stakeholders.

<b>Goals</b>	<ul style="list-style-type: none"> <li>• Meaningful and responsible reporting by providing full disclosures and explanations of financial results.</li> <li>• Objective measurement of corporate performance, assessment of return on investment in relation to inherent risks, and evaluation of the Group's overall financial and growth potential.</li> </ul>
<b>Impact</b>	<ul style="list-style-type: none"> <li>• Support objective management decision making.</li> </ul>
<b>Commitments</b>	<ul style="list-style-type: none"> <li>• Regular review of accounting standards and continuously improving our accounting practices.</li> <li>• Providing comparable, relevant and reliable information to stakeholders.</li> </ul>
<b>Adherence</b>	<ul style="list-style-type: none"> <li>• Concepts set forth by the Public Accountants and Auditors Board of Zimbabwe (PAAB).</li> <li>• Foundational and the International Financial Reporting Standards Foundation (IFRS).</li> </ul>









# RISK MANAGEMENT

## RISK MANAGEMENT

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# Risk Management



## Enterprise Risk management framework (ERM)

The Group integrated an Enterprise Risk Management (ERM) framework in accordance with ISO 31000 Risk Management Principles and Guidelines into its corporate governance and strategic planning processes. This framework, with commitment from senior management, ensures that risk management is embedded at all levels of the Group, influencing decision-making and daily operations.

The Board of Directors plays a crucial role in overseeing the risk management process through the Audit and Finance Committee. Our framework includes a systematic process of identifying potential risks across our retail operations, analysing and evaluating these risks to understand their potential impact, and implementing appropriate risk treatment strategies.

We continually monitor, review, and improve our risk management processes to ensure the framework remains dynamic and responsive to both internal and external changes. Effective communication and

Effective communication and consultation with stakeholders are maintained to support a proactive risk management culture throughout the Group.

### Managing Financial risks

These measures are designed to mitigate the impact of currency fluctuations and liquidity constraints on the Group's operations and long-term growth prospects.



## RISK MANAGEMENT (continued)

Our residual risks for the reporting period were as follows:

Risk Category	Risk Description	Risk Mitigation Measures
<b>Foreign Exchange and Liquidity</b>	<ul style="list-style-type: none"> <li>• Inadequate resources to fund short-term commitments.</li> <li>• Short-term currency exposures relating to trade imports.</li> <li>• Limited access to affordable foreign currency.</li> <li>• Rising interest costs impacting liquidity.</li> </ul>	<ul style="list-style-type: none"> <li>• Cash flow forecasting and prioritisation of critical payments.</li> <li>• Partnering with local suppliers for import substitution.</li> <li>• Improved relations with banks to enhance credit facilities.</li> <li>• Tighter working capital management and diversification of revenue streams.</li> <li>• Shareholder backed capital raise initiatives.</li> </ul>
<b>Reputational</b>	<ul style="list-style-type: none"> <li>• Negative publicity in media relating to business performance concerns, product availability and the overall shopping experience.</li> <li>• Customer dissatisfaction arising from service delivery gaps or inconsistent value proposition.</li> <li>• Loss of stakeholder confidence.</li> </ul>	<ul style="list-style-type: none"> <li>• Strengthened communication and transparency to proactively manage perception risks.</li> <li>• Implementation of brand reputation management frameworks and monitoring mechanisms.</li> <li>• Investment in community partnerships and corporate social investment initiatives to build goodwill.</li> <li>• Continuous improvement in customer service standards to enhance brand trust and loyalty.</li> </ul>
<b>Supply Chain</b>	<ul style="list-style-type: none"> <li>• Limited availability of foreign currency in the formal retail market exposed the business to frequent stockouts on key product lines.</li> <li>• Stringent supplier trading terms driven by exchange rate volatility.</li> <li>• Strained supplier relations due to delays in settlement of vendor accounts.</li> <li>• Vulnerability to global supply chain disruptions affecting imports and lead times.</li> </ul>	<ul style="list-style-type: none"> <li>• Optimising the Group's Enterprise Resource Planning (ERP) System to enhance supply chain efficiency and reduce operational bottlenecks.</li> <li>• Diversified sourcing strategies, including increased reliance on local suppliers for import substitution.</li> <li>• On-shelf price moderation strategies to balance affordability with cost recovery.</li> <li>• Adaptive negotiations with suppliers to secure flexible settlement terms and strengthen supply chain resilience.</li> </ul>
<b>Operational</b>	<ul style="list-style-type: none"> <li>• Increased cases of employee collusion, theft, and fraud driven by economic hardship.</li> <li>• Misappropriation of inventory leading to shrinkage and loss of value.</li> </ul>	<ul style="list-style-type: none"> <li>• Optimisation of the ERP system to enhance monitoring, traceability, and reporting of transactions.</li> <li>• Regular and independent inventory counts to detect and address variances.</li> <li>• Strict disciplinary proceedings and enforcement of zero-tolerance policies for internal control violations.</li> <li>• Strengthened segregation of duties to curtail opportunities for collusion and fraud.</li> <li>• Ongoing employee training and awareness programs to reinforce ethical conduct and internal control compliance.</li> </ul>
	<ul style="list-style-type: none"> <li>• Erratic supply of utilities increasing reliance on costly alternative sources.</li> <li>• Escalating utility tariffs significantly raising operating costs.</li> <li>• Rising overheads from inflationary pressures across the value chain.</li> </ul>	<ul style="list-style-type: none"> <li>• Cost optimization initiatives across all operations, streamlining processes and efficiency measures to reduce input costs.</li> <li>• Phased migration to renewable energy sources.</li> <li>• Implementation of Planned Preventative Maintenance (PPM) programs to reduce downtime and repair costs.</li> <li>• Continuous monitoring of expenses with tighter budgetary controls to enhance cost discipline.</li> </ul>

## RISK MANAGEMENT (continued)

Risk Category	Risk Description	Risk Mitigation Measures
<b>Operational (continued)</b>	<ul style="list-style-type: none"> <li>Inherent health and safety risks relating to food handling, employee, customer, and public safety.</li> <li>Potential reputational and financial impact from non-compliance with health and safety regulations.</li> <li>Increased risk of workplace accidents and injuries in a high-footfall retail environment.</li> </ul>	<ul style="list-style-type: none"> <li>Enhanced health and safety assessments and strict compliance with statutory requirements.</li> <li>Continuous monitoring of the health and safety environment across all operations.</li> <li>Implementation of stringent food safety protocols, including regular inspections, proper storage, and handling procedures to minimise contamination risks.</li> <li>Comprehensive training of employees on health and safety awareness through SHEQ programs.</li> <li>Installation and enforcement of store-level safety measures to safeguard customers, employees and the public.</li> </ul>
<b>Regulatory and Compliance</b>	<ul style="list-style-type: none"> <li>Complementary and/or contradictory regulatory regimes driving costs of compliance for formal retail business impacting profitability.</li> <li>Risk of penalties or reputational damage from non-compliance with applicable laws and regulations.</li> </ul>	<ul style="list-style-type: none"> <li>Continuous engagement with Government and regulatory stakeholders to advocate for a stable and supportive policy environment.</li> <li>Strengthening internal compliance and monitoring frameworks to identify gaps and strengthen regulatory alignment.</li> <li>Proactive participation in industry associations to influence regulatory developments.</li> </ul>
<b>Cybersecurity</b>	<ul style="list-style-type: none"> <li>Compromised data security and exposure of sensitive customer, supplier and company information.</li> <li>System vulnerabilities leading to business disruptions and potential financial loss.</li> <li>Increased risk of cyber-attacks, malware, and phishing attempts.</li> <li>Inadequate user awareness creating exposure to internal security breaches.</li> <li>Regulatory and reputational risks associated with data privacy violations.</li> </ul>	<ul style="list-style-type: none"> <li>Scheduled data backups and deployment of updated antivirus and antimalware solutions.</li> <li>Implementation of a comprehensive disaster preparedness and recovery plan to ensure business continuity.</li> <li>Regular cybersecurity and vulnerability assessments, including penetration testing to detect and address risks.</li> <li>Ongoing employee training on cybersecurity best practices to reduce human-related vulnerabilities.</li> <li>Developments of data protection policies and frameworks aligned with emerging data privacy regulations.</li> </ul>

### Sustainability-Related Risks and Opportunities

The Group places emphasis on managing sustainability risks to address Economic, Environmental, Social, and Governance (ESG) factors that may affect the long-term viability of the business. This includes tracking of our carbon footprint, adopting strategies to reduce greenhouse gas emissions, conserving natural resources and enhancing waste reduction and recycling efforts.

The Group incorporates sustainability risk management into the overall risk framework to ensure a resilient business model that benefits both shareholders and society.



## RISK MANAGEMENT (continued)

Risk	Description	Mitigation Opportunities	Financial Implication
<b>CUSTOMER PREFERENCE</b>	Shifts in market preferences towards more sustainable products and services, as well as potential technological changes, could impact competitiveness if not adapted to promptly.	<ul style="list-style-type: none"> <li>Invest in research and development of sustainable products and services.</li> <li>Monitoring market trends and customer preferences to stay ahead of changes.</li> <li>Developing a clear transition strategy towards sustainability, including adopting new technologies and business models.</li> </ul>	<ul style="list-style-type: none"> <li>Potential loss of market share may lead to reduced revenue if we fail to adapt to evolving consumer preferences.</li> <li>Increased costs related to transitioning business models and processes.</li> </ul>
<b>SUSTAINABLE PRODUCT LINES</b>	Developing and marketing sustainable products can attract environmentally conscious consumers, open new market segments and enhancing brand loyalty.	<ul style="list-style-type: none"> <li>Source products from suppliers who adhere to sustainable practices.</li> <li>Develop and promote eco-friendly product lines.</li> <li>Educate customers about the benefits of sustainable products and practices</li> </ul>	<ul style="list-style-type: none"> <li>High costs associated with developing and marketing new product lines. However, if fully implemented, it will result in high revenue and profits.</li> </ul>



# RISK



**RISK**

**HIGH**

**MEDIUM**

**LOW**

# SUSTAINABILITY

## SUSTAINABILITY

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# SUSTAINABILITY

## Sustainability Approach

Key Pillars of our Sustainability Strategy	<ul style="list-style-type: none"> <li>Environmental Stewardship.</li> <li>Social Responsibility.</li> <li>Economic Prosperity.</li> <li>Governance excellence.</li> </ul>
Goals	<ul style="list-style-type: none"> <li>Reducing greenhouse gas emissions, water consumption and waste generation.</li> </ul>
Commitments	<ul style="list-style-type: none"> <li>Responsible business conduct.</li> <li>Strong relationships with our stakeholders.</li> <li>Transparency and accountability in our governance practices.</li> </ul>

The Group established a sustainability strategy that aligns with business goals and stakeholder expectations. The Group closely track and report our progress towards sustainability objectives using internationally recognised standards and frameworks. The Group believes that effectively managing sustainability performance can generate long-term value for both the business and society. We are dedicated to maintaining high standards that protect our brands and value chains through sustainable business practices.

The Group has reported on its actions and impacts on priority areas on the following sections of our report:

**Anti-Corruption:** The Group operates with integrity and transparency, enforcing a strict zero-tolerance policy against corruption, bribery, fraud, and unethical behaviour. Please see [page 35](#).

**Sustainable Operations:** The Group is dedicated to minimising environmental impact and promoting social responsibility and as such, we implemented a variety of initiatives.

**Human Rights:** We prioritise the protection of human rights by treating all employees fairly and with respect, ensuring equal opportunities, fair disciplinary measures, and transparent grievance processes. Please see [page 35](#).

**Customer Centricity:** The Group's customers are our foremost priority and we are committed to understanding their needs, addressing their challenges, and providing tailored solutions to support their ambitions.

**Good Corporate Citizenship:** We recognise the importance of delivering value to our customers while positively impacting our employees, communities, and the environment.

**Responsible procurement:** The Group is dedicated to responsible procurement as a key component of our sustainability strategy. Please see [page 58](#).



The Group has reported on our actions and impacts on our priority areas on the above sections of our report:





## SUSTAINABILITY (continued)

### Stakeholder Engagement

As a Group, actively interacting with stakeholders provides valuable insights that guide our decision-making, enhance transparency, and build trust. This approach enables us to address concerns, adjust our strategies to align with stakeholder expectations, and advance sustainability initiatives that benefit both our business and the wider community.

### Identifying and Selecting Stakeholders

<b>Stakeholder engagement strategy</b>	Mendelow Matrix (Influence - Impact) prioritisation process.
<b>Stakeholder ranking</b>	According to their level of influence and their impact, or ability to effect change.
<b>Processes</b>	<ul style="list-style-type: none"> <li>• Close monitoring and management of stakeholders with high impact.</li> <li>• Assessing stakeholder dynamics and feedback.</li> <li>• Adapting engagement strategies in real time and ensuring key stakeholders remain satisfied and supportive of our goals.</li> </ul>



Our key stakeholder groups are as follows:

#### INTERNAL STAKEHOLDERS

- Employees
- Shareholders
- Investors

#### EXTERNAL STAKEHOLDERS

- Customers
- Suppliers
- Government & regulators
- Landlords and property owners
- Utility service providers
- Media
- Business and industry associations
- Stakebrokers and analysts
- Local communities



## SUSTAINABILITY (continued)

	Issues Raised	Mitigation Measures	Communication Channel	Frequency of Communication
<b>LANDLORDS &amp; PROPERTY OWNERS</b>	<ul style="list-style-type: none"> <li>• Lease agreements and renewals for operating sites.</li> <li>• Property maintenance and upkeep requirements.</li> <li>• Rental reviews and negotiations.</li> <li>• Store renovations and redevelopment projects.</li> </ul>	<ul style="list-style-type: none"> <li>• Renewed lease agreements for major trading properties, ensuring operational continuity.</li> <li>• Renegotiated rentals in line with business performance and market conditions.</li> </ul>	<ul style="list-style-type: none"> <li>• One on One Meetings</li> <li>• Email and Written Correspondence</li> </ul>	<ul style="list-style-type: none"> <li>• Quarterly</li> <li>• Ad hoc</li> </ul>
<b>EMPLOYEES</b>	<ul style="list-style-type: none"> <li>• Employee welfare amid exchange rate volatility and challenging business conditions.</li> <li>• The need for upskilling and reskilling to meet evolving job demands.</li> <li>• Employee retention and the impact of high staff turnover.</li> <li>• Health and safety awareness.</li> </ul>	<ul style="list-style-type: none"> <li>• Reviewed salaries and benefits in line with industry benchmarks and macroeconomic trends.</li> <li>• Prioritised employee payments despite cashflow constraints.</li> <li>• Expanded health and wellness support initiatives through SHEQ and the OK Health and Wellness Centre.</li> <li>• Prioritised promotion of internal talent to senior management roles.</li> <li>• Rolled out targeted training and development programmes.</li> <li>• Enhanced engagement through internal communication platforms to address welfare concerns, share business performance updates and provide regular information on strategic priorities.</li> </ul>	<ul style="list-style-type: none"> <li>• Employee Newsletter.</li> <li>• Internal Memos.</li> <li>• Team Meetings.</li> <li>• Workers' Committee Meetings.</li> <li>• Liaison Meetings.</li> <li>• Management.</li> <li>• Strategy Sessions.</li> <li>• Leadership Forum Sessions.</li> </ul>	<ul style="list-style-type: none"> <li>• Quarterly</li> <li>• Weekly</li> <li>• Annually</li> <li>• Ad hoc</li> </ul>
<b>CUSTOMERS</b>	<ul style="list-style-type: none"> <li>• Negotiation of trade agreements and trading terms.</li> <li>• Pricing dynamics in a volatile economic environment.</li> <li>• Product availability, including branch-level shortages.</li> <li>• Legacy debt clearance and supplier re-engagement.</li> </ul>	<ul style="list-style-type: none"> <li>• Adjusted trading terms in line with prevailing economic conditions to ensure fair and sustainable agreements.</li> <li>• Concluded settlement arrangements on legacy debt and outstanding creditor balances.</li> <li>• Negotiated flexible payment terms to improve product availability across branches.</li> <li>• Undertook supplier re-engagement initiatives to rebuild confidence and restore relationships.</li> <li>• Strengthened collaboration with key suppliers to enhance reliability and long-term partnerships.</li> </ul>	<ul style="list-style-type: none"> <li>• One on one meetings</li> <li>• Email and Written Correspondence</li> </ul>	<ul style="list-style-type: none"> <li>• Quarterly</li> <li>• Ad hoc</li> </ul>

## SUSTAINABILITY (continued)

	Issues Raised	Mitigation Measures	Communication Channel	Frequency of Communication
<b>CUSTOMERS (continued)</b>	<ul style="list-style-type: none"> <li>Product availability and quality.</li> <li>Shopper experience and service standards.</li> <li>Food safety and public liability matters.</li> <li>Pricing and value competitiveness.</li> </ul>	<ul style="list-style-type: none"> <li>Strengthened communication channels to address business continuity concerns and provide updates on product availability and strategic developments.</li> <li>Enhanced customer service training programmes to improve in-store interactions and service delivery standards.</li> <li>Implemented competitive pricing strategies to attract and retain customers.</li> <li>Expanded social media presence and engagement to strengthen customer relationships and brand visibility.</li> <li>Continued to sharpen the public liability insurance claims process, ensuring swift resolution and customer reassurance.</li> </ul>	<ul style="list-style-type: none"> <li>Website and Social Media Updates.</li> <li>Print and digital Media Adverts.</li> <li>Press Releases.</li> <li>Email and Written Correspondence.</li> </ul>	<ul style="list-style-type: none"> <li>Daily</li> <li>Ad hoc</li> </ul>
<b>SHAREHOLDERS &amp; INVESTORS</b>	<ul style="list-style-type: none"> <li>Financial performance and business outlook.</li> <li>The strategic direction of the Company.</li> <li>Growth prospects and investment opportunities.</li> <li>Dividend policy</li> <li>Information disclosure and reporting standards.</li> </ul>	<ul style="list-style-type: none"> <li>Maintained regular dialogue with institutional investors, potential investors, and analysts, focusing on performance trends, business sustainability, and long-term value creation.</li> <li>Ensured alignment of shareholder priorities with the Group's strategic and operational objectives.</li> <li>Secured shareholder support for capital-raising initiatives.</li> <li>Communicated dividend policy decisions clearly and consistently.</li> <li>Regular financial disclosures.</li> </ul>	<ul style="list-style-type: none"> <li>Website updates</li> <li>Press Releases</li> <li>Circulars</li> <li>Analyst Briefings</li> <li>Extra-ordinary General Meeting</li> <li>Annual General Meeting</li> <li>Trading Updates</li> <li>Annual Report</li> </ul>	<ul style="list-style-type: none"> <li>Quarterly</li> <li>Ad hoc</li> <li>Bi-annually</li> <li>Annually</li> </ul>
<b>LOCAL COMMUNITIES</b>	<ul style="list-style-type: none"> <li>Community support and donations.</li> <li>Environmental preservation and awareness initiatives.</li> <li>Impact assessment of business-sponsored community development projects.</li> <li>Facility tours at potential beneficiary sites.</li> </ul>	<ul style="list-style-type: none"> <li>Integrated CSR initiatives into marketing and promotional activities to enhance visibility and impact.</li> <li>Partnered with local community groups and other stakeholders to implement environmental awareness campaigns and clean-up programmes.</li> <li>Increased transparency through regular disclosures on CSR initiatives and outcomes.</li> <li>Aligned CSR initiatives with the Group's business performance to ensure sustainable support and long-term community impact.</li> </ul>	<ul style="list-style-type: none"> <li>One on One Meetings</li> <li>Site Visits</li> <li>Email and Written Correspondence</li> </ul>	<ul style="list-style-type: none"> <li>Quarterly</li> <li>Ad hoc</li> </ul>

## SUSTAINABILITY (continued)

	Issues Raised	Mitigation Measures	Communication Channel	Frequency of Communication
<b>GOVERNMENT &amp; REGULATIONS</b>	<ul style="list-style-type: none"> <li>Ease of doing business.</li> <li>Financial disclosure and reporting.</li> <li>Collaborative opportunities with regulators.</li> <li>Regulatory costs and licensing fees.</li> <li>Compliance with laws and regulations.</li> <li>Emerging regulatory changes and impact on business.</li> <li>Corporate governance standards.</li> </ul>	<ul style="list-style-type: none"> <li>Engaged with the Government on the review of licensing fees and related regulatory costs through the Parliamentary Portfolio in the Ministry of Industry and Commerce</li> <li>Ensured strict adherence to all regulatory and statutory obligations despite the financial distress the business experienced.</li> <li>Monitored regulatory developments to enable timely compliance adjustments.</li> <li>Continued to enhance the Group's corporate governance framework in line with best practice.</li> </ul>	<ul style="list-style-type: none"> <li>One on One Meetings</li> <li>Email and Written Correspondence</li> </ul>	<ul style="list-style-type: none"> <li>Quarterly</li> <li>Ad hoc</li> </ul>
<b>MEDIA</b>	<ul style="list-style-type: none"> <li>Brand reputational management.</li> <li>Communication strategies for enhanced stakeholder engagement and media presence.</li> <li>Crisis management and response.</li> <li>Access to accurate and timely business information.</li> </ul>	<ul style="list-style-type: none"> <li>Proactively engaged with the media to strengthen brand perception and visibility.</li> <li>Adopted transparent communication practices to ensure accuracy and credibility in stakeholder interactions.</li> <li>Increased access to timely business information through press releases, media briefings and corporate updates.</li> <li>Expanded use of digital platforms and social media to improve reach and media responsiveness.</li> <li>Established crisis management and response protocols to mitigate reputational risks and manage stakeholder perception.</li> <li>Aligned communication strategies with strategic priorities to reinforce the Group's positioning and value proposition.</li> <li>Maintained consistent engagement to support strategic initiatives.</li> </ul>	<ul style="list-style-type: none"> <li>Website updates</li> <li>Press Releases</li> <li>Circulars</li> <li>Analyst Briefings</li> <li>Extra-ordinary General Meeting</li> <li>Annual General Meeting</li> <li>Trading Updates</li> <li>Annual Report</li> </ul>	<ul style="list-style-type: none"> <li>Quarterly</li> <li>Ad hoc</li> <li>Bi-annually</li> <li>Annually</li> </ul>
<b>STOCKBROKERS &amp; ANALYSTS</b>	<ul style="list-style-type: none"> <li>Business direction in response to changes in the operating environment.</li> <li>Investment opportunities and the Group's growth plans.</li> <li>Shifts in the competitive landscape.</li> <li>Financial performance and reporting.</li> </ul>	<ul style="list-style-type: none"> <li>Provided regular financial updates and detailed performance reports.</li> <li>Conducted in-depth market analysis to share insights on operating conditions and competitive dynamics.</li> <li>Enhanced disclosures to highlight the Group's investment potential and long-term value proposition.</li> <li>Actively involved analysts in the launch of new offerings and value propositions.</li> <li>Maintained and continuously updated the Group's analyst and broker database to strengthen communication flow.</li> </ul>	<ul style="list-style-type: none"> <li>One on One Meetings</li> <li>Analyst Briefings</li> <li>Press Releases</li> <li>Trading updates</li> </ul>	<ul style="list-style-type: none"> <li>Quarterly</li> <li>Ad hoc</li> <li>Bi-annually</li> <li>Annually</li> </ul>



## SUSTAINABILITY (continued)

	Issues Raised	Mitigation Measures	Communication Channel	Frequency of Communication
UTILITY SERVICE PROVIDERS	<ul style="list-style-type: none"> <li>• Service quality, availability, and reliability.</li> <li>• High costs associated with alternative sourcing of utilities.</li> <li>• Settlement negotiations amid cashflow constraints.</li> <li>• Sustainable waste management initiatives.</li> </ul>	<ul style="list-style-type: none"> <li>• Advocated for fair cost structures and transparent billing practices to reduce operational strain.</li> <li>• Prioritised settlement of outstanding utility bills to sustain service continuity despite cash flow constraints.</li> <li>• Enhanced coordination with service providers to improve availability, quality, and reliability across all store locations.</li> <li>• Maintained continuous engagement with providers on service delivery standards and long-term improvements.</li> <li>• Explored partnerships on sustainable waste management and energy-efficiency initiatives.</li> </ul>	<ul style="list-style-type: none"> <li>• One on One Meetings</li> <li>• Email and Written Correspondence</li> </ul>	<ul style="list-style-type: none"> <li>• Quarterly</li> <li>• Ad hoc</li> </ul>
BUSINESS & INDUSTRY ASSOCIATIONS	<ul style="list-style-type: none"> <li>• Industry trends and challenges in the operating environment.</li> <li>• High compliance and regulatory costs.</li> <li>• Collaboration opportunities within the sector.</li> <li>• Advocacy and lobbying on industry-specific issues.</li> <li>• Knowledge-sharing platforms and capacity-building initiatives.</li> <li>• Representation of sector concerns in policy dialogue.</li> </ul>	<ul style="list-style-type: none"> <li>• Maintained continuous engagement with associations to promote ease of doing business in a challenging environment.</li> <li>• Actively participated in industry forums and discussions to shape collective responses to sector challenges e.g. Confederation of Zimbabwe industries (CZI).</li> <li>• Partnered in collaborative advocacy efforts to influence policies and address industry-wide concerns.</li> <li>• Supported association-led initiatives aimed at enhancing regulatory efficiency and lowering compliance costs.</li> </ul>	<ul style="list-style-type: none"> <li>• One on One Meetings</li> <li>• Email and Written Correspondence</li> </ul>	<ul style="list-style-type: none"> <li>• Quarterly</li> <li>• Ad hoc</li> <li>• Bi-annually</li> <li>• Annually</li> </ul>

# SUSTAINABILITY (continued)

## Sustainability Materiality Assessment

The Group continues to strengthen its sustainability reporting through a formalised materiality process guided by the Global Reporting Initiative (GRI) Standards and the Sustainability Accounting Standards Board (SASB), for sector-specific indicators, benchmarking with other leading retail companies.

Our materiality process which follows a structured multi-stage cycle of Review, Identification, Prioritisation and Approval begins with comprehensive desktop research and surveys to uncover and evaluate Environmental Social and Governance issues most relevant to both our Group and external stakeholders.

Senior management prioritises and approves the final list of material topics based on their assessment of stakeholder interests and the Group's strategic priorities.

This methodology ensures our sustainability efforts remain strategically focused, effectively reflecting stakeholder priorities, industry benchmarks and evolving global trends, reinforcing our commitment to driving meaningful impact across our operations.

### Topic Identification

This process involves a review of materiality topics from the previous year, engaging with stakeholders, and evaluating material topics identified by other companies in our industry.

### Topic Prioritisation

Topics identified are ranked as material based on their significance to the business and stakeholders' interests.

### Topic Selection and Matrix Generation

Topics are validated and approved, ensuring alignment with our business activities, these are plotted on a matrix to depict their importance to the business and external stakeholders.

In FY2025, the following topics were identified as significant and important to both the business and stakeholders:

- Food Quality and Safety
- Product Accessibility and Affordability
- Regulatory Compliance
- Financial Performance
- Energy
- Cyber Security and Privacy Protection

### Material Topics

Our material topics were categorised into economic, environmental, social and governance topics as presented below:

ECONOMIC	ENVIRONMENT	SOCIAL	GOVERNANCE
Topics that cover the flow of capital among different stakeholders, economy, and value chains of the business.	Topics that cover the effects of our operations on both living and non-living elements of the ecosystems.	Topics that cover the impacts on communities, societies, and individuals affected by our activities.	Topics that cover the effects on the system of rules, practices, and processes that guide and govern our operations.
<ul style="list-style-type: none"> <li>• Tax management</li> <li>• Financial Performance</li> <li>• Responsible sourcing</li> <li>• Anti-corruption</li> </ul>	<ul style="list-style-type: none"> <li>• Climate Change</li> <li>• Water &amp; Effluents</li> <li>• Energy</li> <li>• Waste</li> <li>• Packaging Material</li> </ul>	<ul style="list-style-type: none"> <li>• Occupational Health and Safety</li> <li>• Diversity and Inclusion</li> <li>• Employment</li> <li>• Education and Training</li> <li>• Employee Relations</li> <li>• Human Rights</li> <li>• Corporate Social Responsibility</li> <li>• Food Quality and Safety</li> </ul>	<ul style="list-style-type: none"> <li>• Business Ethics and Compliance</li> <li>• Cybersecurity and Privacy Protection</li> <li>• Retail Security Practices</li> <li>• Chemical Use</li> <li>• Regulatory Compliance</li> <li>• Product Accessibility and Affordability</li> </ul>

## SUSTAINABILITY (continued)

### The Materiality Matrix

Below is a graphical presentation of our materiality matrix:



### Our Priority SDGs

#### OUR PRIORITY SDGs



### Our Prioritisation of SDGs

The Group has strategically aligned its business practices with the 2030 agenda for sustainable development, committing to make meaningful contributions towards the achievement of all 17 SDGs. The Group prioritised 6 key SDGs for impactful contribution through its business actions.

This prioritisation process is informed by the Group's Environmental, Social and Governance Framework and Corporate Social Investment Policy, allowing it to identify high-impact opportunities and focus resources accordingly. The business regularly monitors and evaluates its performance against these SDGs, setting targets and implementing initiatives to enhance its positive impact on the global sustainable development agenda.

Risks and Opportunities of SDGs to the Community

Risks	Opportunities
Inadequate infrastructure limiting access to quality healthcare services.	Continued investment in the development and modernisation of healthcare facilities and services in underserved areas.
Water scarcity or contamination posing risks to public health and sanitation.	Expansion of water infrastructure and promotion of community education on conservation and hygiene.
Dependence on non-renewable energy sources and energy supply disruptions hindering attainment of sustainability objectives.	Acceleration of renewable energy initiatives, particularly solar, to diversify energy mix.
Economic instability, high unemployment, or poor labour practices undermining progress toward decent work and inclusive growth.	Implementation of policies and support programs aimed at strengthening SMEs and local farmers to stimulate economic growth and job creation.
Social unrest or discrimination hindering efforts to achieve equality and inclusivity.	Develop and implement programs that empower and support marginalised communities.





# SUSTAINABLE RETAIL VALUE CHAIN

## SUSTAINABLE RETAIL VALUE CHAIN

- 57 Packaging Materials
- 57 Chemical Use
- 57 Product Labelling and Transparency
- 58 Food Quality and Safety
- 58 Responsible Sourcing
- 59 Procurement



## SUSTAINABLE RETAIL VALUE CHAIN

### Packaging Materials

The Group recognises the significant role packaging plays in ensuring product safety, reliability, and customer satisfaction. The use of correct packaging ensures product safety, reliability, and shelf stability, enhancing customer service while reducing food waste. This contributes to a positive perception of the business as customers appreciate our commitment to quality and efficiency. However, substantial negative impacts may arise from the use of non-degradable packaging which may contaminate the environment. Further, production and disposal of non-degradable packaging emit greenhouse gases like methane, contributing to global warming.

The Group is committed to responsible packaging management through adherence to the Environmental Management Act Chapter [20:27], which governs hazardous waste disposal and underscores the importance of minimising harmful impacts associated with packaging materials. The Group introduced non-woven and paper bags to reduce reliance on plastic bags, encourage reuse and minimise plastic waste disposal. We transitioned to recyclable materials for packaging in delis, bakeries and fruit and vegetable departments, further enhancing our commitment to reducing environmental impact and promoting sustainable practices.

Processes	• Internal audits on procured packaging materials.
Targets	• 100% use of recyclable material on all packaging by December 2030.
KPIs	• Quantity of reusable packaging materials procured.

Packaging purchases during the reporting period was as follows:

	Unit	2025	2024	2023
Polyethylene bags	Each	7,657,280	6,479,108	8,220,539
Khaki bags	Each	-	2,594	-
De-gradable Packaging	Each	-	10,214	29,587

### Chemical Use

Chemical use and management within the Group significantly influences various aspects of the environment, economy and human health. Our proper handling, storage and disposal of chemicals contribute to reduced liabilities and risks. We ensure compliance with chemical safety standards to decrease environmental pollution and contamination. However, through accidental spills during chemical handling and hazardous waste generation, challenges may arise. Chemical exposure incidents can lead to health risks and result in regulatory penalties which adversely impact the Group's operations.

We are dedicated to effective chemical use and management through our Safety Health Environment Quality (SHEQ) Policy. We are committed to providing a safe environment for all employees, contractors, visitors and the public. The Group implemented a Chemical Management System designed to protect employees, suppliers, and customers while reducing the overall chemical footprint. The Group conducts training programs that educate employees on the proper handling, usage and storage of chemicals. Centralised purchasing practices have been established to monitor

chemical consumption patterns, enhancing efficiency and oversight. Regular risk assessments and safety audits are conducted to evaluate chemical management practices, while Personal Protective Equipment (PPE) is provided to employees to ensure their safety during chemical handling.

Goals	• Reduce chemical waste generation and its adverse effects on human health and the environment.
Targets	• Zero fines and penalties for improper chemical handling, storage and disposal. • Zero fatalities related to chemical exposure.
KPIs	• Number of chemical-related incidents, accidents and fatalities. • Fines and penalties from chemical regulating bodies.
Progress	• No fines from Environmental Management Agency (EMA) and National Social Security Authority (NSSA) during the period under review. • Reduction in chemical exposure incidents.

### Product Labelling and Transparency

The Group recognises the significance of product labelling and transparency as it leads to improved customer confidence and increased sales as customers make more informed purchasing decisions. Our initiatives contributed to a positive perception of the Group's ethical business practices. While no actual negative impacts have been reported, we acknowledge the potential negative impacts which include customer dissatisfaction and complaints, reduction in sales due to loss of trust, legal or financial penalties for non-compliance with labelling regulations.

We adhere to S.I 265 Food and Food Standards (Food Labelling) Regulations of 2002 which govern food standards and labelling practices to ensure compliance with product labelling regulations. We are committed to maintaining high standards in communication with consumers on product labelling. The Group conducts internal audits to inform suppliers about labelling requirements and verifies claims on labels through appropriate product certifications. The Group mandates suppliers to provide assessment certifications to substantiate any claims made on their labels. For OK branded products, compliant labelling is a prerequisite for supplier onboarding.



## SUSTAINABLE RETAIL VALUE CHAIN (continued)

<b>Target</b>	<ul style="list-style-type: none"> <li>• Achieve 100% compliance with labelling regulations by December 2030.</li> </ul>
<b>KPIs</b>	<ul style="list-style-type: none"> <li>• The number of internal supplier audits on product labelling.</li> </ul>
<b>Progress</b>	<ul style="list-style-type: none"> <li>• Absence of customer complaints related to false labelling.</li> <li>• Conducted audits on approximately 250 suppliers and enforced labelling requirements.</li> </ul>

### Food Quality and Safety

We are committed to upholding the highest standards of food quality and safety, recognising that maintaining these standards is essential for enhancing consumer trust and loyalty. Adhering to strict food safety protocols protects our customers and builds a strong reputation that differentiates us in a competitive market. However, lapses in food safety can have serious consequences. For instance, if a food safety issue arises such as contamination leading to foodborne illnesses, it can pose significant health risks to consumers, resulting in loss of consumer confidence in our brand. In addition to health risks, this can result in fines and penalties imposed by regulatory bodies, which can be substantial and impact our financial standing. Further, negative media coverage surrounding a food safety incident can damage our reputation, leading to a decline in sales as customers choose to shop elsewhere.



<b>Our management approach</b>	<ul style="list-style-type: none"> <li>• All food handlers undergo medical examination bi-annually.</li> <li>• Rigorous internal audits are conducted by our technical team on all food products before they are sold.</li> <li>• Strong partnerships with our suppliers, engaging in collaborative efforts to improve food safety and quality across the entire supply chain.</li> <li>• Routine food safety audits are conducted for all branches with fast foods.</li> </ul>
<b>Goals</b>	<ul style="list-style-type: none"> <li>• To assure our customers that the products they buy are safe and of the highest standard by implementing rigorous controls and processes.</li> </ul>
<b>KPIs</b>	<ul style="list-style-type: none"> <li>• Number of customer complaints on food safety and quality.</li> <li>• % of non-conformity to total suppliers visited per cycle from audit reports.</li> <li>• % of Food waste to total sales.</li> </ul>
<b>Assessments</b>	<ul style="list-style-type: none"> <li>• Most small to medium enterprises lack food safety standards and through the Enterprises development we offered Food technologist to assist the suppliers.</li> <li>• We noted customer complaints on Food quality in our premium stores and developed the process on how to store baked goods to maintain freshness for longer.</li> <li>• We came up with standardised formulations and recipes in manufacturing departments.</li> <li>• Suppliers have improved the quality of products and are adhering to food safety, quality and labelling requirements outlined by the Group.</li> </ul>

### Responsible Sourcing

As a Group committed to responsible sourcing and supply chain management, we recognise the importance of maintaining a strong reputation and brand image. By prioritising ethical and sustainable practices, we believe we can enhance our reputation and differentiate our brand in the market. We understand that the decisions we make regarding our suppliers can have significant social and environmental impacts.

As such, we are dedicated to ensuring the health and safety of our consumers by eliminating any risk of defective products. We take a firm stance against employee exploitation, and we thoroughly vet our suppliers to ensure they comply with all relevant labour laws and regulations and are registered with the National Social Security Authority (NSSA).



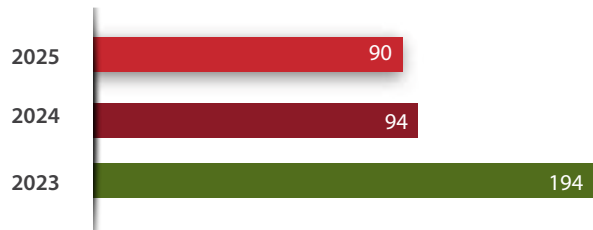
SUSTAINABLE RETAIL VALUE CHAIN (continued)

Responsible Sourcing (continued)

Commitments	<ul style="list-style-type: none"><li>No preferential treatment to suppliers, maintaining fair and balanced relationships with suppliers.</li></ul>
Actions Taken	<ul style="list-style-type: none"><li>Managing existing supplier relationships.</li><li>Engaging SMEs in business to promote local businesses.</li><li>Ensuring payments are done as per agreed timelines.</li><li>Implementing a digital contract management system.</li></ul>
Progress	<ul style="list-style-type: none"><li>Enterprise resource management, an internal resource conducts supplier audits for all new suppliers before onboarding.</li></ul>

During the reporting period, our supplier evaluation was as follows:

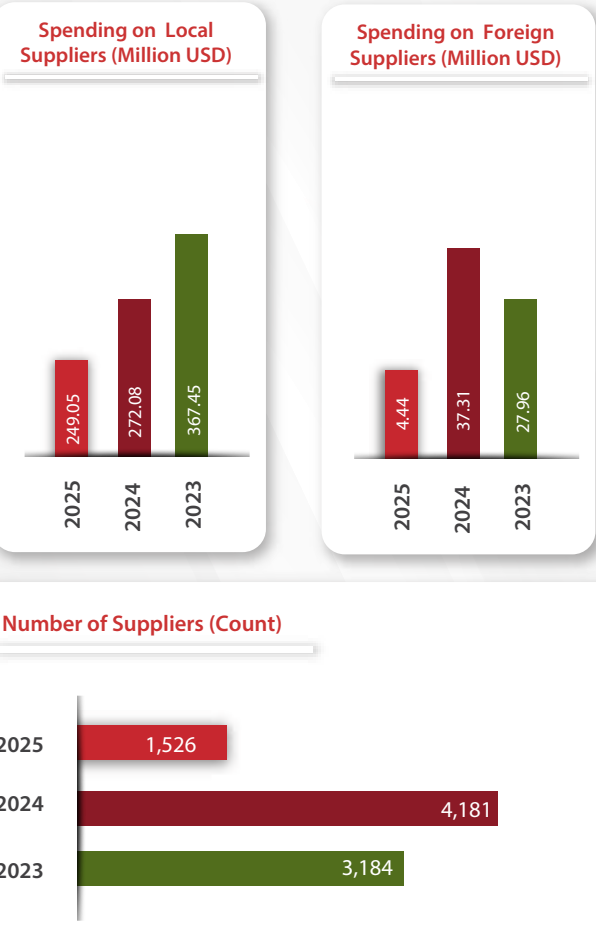
Suppliers Assessed for Social and Environmental Impacts



The 4% supplier assessment reduction was due to the onboarding of fewer new suppliers compared to the prior year because of the decrease in demand.

Procurement

The Group’s procurement figures for FY25 were as follows:





# OPERATIONAL RESILIENCE

## OPERATIONAL RESILIENCE

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- 61 Water
- 62 Energy



# OPERATIONAL RESILIENCE



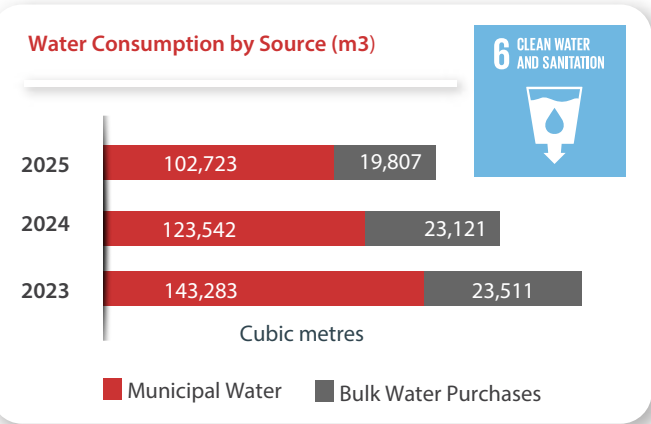
There was a significant drop in municipal water usage and bulk water purchases by 17% and 14%, respectively. Decline in business activity during the last half of the financial year reduced overall water demand.

## Water

As a Group, we understand that improved operations through optimisation of production processes reduces water consumption and optimises resource use. We aim to decrease bulk water purchases, leading to substantial cost savings and reducing our environmental footprint. However, inefficient water management can contribute to water scarcity, and water pollution due to improper disposal of solid waste and chemical spills.

Goals	<ul style="list-style-type: none"><li>• To ensure the efficient utilisation of water resources and guaranteeing access to clean and safe water that supports human and environmental health.</li></ul>
Actions Taken	<ul style="list-style-type: none"><li>• SHEQ representatives were trained to champion water conservation.</li><li>• The Group commemorates the World Water Day by sharing practical water-saving tips and the importance of sustainable water practices.</li><li>• We implemented initiatives to optimise production processes.</li><li>• We conducted preventative maintenance program to address leakages in the water distribution infrastructure.</li></ul>
Evaluation and Assessment	<ul style="list-style-type: none"><li>• Periodic internal audits are conducted to assess compliance with the Group's Safety, Health, Environment and Quality Policy and to evaluate water conservation initiatives.</li><li>• Throughout the review period, we did not receive fines from the Environmental Management Agency (EMA) related to effluent discharge.</li><li>• No reportable diseases linked to water contamination were recorded within the Group.</li><li>• Centralising branch bulk water purchases has been crucial for tracking usage and enhancing purchasing efficiency.</li></ul>

During the period under review, our water withdrawal was as follows:



## OPERATIONAL RESILIENCE (continued)

7 AFFORDABLE AND  
CLEAN ENERGY



### Energy

The Group is committed to responsible energy management for the long-term sustainability of the business. Perennial power cuts necessitated reliance on back-up diesel generators negatively contributing to carbon footprint.

This underscores the need to accelerate the transition to renewable energy solutions. However, progress towards migrating to solar solutions was hindered by liquidity constraints and the suboptimal performance of the business. The Group will continue to

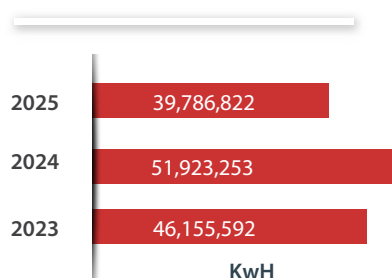
<b>Energy Saving Policy</b>	<ul style="list-style-type: none"> <li>• To promote gas heating over electric heating in food manufacturing departments for selected stores.</li> </ul>
<b>Our Targets</b>	<ul style="list-style-type: none"> <li>• To achieve the following targets within the next 2 years (by 2027):</li> <li>• 3% reduction in lighting.</li> <li>• 15% reduction in heating.</li> <li>• 8% reduction in ventilation and air conditioning.</li> <li>• 13% reduction in refrigeration.</li> </ul>
<b>Our KPIs</b>	<ul style="list-style-type: none"> <li>• Total energy consumed from the grid.</li> <li>• Fuel consumption by generators.</li> <li>• Solar energy yield.</li> <li>• Energy cost per square of retail space.</li> </ul>
<b>Assessments</b>	Compare actual reductions against targets <ul style="list-style-type: none"> <li>• Identifying under-performing stores and equipment.</li> <li>• Prioritise retrofits (e.g LED upgrades, inverter HVAC).</li> <li>• Extend gas heating conversion program.</li> <li>• Schedule proactive maintenance on refrigeration/HVAC.</li> </ul>



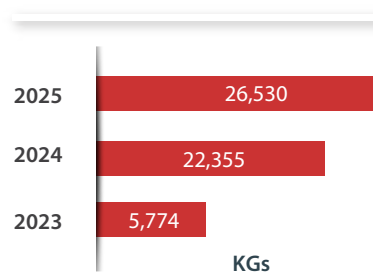
### Energy Consumption

For FY2025, our energy consumption for both inside and outside the Group was as follows:

#### Electricity (KwH)



#### Liquid Petroleum Gas (Kg)

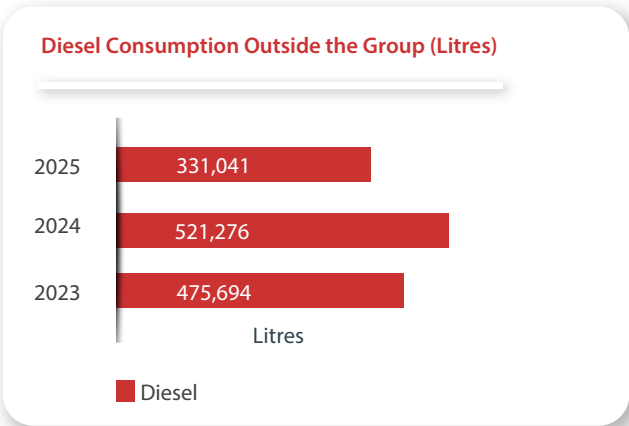
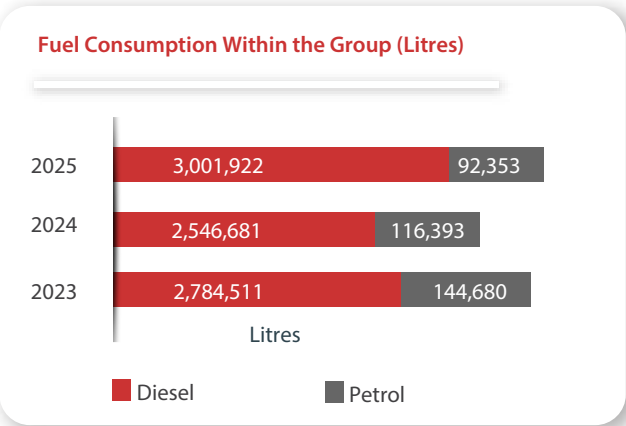


Electricity consumption declined significantly by 23% due to intermittent availability of grid electricity at major operations during the period.

Liquid Petroleum gas usage increased by 19% due to transition to gas heating in selected stores.

# OPERATIONAL RESILIENCE (continued)

Fuel consumption by the Group for the period under review were as follows:

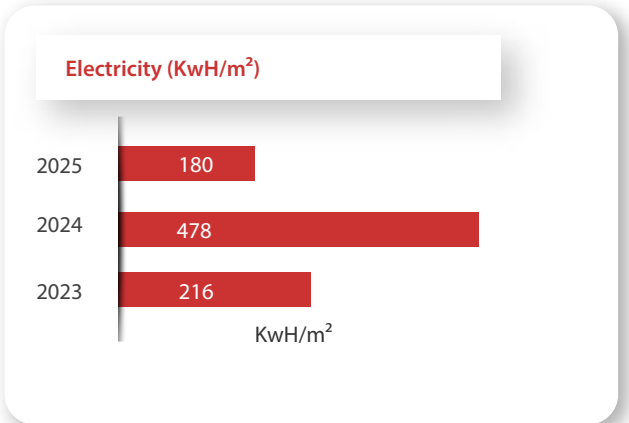
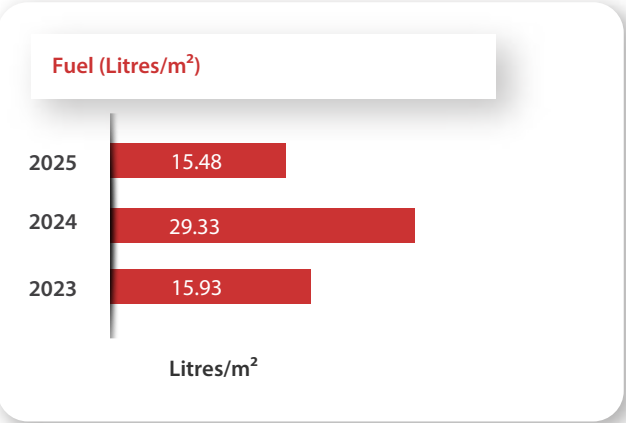


Perennial power outages increased generator diesel usage by 18%. The Group's fleet optimisation and cost rationalisation initiatives led to a substantial decrease in petrol consumption by 21%, driven by efforts to enhance fleet efficiency and lower fuel expenses.

Diesel usage outside the Group decreased by 36% due to a significant decline in business activity during the second half of the financial year.

## Energy Intensity

The Group energy intensity for the reporting period was as follows:





# CLIMATE CHANGE

## CLIMATE CHANGE

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- 65 Climate Change
- 65 Climate-Related Risks and Opportunities
- 66 Waste
- 67 Greenhouse Gass Emmissions



## CLIMATE CHANGE

### Climate Change

Goals	<ul style="list-style-type: none"> <li>To optimise energy consumption by allocating budget towards clean energy sources.</li> </ul>
Commitments	<ul style="list-style-type: none"> <li>Committed to achieving Net Zero emissions from electricity consumption.</li> </ul>
Actions taken	<ul style="list-style-type: none"> <li>Five stores are operating on solar energy systems. The transition to solar not only improves energy security and cost stability across the network but also supports our sustainability agenda by lowering our carbon footprint and aligning with national and global decarbonisation targets.</li> </ul>

The Group is committed to addressing climate change, recognising that these efforts generate meaningful positive impacts on our operations and community. Promoting energy efficiency and transitioning to renewable resources reduces our carbon footprint while enhancing our brand reputation and attracting environmentally conscious consumers.

However, we face challenges such as pollution from diesel-generated energy, and climate induced disruptions in our supply chain, which affect our operations and product availability.

### Climate-Related Risks and Opportunities

	Description	Classification	Mitigation Opportunities	Financial Implications
Changes in Laws and Regulations	Stricter environmental regulations and policies such as the Climate Change Bill aimed at reducing carbon emissions could increase operational costs and require significant compliance investments.	Transitional	<ul style="list-style-type: none"> <li>Staying informed about sustainability regulatory changes and engaging in policy dialogues.</li> <li>Conducting regular environmental audits to ensure compliance and identify areas for improvement.</li> </ul>	<ul style="list-style-type: none"> <li>Increased operational costs due to compliance requirements.</li> <li>Potential fines and penalties for non-compliance.</li> </ul>
Extreme Weather Events	Increased frequency and severity of extreme weather events (e.g., floods, droughts) can disrupt supply chains, damage infrastructure, and lead to operational interruptions.	Physical	<ul style="list-style-type: none"> <li>Enhance the resilience of supply chains by diversifying suppliers and sourcing locally where possible.</li> <li>Invest in infrastructure to withstand extreme weather conditions.</li> <li>Developing and implementing emergency response plans and disaster recovery strategies.</li> </ul>	<ul style="list-style-type: none"> <li>Increased repair and maintenance costs for damaged infrastructure.</li> <li>Potential loss of revenue due to operational downtime.</li> <li>Higher insurance premiums.</li> </ul>
Renewable Energy	Utilising renewable energy sources e.g. solar can reduce dependence on fossil fuels, lower energy costs, and enhance corporate image as a sustainable business.	Physical	<ul style="list-style-type: none"> <li>Installing solar panels on store rooftops and explore other renewable energy sources.</li> <li>Partner with renewable energy providers for a stable supply of green energy.</li> </ul>	<ul style="list-style-type: none"> <li>Initial capital investment in renewable energy installations.</li> </ul>

## CLIMATE CHANGE (continued)

### Waste

The Group is committed to minimising waste and protecting the environment through responsible disposal of waste from the stores. We recognise the importance of stakeholder engagement and partnerships, as well as education and awareness in fostering ownership and changing behaviours to support successful waste management. Our commitment emphasises the recycling of materials such as plastics and paper. We partner with recycling companies and practice Extended Producer Responsibility (EPR) for reusable products.

<b>SHEQ Policy</b>	• Commits to providing a safe, environmentally considerate, and high-quality working environment.
<b>Policy Commitments</b>	• We conduct periodic internal audits and regular inspections for compliance with the SHEQ Policy to ensure that our performance aligns with waste management best practices.

We recognise the importance of stakeholder engagement and partnerships, as well as education and awareness to support successful waste management. The Group incorporated a cradle-to-cradle approach into procedures, ensuring that waste is collected by an authorised waste management company and that it engages regularly with key stakeholders, such as local authorities and municipalities, to address challenges and progress in waste management efforts.

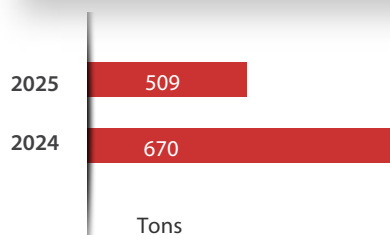
Our goals and the progress made are highlighted below:



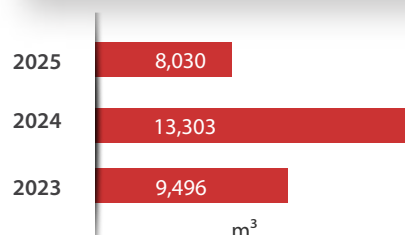
Goal	Targets	KPIs	Progress Made
Reduce waste generation and minimise the adverse impacts of waste on human health and the environment.	<ul style="list-style-type: none"> <li>▪ Achieve an annual 30% decrease in the amount of general waste collected for landfill disposal.</li> <li>▪ Account for all waste produced.</li> <li>▪ Recycling as much waste as possible while increasing employee participation in waste reduction efforts.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Total amount of waste collected for disposal.</li> <li>▪ Number of penalties by regulatory authorities.</li> <li>▪ Cleanliness and health of the environment.</li> </ul>	<ul style="list-style-type: none"> <li>• Our actions have been effective, as evidenced by the lack of fines from the Environmental Management Agency (EMA) and a 24% reduction in the amount of waste collected for landfills.</li> </ul>

Waste for the reporting period was as follows:

#### Waste Generated (Tons)



#### Waste Directed to Disposal (m<sup>3</sup>)



## CLIMATE CHANGE (continued)

### Greenhouse Gas (GHG) Emissions

The Group acknowledge the importance of improved air quality, which benefits public health and aligns with regulatory and policy requirements governing our responsibility to assess our impact on greenhouse gas emissions. Embracing these requirements presents opportunities for growth in renewable energy, energy efficiency, and other green industries, ultimately creating new employment opportunities. However, our reliance on grid power generated from diesel, and other energy sources may contribute to pollution. Carbon emissions from our vehicles, generators, and equipment also impact greenhouse gas emissions.

#### Commitments

- The Group measures air quality to ensure that our operations have minimal negative impacts on the environment.
- The Group adopted clean sources of energy to reduce carbon emissions from fossil fuels, including the installation of solar systems in selected branches.
- The Group prioritise cleaner technologies when selecting refrigeration, HVAC, and lighting systems for selected stores, as well as continually upgrading equipment to ensure cleaner exhaust air quality.

Our goal and targets are highlighted below:

Goal	Targets
Reduce carbon emissions across all our facilities.	Reduce Greenhouse Gas emissions by 13% after full solar rollout.

The Group uses processes such as annual generator emissions tests conducted by independent third parties and ensure ongoing compliance with emissions standards. We learnt the importance of allocating budgets for GHG emissions reduction initiatives and technologies. This foresight ensures that our efforts are adequately funded and sustainable going forward.

### Generator Emissions

The Group measured emissions from the generators at all branches and sites. Emission monitoring provides insights into our carbon footprint and how we may apply measures to reduce our impacts. The emissions were as follows:

Parameter	Bulawayo	Harare	Mash West	Mash Central	Mash East	Mat North	Mat South	Masvingo	Manica-land	Midlands
Sulphur dioxide (SO <sub>2</sub> )	19.1	12.4	12.8	18.0	15.7	11.0	10.0	14.8	16.1	19.6
Particulate (PM) mg/ m <sup>3</sup>	32.0	11.3	27.2	14.0	17.0	14.2	9.0	37.9	24.8	36.5
Nitrogen oxides (NOX) mg/m <sup>3</sup>	99.6	107.0	95.7	98.0	100.3	112.3	62.0	102.9	124.8	119.8
Carbon monoxide (CO) mg/m <sup>3</sup>	85.1	80.9	67.7	72.0	64.3	76.2	66.0	83.6	75.5	95.9

### Carbon Footprint

#### Emission Factors and Methodology

The Group monitors emissions from both stationary and non-stationary sources, and aims to reduce fuel consumption.

**Scope 1 Emissions (Direct Emissions):** These emissions arise directly from sources owned or controlled by OK Zimbabwe Limited, including stationary sources like generators and mobile sources such as vehicles.

**Scope 2 Emissions (Indirect Emissions):** These emissions result from the consumption of electricity generated by third parties in our offices, excluding the emissions from the electricity supplier.

Scope 1 and 2 emissions were activity based and calculated using the Greenhouse Gas (GHG) Protocol emissions factors to determine carbon emission equivalency. For petrol, the emission factors were reduced by 5% to reflect the blending ratio used in Zimbabwe. The emission factors for grid electricity were increased by 10% to account for our energy mix, which includes both thermal and hydro power sources.





## CLIMATE CHANGE (continued)

Our emissions from fuel consumption inside the Group were as follows:

### Scope 1: Diesel (Kg CO<sub>2</sub>e/Litre)



### Scope 1: Petrol (Kg CO<sub>2</sub>e/Litre)



### Scope 2: Electricity (Kg CO<sub>2</sub>e/KwH)



Our emissions from fuel consumption outside the Group were as follows:

### Scope 1: Diesel (kgCO<sub>2</sub>/TJ)







# EMPLOYEES

## EMPLOYEES



- 71 Human Capital Management
- 72 Employment
- 73 Freedom of Association and Collective Bargaining.
- 75 Employee Welfare
- 75 Employee Relations
- 76 Occupational Health and Safety
- 76 Training and Education



# Employees

## Human Capital Management

The Group prioritises a balanced approach to employment practices, aiming to consider and address impacts on employees. This includes providing productive employment opportunities for professional and career development and improving employee’s quality of life. The Group seeks to maintain positive outcomes such as a positive employer brand, good net promoter scores, increased productivity, and enhanced employee wellbeing. We acknowledge the potential negative impacts, such as poor work-life balance, dependence on the employer, poor mental health, injuries, and employee burnout.

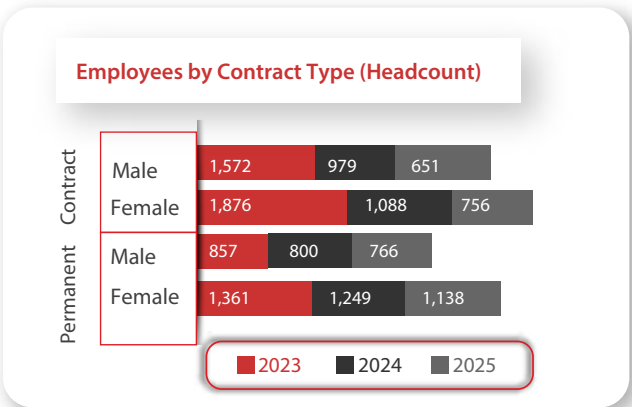
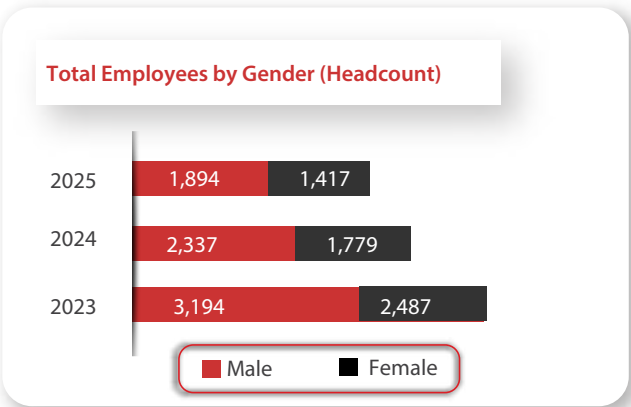
Policies	<ul style="list-style-type: none"> <li>Human Resources (HR) Policy Manual.</li> <li>Codes of Conduct for both managerial and non-managerial employees..</li> </ul>
Policy Commitments	<ul style="list-style-type: none"> <li>To be an equal opportunity employer that prioritises employee wellbeing and compliance with labour regulations.</li> <li>Provide training and development programmes to prepare employees for the next step in their careers.</li> <li>Increase productivity and efficiency.</li> <li>Provide a safe working environment that promotes communication and involvement of the employees in line with our strategy.</li> </ul>



The Group monitors the effectiveness of these interventions through performance management, and employee mood tracking, among other measures. Our goal and the progress made are highlighted below:

Goal	Targets	KPIs	Progress Made
<ul style="list-style-type: none"> <li>Improved employee retention.</li> <li>Enhanced employee engagement.</li> </ul>	<ul style="list-style-type: none"> <li>Performance Management culture.</li> </ul>	<ul style="list-style-type: none"> <li>100% Compliance with the Performance Management Cycle.</li> </ul>	<ul style="list-style-type: none"> <li>Positive outcomes, good industrial relations atmosphere despite low business activity.</li> </ul>

In FY2025, the Group employees decreased by 20% to 3, 311 due to employee’s movement to greener pastures, dismissal due to disciplinary issues, contract of employment expiration and retrenchments. Below is our employee base for the reporting period:



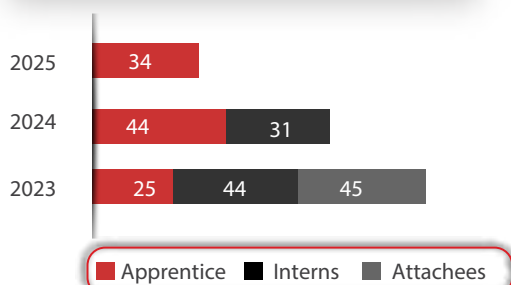


## Employees (continued)

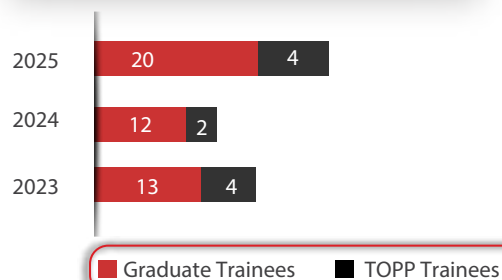
### Third party employees

Third party employees for the reporting period were as follows:

Third Party Employees (Headcount)



Third Party Employees (Headcount)



### Employment

We prioritise hiring and retaining employees while actively promoting diversity in both gender and age. Our recruitment focuses on individuals who share our values and demonstrate the required skills and qualifications.

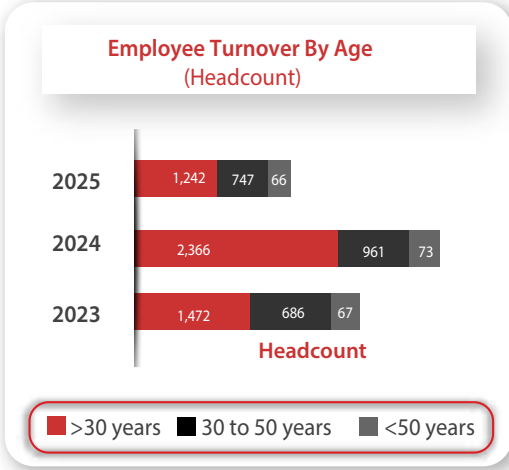
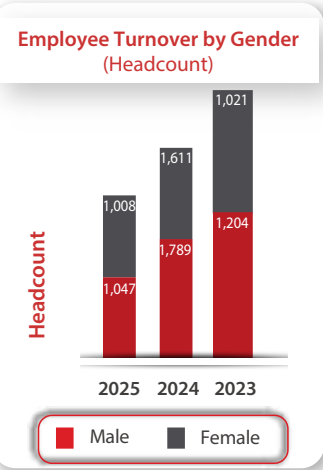
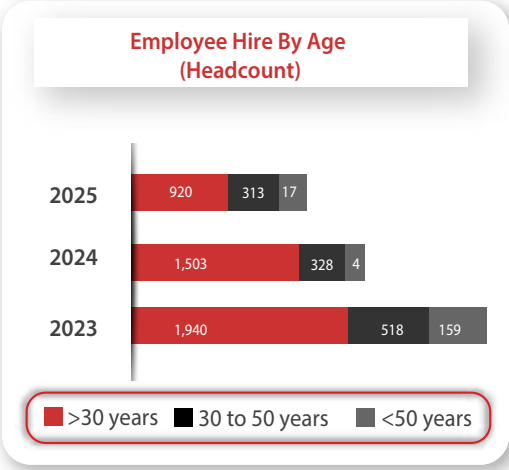
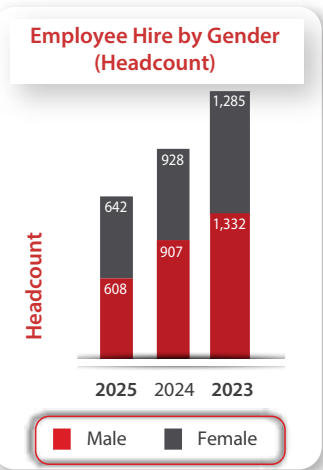
<b>Policies and Procedures</b>	<ul style="list-style-type: none"> <li>• Human Resources Policy.</li> <li>• Standard Operating Procedures.</li> </ul>
<b>Goals</b>	<ul style="list-style-type: none"> <li>• Improved employee retention.</li> <li>• Improved conducive work environment.</li> </ul>
<b>Target</b>	<ul style="list-style-type: none"> <li>• Performance management culture.</li> </ul>
<b>Key Performance Indicators</b>	<ul style="list-style-type: none"> <li>• Number of penalties from Statutory bodies (ZIMRA, ZIMDEF, NSSA, NEC).</li> <li>• Compliance rate with performance management cycle.</li> </ul>

Multiskilling enhanced employees' skills and knowledge which allowed smooth transition in the cases of resignations and/or absenteeism. Our regular audits proved necessary in identifying system and operational gaps which were used to review and update operating procedures for the department. The Group's stakeholder engagements during the year made it possible to stay up to date and compliant with regards to statutory requirements. Further, the introduction of the Management Workers Committee increased information dissemination to Managerial employees who now have a platform to voice their grievances and contributions.



Employees (continued)

Third party employees for the reporting period were as follows:



Freedom of Association and Collective Bargaining

We are committed to upholding policies and adhering to Collective Bargaining Agreements (CBA) in alignment with the provisions of the Labour Act [Chapter 28:01]. Our primary objective is to position ourselves as an employer of choice, offering our employees a competitive, sustainable, and affordable reward system that encourages healthy competition and drives exceptional performance.

To ensure effective communication and collaboration between management and employees, we established worker representative committees that serve as platforms for constructive engagement and dialogue.



Turnover

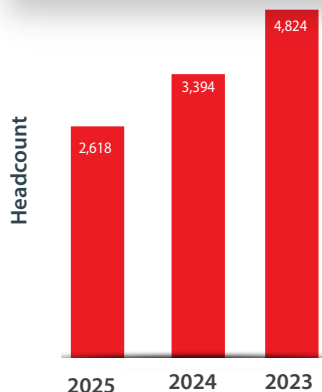
For the reporting period our voluntary and involuntary turnover were as follows:



## Employees (continued)

### Employment (continued)

Collective Bargaining Agreements  
(Headcount)



### Minimum Wage

The analysis of our pay and benefits in relation to the collective bargaining agreements is outlined below:

	Unit	2025	2024	2023
Average hourly wage	ZWL	24.92	14,756	252.40
Employees earning minimum wage	%	1.64	2.08	2.37

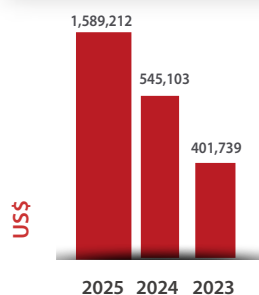
### Employee welfare

We prioritise the welfare and well-being of our employees and we are committed to creating a supportive work environment. We provide competitive compensation and benefits packages, opportunities for professional growth and development, and work-life balance initiatives.

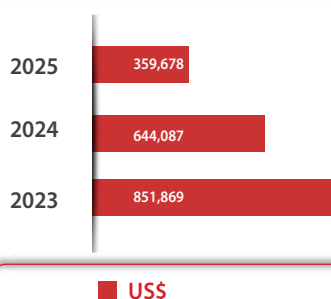
Our pension contributions in the reporting period were as follows:



National Social Security  
and Authority (US\$)



OK Zimbabwe Limited Pension Fund  
(US\$)



### Employee Benefits

OK Zimbabwe Limited offers the following benefits to its full-time employees:

- Pension benefits.
- Medical aid.
- Company car benefits.



# Employees (continued)

## Parental Leave

The Group in accordance with the Labour Act [Chapter 28:01] offers parental leave to all employees. Below are the statistics of employees who took parental leave and returned to work after the parental leave ended.



## Employee Relations

The Group is committed to fair labour practices and maintaining strong employee relations through standardised processes and open communication, particularly via the Collective Bargaining Agreement (CBA) and the National Employment Council (NEC). Effective employee relations results in high productivity and low employee turnover, and reduction in misconduct, which contributes to an enhanced brand reputation and improved conflict resolution. The absence of industrial action reflects our commitment to a positive workplace environment. However, as a downstream supply chain player, the Group is vulnerable to the labour practices of its subcontractors and outsourcing partners. Weak employee relations may lead to low morale, disengagement, high turnover, and a loss of skilled staff, which can ultimately hinder both business growth and employees' career development.

### Our Approach to Employee Relations

The Group is guided by a Code of Conduct, Sexual Harassment and Dignity Policy, Human Resources Policy, and full participation in the activities of the National Employment Council (NEC) in our employee relations practices. We are committed to upholding the NEC's Collective Bargaining Agreement guidelines and maintaining functional National Works Councils and Branch Liaison Meetings to address employee and business concerns. The clear guidelines and conflict resolution mechanisms provided by the CBA facilitated effective management of workplace issues, leading to enhanced employer-employee trust and an improved corporate brand. We managed to establish a uniform and transparent system by adhering to fair and just labour practices, and this in turn, has contributed to increased productivity and improved the overall working environment. The business upholds and complies with the Labour Act (Chapter 28:01). To ensure employee satisfaction and retention, we frequently review and adjust remuneration, while also implementing a weekly and daily mood tracker board to identify and address any issues in a timely manner.

## Monitoring System

Our goals include maintaining low employee turnover, manageable employee costs, high employee availability, and sound employee engagement and relations. The Group set targets to ensure  $\leq 10\%$  employee turnover, 6% employee benefits as a percentage of sales, 95% availability of budgeted positions, and 100% employee engagement in scheduled meetings. We closely monitor employee attendance and punctuality, and we observed progress in managing employee turnover, holding scheduled meetings, and maintaining availability of budgeted positions. The Group remains committed to compliance with established guidelines and standardised procedures to ensure fair and just labour practices.

## Occupational Health and Safety

The Group's health and safety practices are designed to safeguard employees from potential hazards. We strictly adhere to all applicable laws and regulations and follow both regulatory and industry best practices to prevent and manage accidents. To ensure our employees understand their roles in maintaining a safe and healthy workplace, we provide regular training, ongoing feedback, and continuous support. Our approach aligns with the principles and standards set out in our SHEQ Policy, which defines our responsibilities and commitments in matters of occupational health and safety. We are dedicated to maintaining a safe, environmentally responsible, and quality-focused work environment for our stakeholders.

The Group's objective is to maintain a healthy and incident-free workplace, aiming for zero occupational fatalities. We assess the effectiveness of our safety systems by monitoring recorded incidents and ensuring timely implementation of corrective actions. As a result of our management's approach, occupational injuries decreased by 42%, the significant drop-in business activity contributed to a reduction in occupational injuries. We aim to reduce occupational injuries and illnesses by 25% in the coming period.

### Hazard Identification, Risk Assessment, and Incident Investigation (HIRA)

Our HIRA process includes pre-task risk assessments, inspections, and audits and it forms the foundation of our SHEQ management system. We established an incident reporting and investigation mechanism which includes SHEQ representatives, SHEQ management, technical staff and worker representatives.



## Employees (continued)



### Occupational Health Services

Periodic health screening, monitoring and counselling services were offered through the Health and Wellness Centre in collaboration with external health service providers. All branches and non-trading units are equipped with trained First Aiders who spearhead awareness programs for risk minimisation.

### Trainings on occupational health and safety

Employee training is at the core of the Group's SHEQ strategy, and we focused on First Aid and emergency response, manual handling, cleaning procedures and hazardous material handling, Fire safety, food safety, waste management, Cholera awareness, Road Safety, HIV and Cancer Awareness during the year.

### Promotion of employees' health

The Group SHEQ framework extends beyond the workplace, with the Health and Wellness Centre offering primary healthcare services to employees, dependents, and pensioners. This includes mental health and counselling support, referrals for specialist requirements, and targeted health education and wellness programs on critical issues like cancer and HIV.

The clinic provides telemedicine facilities and partners with the Ministry of Health and Childcare to deliver primary care services, such as cholera screening. Recognising the importance of accessible healthcare, we integrated a medical aid facility to ensure our employees have ready access to health services.

### Work Related Injuries

Main types of injuries for the period under review were cuts on fingers, leg injuries, and back injuries. Employee work-related injuries are presented in the table below:

Incidences	Unit	2025	2024	2023
Recordable work-related injuries	Count	68	119	103
Recordable work-related injuries rate	Rate	1.93	2.5	2.09
Lost days due to injuries	Count	274	470	432
Lost Time Injury Frequency Rate (LTIFR)	Rate	8	10	8.75

Recordable work-related injuries and lost days due to injuries decreased by 43% and 42% respectively, the significant drop is also attributable to a reduction in business activity during the second half of FY2025. The Group targets to reduce occupational injuries and illnesses by 25% in the coming period.

### Injuries for non-employees were as follows:

Incidences	2025	2024
Recordable injuries	28	35

### Training and Education

The Group's training and development initiatives aim to up-skill employees, foster career progression, and ensure that employees remain agile in a changing business environment. This aligns with our commitment to responsible business practises, operational excellence and improved customer experience.

Our training programs result in increased employee performance and operational efficiency, customer satisfaction due to improved service delivery and internal promotions. However, we acknowledge adverse impacts including rising training costs and logistical constraints due to store locations, resistance to new technologies due to unclear training communication, poor training methods, inability to measure Return on Investments (ROI), and lack of application by trainees.

## Employees (continued)

The impacts of training and development can be directly linked to the Group's operations, products, services and business relationships. These include:

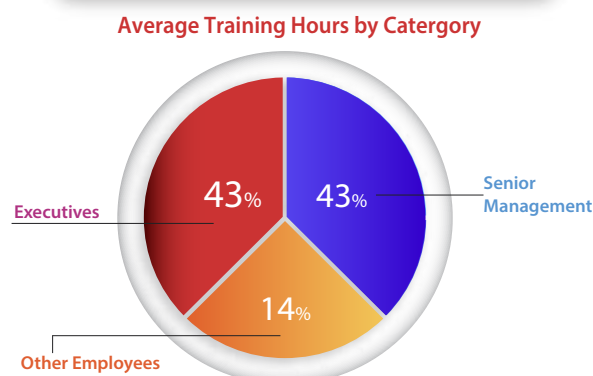
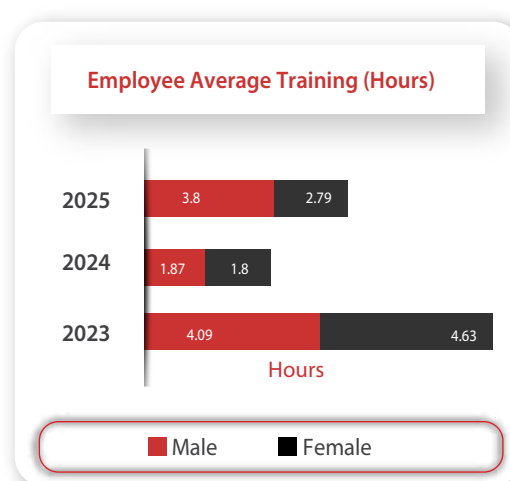
Impacts on Operations	Impacts on Products	Impacts on Services	Business Relationships
<ul style="list-style-type: none"> <li>We ensure that employees are equipped with the necessary competencies to perform their roles effectively. This in turn leads to streamlined processes, reduced errors, and improved overall operational performance.</li> </ul>	<ul style="list-style-type: none"> <li>Well-trained employees are better equipped to understand customer needs, adhere to quality standards and innovation. Through effective training initiatives, the Group will improve on product quality, introduce new features or functionalities based on market demands, and ultimately enhance customer satisfaction.</li> </ul>	<ul style="list-style-type: none"> <li>Frontline employees who undergo comprehensive training are able to handle inquiries, resolve issues efficiently, and provide personalised service that meets or exceeds customer expectations. This leads to increased customer loyalty, positive word-of-mouth referrals and ultimately higher revenues for the business.</li> </ul>	<ul style="list-style-type: none"> <li>The Group collaborates with suppliers who provide product knowledge. Similarly, we partner with other companies that prioritise training and development and can result in shared best practices being adopted across both entities for example Mandel Training Centre.</li> </ul>

The Group introduced virtual training platforms which include KnowBe4 and Microsoft Teams to improve access to training materials at the employee's convenience. The training department partnered with cross functional teams to develop comprehensive training programs that encompass both technical and soft skills, adopted Train- the- Trainer programs for Branch Managers and Line Managers and partnered with targeted regulatory partners who conducted training internally. We conduct assessment reviews to ensure that training efforts yield measurable results, contributing directly to improve performance and productivity. The Group rewards good performance and supports career development. One of the key aspects of our Training Policies is employee orientation. New employees undergo orientation programs that familiarise them with the Group's cultures, values, and operations.

The Group monitors key performance indicators (KPIs) which include 360-degree feedback mechanism from participants, training program completion rates, and the application of learned skills on the job. The Group maximises the positive impacts while mitigating the potential downsides, ultimately contributing to the sustained growth and success of the Group by continuously evaluating and adjusting the training and development initiatives.

### Lessons learnt during the year under review include:

- The importance of customer satisfaction, the need for continuous innovation, the significance of employee training and development.
- The impact of technological advancements.
- The value of strategic partnerships.
- The necessity of adapting to changing regulatory requirements.



The increase in the training hours was attributable to more focus on the Human Resources Management System (Great People) which required extensive training, to assure user uptake, data quality and effective Human Resources procedures. There was enhanced inventory count training which led to more accurate inventory records.

# COMMUNITY EMPOWERMENT

## COMMUNITY EMPOWERMENT

79 Corporate Social Responsibility





## COMMUNITY EMPOWERMENT

### Corporate Social Responsibility (CSR)

The Group continues to demonstrate a strong commitment to Corporate Social Responsibility (CSR), prioritising the empowerment of local communities and delivery of meaningful impact driven initiatives. Following the successful adoption of the Group's Corporate Social Investment (CSI) Policy in FY2025, focus was placed on channelling resources towards education, health and wellness, and environmental preservation initiatives. The Corporate Affairs Director and Company Secretary coordinates all CSI programs on behalf of the Group with the approval of the Group Chief Executive Officer. We remain committed to ensuring that our CSI initiatives have a tangible impact and contribute towards the attainment of the Sustainable Development Goals (SDGs) prioritised by the business.

We engage with local communities and encourage strategic partnerships with all our stakeholders to leverage collective resources, expertise and networks for greater impact. In line with this commitment, the Group continues to integrate charitable and socially impactful elements into its core business practices as well as major marketing and promotional campaigns. During the year under review, Emthunzini Wethemba Children's Home was selected as the main beneficiary of the Group's CSI initiatives under the flagship OK Grand Challenge #OKZIMINTHECOMMUNITY campaign and the Bon Marché Annual Charity Golf Tournament, raising over US\$40,000 in donation support for the home.



Vehicle donated to Emthunzini Wethemba Children's Home



Friends Of The Environment (FOTE) Walkathon

We encourage employee participation and support employee-driven initiatives that resonate with the communities we operate in. Throughout the year, branches across the country actively took part in local community clean-up campaigns, reflecting our ongoing commitment to environmental stewardship and civic responsibility. The Group continues to partner with and support employee-led initiatives which align with our broader CSI agenda. These initiatives are designed and implemented in consultation with employees and community stakeholders to ensure relevance, impact and inclusivity. This year, over 20 branches participated in the Emthunzini Wethemba Christmas Cheer Fund, mobilising donations for the benefit of the home.



### Emthunzini Wethemba groceries donation handover.

The Group measures the degree of community impact through key performance indicators such as donations made, number of beneficiaries reached, resources allocated and community engagement levels. We maintain transparency in CSI activities and reporting, involving stakeholders in decision-making processes. Enhanced screening and evaluation of donation requests, along with follow-up audits, ensure that donated funds are directed towards their intended use.

The business continuously monitors and evaluates its CSI programs, integrating outcomes into operational policies and procedures to ensure that CSR remains embedded in the Group's core strategy and contributes meaningfully to local community development.



Community clean up campaign



## COMMUNITY EMPOWERMENT (continued)

The Group's Corporate Social Investments for FY2025 amounted to **US\$52,393.00**. Our activities for the reporting period were as follows:

### WELLNESS & NUTRITION

Promoted a culture of good health and well-being and healthy lifestyles within communities.

- The Group donated grocery hampers valued at **US\$7,500** to Emthunzini Wethemba Children's Home, John "Mzala" Phiri, Jairos Jiri Association and Extreme Trans Foundation.



### ENVIRONMENT

Promoted environmental awareness, enhanced the development of community resilience and adaption to climate change.

- Donated **US\$2,500** to Friends Of The Environment (FOTE) in support of the 500 million Tree Annual Environmental Awareness Walkathon.
- Donations to other environmental initiatives - **US\$1,588**.



### COMMUNITY

Invested in the development of society by supporting initiatives and programs that can uplift underprivileged communities.

- Donated Nissan NP200 vehicle worth **US\$23,000** to Emthunzini Wethemba Children's Home as part of the OK Grand Challenge 2024 #OKZIMINTHECOMMUNITY campaign.
- Donated **US\$1,000** towards the Shungu Dzevana Trust children's Home fundraising dinner.
- Raised and donated **US\$15,305** (cash and kind) for Emthunzini Wethemba Children's Home through the Bon Marche Annual Charity Golf Tournament.
- Donated school fees, school uniforms and stationery (One Student / One Year) valued at **US\$1,500** to Chivaraidze Primary School.







# FINANCIAL RESILIENCE AND VALUE CREATION

## FINANCIAL RESILIENCE AND VALUE CREATION

- 83 Financial Performance
- 83 Direct Economic Value  
Generated and Distributed.
- 83 Tax



## FINANCIAL RESILIENCE AND VALUE CREATION

### Financial Performance

Financial performance entails managing profitability, economic contribution, and operational effectiveness within business operations. We strive for strategic endeavours aimed at enhancing our competitive edge and creating avenues for market expansion and innovation. However, we recognise a notable decline in revenue due to challenging economic conditions, leading to reduced profits. Consequently, we implemented cost-saving measures, including termination by lapse of contracts to address these challenges.

We implemented a Cost Management Policy focused on enhancing financial health by identifying avenues for cost reduction and operational efficiency. Further, our Risk Management Policy aims to identify and mitigate potential financial risks, such as market volatility and currency fluctuations, safeguarding the Group's financial stability. The Budgeting Policy underscores the importance of resource allocation and financial responsibility to various departments and teams. The Group initiates financial planning procedures, establishing clear objectives such as revenue targets, profit margins, and cash flow goals to guide its financial activities. The Group ensures transparency and accountability through diligent financial reporting practices, providing stakeholders with timely and comprehensive financial information. The Group prioritises continuous improvement, regularly reviewing and refining financial strategies to adapt to evolving market conditions and business requirements.

To assess the effectiveness of actions, the Group employs various processes, including audit and compliance programs. Our goals include improving customer satisfaction, increasing overall sales volumes for profit growth, and implementing cost-cutting measures. We aim to increase customer satisfaction ratings, utilising KPIs like customer satisfaction scores and sales performance metrics. An assessment of effectiveness encompasses output, outcome, impact, efficiency, and quality.

### Direct Economic Value Generated and Distributed

To obtain a detailed understanding of the direct economic value generated and distributed, see pages 98 to 150 within our financial statement. These pages offer a comprehensive summary of the economic impact achieved during the year.

### Tax

The Group is committed to responsible corporate citizenship through ensuring tax compliance. We collaborate closely with tax authorities to support the Government's fiscal policy by accurately calculating and remitting all tax obligations. Our tax management practices continuously adapt to legislative changes, allowing us to maintain shareholder value while paying our fair share.

### Approach to Tax

We take a responsible approach to tax management, collaborating with tax authorities and adhering to principles of transparency to deliver long-term sustainable value. The Board of Directors, through the Audit Committee, is responsible for overseeing the effective management of our tax affairs and the implementation of our Tax Policy. The Chief Financial Officer serves as the public officer responsible for overseeing our tax-related activities. We regularly review and promptly update our tax practices, both on an annual basis and whenever necessitated by new regulatory pronouncements or changes in the tax environment. Our commitment to responsiveness ensures that our tax management remains aligned with evolving requirements and best practices. The Group's approach is to maintain compliance with all tax statutes including meeting the following minimum objectives:

- Full compliance with all returns and other local tax filing deadlines.
- Payments for taxes are made by their due dates and in line with Zimbabwean tax law.
- Monitor changes in relevant tax law and practice and undertake regular consulting on complex issues.
- Implement appropriate administrative safeguards regarding documentation and record keeping.

- Implement appropriate administrative safeguards regarding documentation and record keeping.

The Group consults regularly on tax developments with tax consultants in quest to achieve optimal levels of compliance. We structure our commercial transactions in a tax efficient manner to maximise shareholder value. Therefore, we optimise the commercial position by claiming tax reliefs and incentives which is in line with the nature of Zimbabwean tax law. This indicates the business is taking a responsible and ethical approach to managing its tax obligations. We are committed to operating within the bounds of the law and the intent of the tax code, rather than minimising our tax burden through questionable means.

### Stakeholder Engagement on Tax Matters

When the government changes Tax Policy, they invariably seek input from a wide range of interested stakeholders, including business advocacy groups and many individual companies. The Group, through its retail association and tax consultants, engages with the Government of Zimbabwe to provide our perspective on how best to balance the need for government revenues from taxation against the need to ensure sustainable business continuity. The business publishes its contact details to allow stakeholders to air any concerns they may have related to tax. We respond to questions from investment analysts during regular analyst briefings, questions of which could cover tax matters.





## FINANCIAL RESILIENCE AND VALUE CREATION (continued)

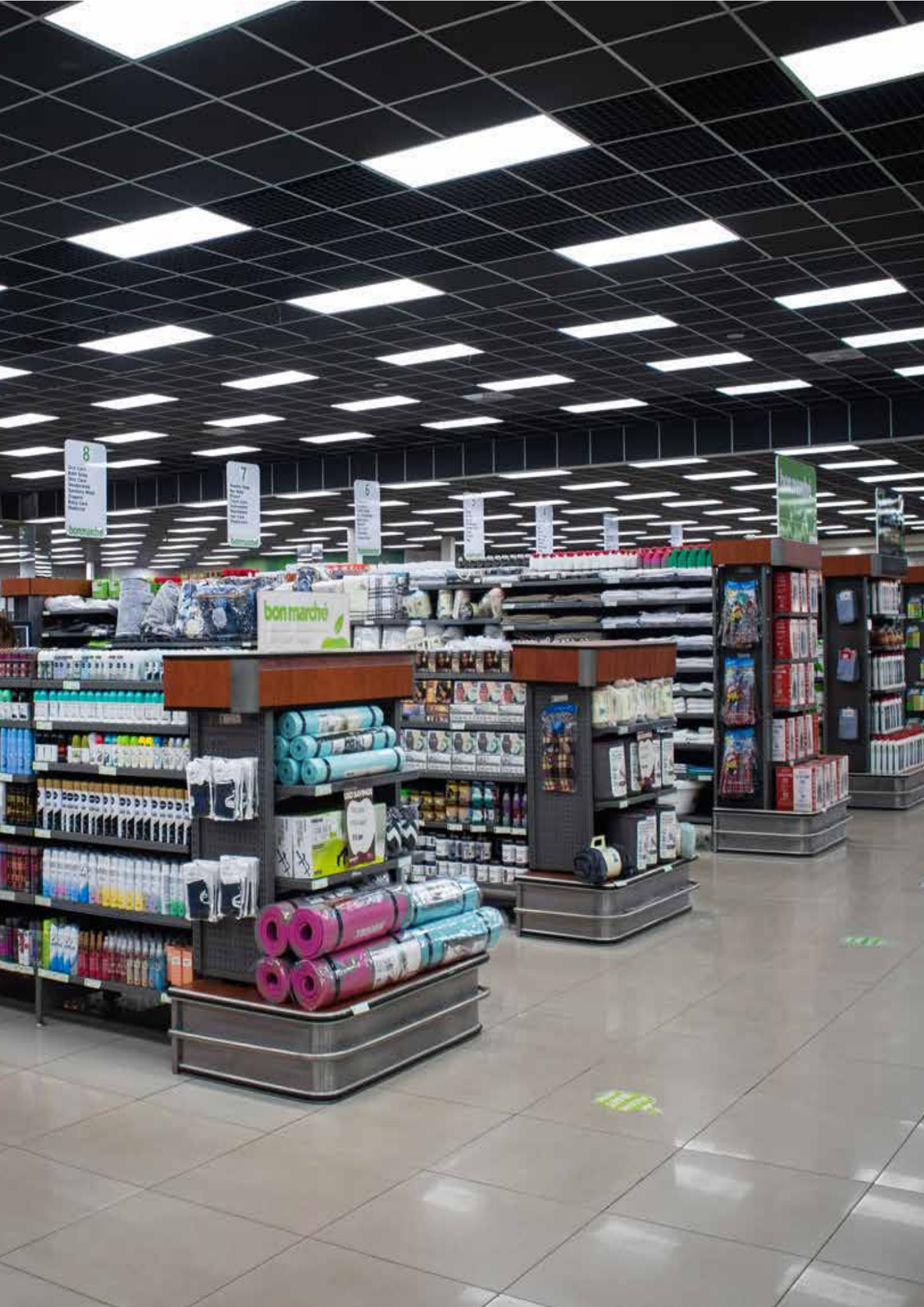
<b>Monitoring System</b>	<ul style="list-style-type: none"> <li>▪ We regularly review and update our tax policy to ensure that we stay up to date with the best standards.</li> <li>▪ We utilise the services of tax consultants to review our tax position and policies, and to advise on industry best practices.</li> </ul>
<b>Goals</b>	<ul style="list-style-type: none"> <li>▪ To ensure full compliance with all applicable tax regulations.</li> </ul>
<b>KPIs</b>	<ul style="list-style-type: none"> <li>▪ Level of fines and penalties paid.</li> <li>▪ Findings of internal and external audits.</li> <li>▪ Timely receipt of our tax clearance certificates.</li> </ul>
<b>Assessment</b>	<ul style="list-style-type: none"> <li>▪ Our Tax compliance efforts have been highly effective, as we filed our returns and made payments on time.</li> </ul>

### Tax payments.

Our payment to the Government were as follows:

Incidences	2025 US\$	2024 US\$	2023 US\$
Corporate Tax - Parent	1,843,050	554,146	3,607,482
Corporate Tax - Subsidiaries	5,495	16,818	12,688
Value Added Tax (VAT)	2,763,822	1,114,001	3,029,131
Import Duty	2,382,272	389,238	1,810,565
PAYE	3,801,713	2,389,853	2,001,951
Withholding Tax-30%	26,355	74,080	125,018
Withholding Tax-1/3	6,989,930	3,878,985	5,815,497
Fines	13,845	5,701	-
Aids Levy	110,729	67,114	168,664
Fast Food tax	1,352	-	-
IMTT	3,934,416	3,545,691	7,370,413
<b>TOTAL</b>	<b>21,872,979</b>	<b>12,035,627</b>	<b>23,941,409</b>







# CONSOLIDATED FINANCIAL STATEMENTS

## CONSOLIDATED FINANCIAL STATEMENTS

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## OK ZIMBABWE LIMITED CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

### Report of the Directors

The Directors have pleasure in presenting the Audited Financial Statements of the Group for the year ended 31 March 2025.

### Financial Year Results

Total comprehensive loss for the year ended 31 March 2025 attributable to shareholders amounted to US\$ 28.9 million (2024: US\$ 1.9 million).

### Liquidity, Going Concern and Contingent Liabilities

The Group operated under tight liquidity conditions during the year, with delayed payments to creditors and restricted access to facilities per Note 31.5.

In evaluating the going concern assumption, the Directors reviewed the Group's capital structure, debt maturity profile, operating environment, and the mitigating actions undertaken. These included the rights issue proceeds, additional banking facilities, planned property disposals, and ongoing cost optimisation measures, as detailed in Note 40.

Separately, the Group is exposed to contingent liabilities, including tax, which are disclosed in Note 39.

Having considered these factors, together with management's detailed cashflow forecasts, the Directors concluded that preparing these financial statement on a going concern basis remains appropriate, however noting the existence of material uncertainties as disclosed in note 40, which cast doubt about the Group's ability to continue as a going concern.

### Capital expenditure

Capital expenditure for the year ended 31 March 2025 amounted to US\$ 0.9 million (2024: US\$ 6.5 million).

### Share Capital

The authorised share capital of the Group was US\$ 200,000 made up of 2,000,000,000 ordinary shares of US\$ 0.0001 each while the issued share capital was US\$ 133,582 made up of 1,335,820,802 ordinary shares of US\$ 0.0001 each.

### Reserves

The movements in the Reserves of the Group are shown in the Consolidated Statement of Changes in Equity and Notes to the Consolidated Financial Statements.

### Independent Auditor

Members will be requested to consider and, if deemed fit to approve the independent auditor's fees for the past financial year and to appoint independent auditor of the Group for the ensuing year.

By Order of The Board



H. Nkala

Chairman

30 October 2025



V.W. Zireya

Chief Executive Officer (Interim)

## OK ZIMBABWE LIMITED CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

### Directors' Statement of Responsibility for Financial Reporting

The Directors of OK Zimbabwe Limited ("the Group") are responsible for the maintenance of adequate accounting records, the preparation, and fair presentation of the Group's consolidated financial statements and related information. OK Zimbabwe Limited's independent external auditors, Messrs KPMG, have audited the consolidated financial statements and their report appears on pages 90 to 97 of these financial statements. The consolidated financial statements for the year ended 31 March 2025 presented from pages 98 to 150 have been prepared using IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) with the exception of IAS 21, refer to note 3.2. The consolidated financial statements have been prepared in accordance with disclosure requirements of the Companies and Other Business Entities ("COBE") Act (Chapter 24:31).

The consolidated financial statements are based on appropriate accounting policies which have been consistently applied, and modified, where necessary, by the impact of new and revised standards. The application of accounting policies is supported by reasonable and prudent judgments and estimates.

As explained on Note 3.3 certain comparative figures have been restated to reflect the correction of the application of IFRS 16. The Directors confirm that these restatements have been in accordance with IFRS requirements.

The Directors are responsible for the systems of internal control. The systems are designed to provide reasonable, but not absolute, assurance as to the reliability of the financial statements and to adequately safeguard, verify and maintain accountability of assets and to prevent material misstatements and losses.

Notwithstanding the controls in place, the Group experienced significant disruptions to its internal control environment during the financial year ended 31 March 2025. These disruptions arose primarily from financial challenges that limited the Group's ability to settle payments for essential ERP upgrades, the transition to a new functional currency, management changes, and general resource constraints. Collectively, these factors impaired the Group's capacity to produce timely financial information.

In response to these challenges, the Directors implemented mitigating measures, including closer oversight of financial reporting processes, reallocation of available resources to critical finance functions, and engagement of suitably qualified and trained personnel within the Group to ensure continuity of key controls. In addition, the Directors have initiated a phased plan to prioritise essential system upgrades, strengthen capacity within the finance function, and improve governance structures to mitigate the risk of recurrence.

As at the date of this statement, and within the constraints posed by delayed system upgrades and operational difficulties, the Directors are satisfied that the internal control framework, though tested by significant disruptions, continued to support the integrity and reliability of the financial statements. Nothing has been brought to the attention of the Directors to suggest that a material breakdown in the functioning of controls occurred during the reporting period.

The Directors have reviewed the performance and financial position of the Group up to the date of approval of these financial statements, taking into account the prevailing macroeconomic conditions and the Group's cash flow forecasts for the next twelve months.

The Directors acknowledge that the challenging macroeconomic environment may hamper the achievement of the targeted revenue growth and business recovery. While the Group is renegotiating banking facilities for longer term funding, the tight money supply in the market may hamper access to the required levels of liquidity support and furthermore it may also be difficult to realise the fair value of additional properties of US\$17.2 million should it be necessary to dispose of them. All these factors represent material uncertainties that cast doubt about the Group's ability to continue as a going concern. A detailed assessment of the Group's going concern status is provided in Note 40.

The consolidated financial statements were approved by the Board of Directors on 30<sup>th</sup> of October 2025 and signed on its behalf by:




**H. Nkala**  
Chairman



**V.W. Zireva**  
Chief Executive Officer (Interim)

### PREPARER OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were prepared under the supervision of Mr. A. E. Siyavora CA (Z).



**Alex Edgar Siyavora**  
Chief Finance Officer (Interim)

PAAB Registration Number 975

30 October 2025



KPMG  
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 Telephone +263 430 2600  
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## Independent Auditors' Report

### To the shareholders of OK Zimbabwe Limited

#### Qualified opinion

We have audited the consolidated financial statements of OK Zimbabwe Limited (the Group), which comprise the Consolidated Statement of Financial Position as at 31 March 2025, the Consolidated Statement of Profit or Loss and Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash flows for the year then ended, and notes, comprising material accounting policy information and other explanatory information, as set out on pages 90 to 150 .

In our opinion, except for the possible effect of the matters described in the *Basis for qualified opinion* section of our report, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of OK Zimbabwe Limited as at 31 March 2025, and its consolidated financial performance and consolidated cash flows for the year then ended in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and in the manner required by the Companies and Other Business Entities Act [Chapter 24:31].

#### Basis for qualified opinion

##### ***Existence and valuation of the Group's inventory balance of US\$16,480,675 as at 31 March 2025 (US\$25,262,734 as at 31 March 2024)***

Management performed stock counts between 26 March 2025 to 4 April 2025 as part of their year-end reporting process for 31 March 2025. Our audit test work included examining the audit trail of initial stock count sheets to the quantities included in the final valuation reports for all the branches we did not independently count. Comprehensive instructions were issued by management to the respective counting teams at each of the retail branches which included the requirement to maintain an audit trail between initial and final counts and approvals to demonstrate the variances were adequately resolved. However, the stock count instructions, primarily in respect of maintaining of an audit trail including the approval of the variances, was not implemented at all of the branches resulting in us being unable to obtain sufficient and appropriate audit evidence in respect of the existence of inventory as at 31 March 2025.

Consequently, we were unable to determine whether any adjustments were required to the consolidated financial statements.

In addition, management applies the First-in, First-out (FIFO) costing method for inventories as disclosed in accounting policy note 3.9 to the consolidated financial statements. We noted variances on a majority of the sample selected in our audit testing of the correct application of FIFO based on supplier invoices. As a result, we were also unable to conclude on the valuation of inventory.

Accordingly, we were unable to satisfy ourselves by alternative means concerning the Group's inventory balance in the Consolidated Statement of Financial Position as at 31 March 2025 and the related changes in trade inventories, merchandise and consumables used and the possible impact on the income tax expense in the Consolidated Statement of Profit or Loss and Other Comprehensive Income for the year ended 31 March 2025.



We were also unable to obtain sufficient appropriate audit evidence on the inventory balance of US\$25,262,734 in the prior period. Any adjustment that may have been required was not corrected in terms of IAS 8, *Accounting Policies, Changes in Accounting Estimates and Errors* ("IAS 8") and therefore continues in the current year, impacting the comparative statement of financial position, and the current year statements of cash flows and the performance.

Furthermore, the prior year inventory balance was also impacted by management's use of implied foreign currency exchange rates on change of functional currency on 1 April 2024 and use of instore foreign currency exchanges rates to record transactions from 1 November 2024 to 31 March 2025, which were not considered to be appropriate exchange rates as discussed below.

### **Noncompliance with IAS 21 - *The Effect of Changes in Foreign Exchange Rates* (IAS 21)**

#### ***a) Change of functional currency on 1 April 2024***

As disclosed in note 3.2 to the consolidated financial statements, the Group entities changed their functional currency from the Zimbabwean Dollar (ZWL) to the United States dollar (US\$) as at 1 April 2024.

IAS 21 requires that all amounts are translated into the new functional currency using the spot exchange rate at the date of the change of currency. The Group applied transaction exchange rates to translate opening ZWL denominated balances of inventories, prepayments and property and equipment, to the US\$ functional currency. The transaction exchange rates, which are based on implied exchange rates between US\$ invoices and the equivalent ZWL invoices, were considered inappropriate exchange rates as these rates did not satisfy the requirements to be considered an appropriate spot exchange rate in accordance with IAS 21. The corresponding adjustments, as well as the related deferred tax expense on the inventory adjustment, were recognised against the prior period net monetary gain.

As a result, inventories, prepayments, property and equipment and the deferred tax balances in the Consolidated Statement of Financial Position as at 31 March 2024 and the net monetary gain disclosed in the Consolidated Statement of Profit or Loss and Other Comprehensive Income for the year ended 31 March 2024 are misstated. Based on the prior year's audited consolidated inflation adjusted financial statements, had management translated inventories, prepayments and property and equipment using an IAS 21 compliant rate, inventories would have increased by an amount of US\$11,162,681, prepayments would have increased by US\$1,394,240, property and equipment would have increased by US\$6,018,700 and the deferred tax liability would have increased by US\$2,759,415. Consequently, the net monetary gain, for the year ended 31 March 2024 would have increased by an amount of US\$15,816,206 and retained earnings would have increased by a similar amount. As a result, these misstatements impact the comparability of the prior year numbers and impact the current year performance statements.

In addition, our opinion on the current year's consolidated financial statements is also modified because of the effect of this matter on inventories in the Consolidated Statement of Financial Position as it potentially contains material amounts from misstated opening balances and the related impact on the changes in trade inventories, merchandise and consumables used, impairment, and exchange gain/(loss) in the consolidated Statement of Profit or Loss and Other Comprehensive Income.

#### ***b) Use of instore foreign currency exchange rates for the period 1 November 2024 to 31 March 2025***

During the current year, from 1 November 2024 to 31 March 2025, the Group's local currency (Zimbabwe Gold) transactions and balances were translated into the functional and presentation currency (US\$) using instore exchange rates, which were not considered appropriate spot exchange rates for transactions as required by IAS 21. Had the appropriate spot exchange rates been used, these elements of the consolidated financial statements would have been materially impacted; trade and other payables, short term borrowings, inventory and the related changes in trade inventories and merchandise and consumables used, and exchange gains and losses. The effects are considered to be material but not pervasive to the consolidated financial statements.

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated*





*financial statements* section of our report. We are independent of the Group 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 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.

#### **Material uncertainty related to going concern**

We draw attention to note 40 to the consolidated financial statements, which indicates that the Group incurred a net loss of US\$28,958,212 during the year ended 31 March 2025 and, as of that date, the Group's current liabilities exceeded its current assets by US\$18,726,445. As stated in Note 40, these conditions, along with other events as set forth in the note, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

#### **Key audit matters**

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

#### **Valuation of freehold land and buildings**

Refer to accounting policy note 3.8 - Property and equipment, note 4.1.6 - Valuation of land and buildings, and note 9 - Property and equipment, to the consolidated financial statements

Key audit matter	How the matter was addressed in our audit
<p>The carrying amount of the Group's freehold land and buildings as of 31 March 2025 was US\$27,268,000. The freehold land and buildings are stated at revalued amounts in accordance with IAS 16, <i>Property, Plant and Equipment</i> ("IAS 16").</p> <p>The process of determining the fair values inherently involves significant judgement and estimation uncertainty with significant unobservable inputs such as percentage yield in market rentals, rental rates per square metre and price per square metre for land.</p> <p>As a result, due to the degree of complexity involved in determining the fair values and the significance of the balance on the Group's consolidated financial statements (27% of the Group's total assets), we considered this to be a key audit matter.</p>	<p>Our procedures included the following:</p> <ul style="list-style-type: none"> <li>• Updated our understanding of the process followed by management in determining the valuation of freehold land and buildings through inquiries and inspection of minutes of management meetings.</li> <li>• Assessed management valuation specialist's objectivity, competency, capability, and experience with valuations by inspecting professional qualifications, practicing certificates and experience in valuations, amongst others.</li> <li>• Engaged our own valuation specialist to assist in the evaluation of significant judgements and estimations made, the appropriateness of the valuation methods applied, including consistency with prior periods, and the completeness and accuracy of significant unobservable inputs employed by management's property valuation specialist, for congruency with market trends and data.</li> </ul>

Key audit matter	How the matter was addressed in our audit
	<ul style="list-style-type: none"> <li>Recalculated, with the assistance of our own valuation specialist, the fair values of a selected sample of properties, applying the inputs and valuation methods utilised by management's property valuation specialist. We compared our recalculation of the fair values with management's recorded fair values.</li> <li>Compared the fair values of properties earmarked for disposal against the offers received from prospective buyers where such offers were received.</li> <li>Assessed the adequacy of the disclosures in the consolidated financial statements in respect of the valuation of freehold land and buildings in accordance with IAS 16, <i>Property, plant and equipment</i> and IFRS 13, <i>Fair value measurement</i>.</li> </ul>

### Completeness and accuracy of Trade Payables

Refer to note 22 -Trade and other payables, to the consolidated financial statements

Key audit matter	How the matter was addressed in our audit
<p>As at 31 March 2025, the Group's trade payables were US\$25,557,401, constituting 37% of the Group's total liabilities.</p> <p>Inherently, the volume of transactions in the trade payables account is large for the retail business and the Group entities have a number of trade suppliers. This, coupled with the liquidity constraints as stated in note 31.5 to the consolidated financial statements, where trade creditors were not being settled as and when they were becoming due, resulted in us exerting more audit effort in addressing the increased audit risk on the completeness and accuracy of trade payables.</p> <p>Thus, completeness and accuracy of trade payables was considered to be a key audit matter.</p>	<p>Our procedures included the following:</p> <ul style="list-style-type: none"> <li>Tested the design and implementation of the supplier statement to ledger balance reconciliation internal control by inquiring whether the reconciliations had been performed and inspecting for evidence of review.</li> <li>Obtained confirmation of the trade creditor balances, for a sample of trade suppliers, and compared to the recorded balances. Where variances were identified, we examined supplier reconciliations performed by management and vouched reconciling items to supporting documentation.</li> <li>Examined legacy debt agreements signed between major trade suppliers and the Group agreeing balances owing to the suppliers as at 31 March 2025 and compared these to the balances recorded as at that date.</li> <li>Conducted searches for unrecorded liabilities which included inspecting the documents supporting payments, on a sample basis, made subsequent to year end.</li> <li>Obtained legal confirmation letters from the Group's lawyers to assess legal actions taken against the Group and whether</li> </ul>



Key audit matter	How the matter was addressed in our audit
	<p>appropriate liabilities had been recognised for these matters.</p> <ul style="list-style-type: none"> <li>• Examined purchases made around year end to confirm whether these had been recorded in the correct accounting period.</li> <li>• Performed analytical procedures by comparing recorded trade balances to prior years and to management's key supplier lists and investigated unusual movements.</li> <li>• Reviewed journal entries for trade payables to confirm there were no unusual and or unauthorised journals and that appropriate supporting documentation was maintained.</li> <li>• Reviewed the consolidated financial statements for appropriate presentation and disclosure of trade payables.</li> </ul>

#### Right of Use Asset measurement - IFRS 16 Leases (IFRS 16)

Refer to accounting policy note 3.15 - Leases, note 4.2.1- Determining the lease term, and note 12- Right of use asset, to the consolidated financial statements

Key audit matter	How the matter was addressed in our audit
<p>The Group leases certain warehouses and retail spaces. As at 31 March 2025, the Group had a Right of Use (ROU) asset of US\$22,493,949. The ROU asset represents 22% of the Group's total assets.</p> <p>As stated in note 12.1 to the consolidated financial statements, management restated Leases in accordance with IAS 8 <i>Accounting Policies, Changes in Accounting Estimates and Errors</i>, to comply with the requirements of IFRS 16 <i>Leases</i>.</p> <p>The measurement of the ROU asset involves significant judgements and complexities including:</p> <ul style="list-style-type: none"> <li>• the determination of the applicable incremental borrowing rate applied in discounting lease payments,</li> <li>• accurately determining whether the leases are fixed payment leases or variable, particularly given the nature of leases the Group has, that is:</li> <li>• lease contracts that are denominated in United States Dollars (US\$) and the lease payments are settled in local currency</li> <li>• lease contracts in which one portion of</li> </ul>	<p>Our procedures included the following:</p> <ul style="list-style-type: none"> <li>• Evaluated management's accounting treatment of each lease, with the assistance of our technical experts, as variable payment or fixed payment leases against the requirements of IFRS 16.</li> <li>• Reperformed lease calculations to assess accuracy of the ROU asset. Agreed the data used in the lease calculation (lease term, rental payments and extension options) to lease contracts and ensured the currency of calculating the ROU asset was appropriate. We also evaluated whether the extension options included in computations were reasonably certain to be exercised based on historical practices.</li> <li>• Evaluated the reasonability of the incremental borrowing rate applied against market rates and with the assistance of our technical experts.</li> <li>• Assessed the adequacy of the disclosures in the consolidated financial statements for compliance with IFRS 16 <i>Leases</i>, and IAS 8, <i>Accounting Policies, Changes in Accounting Estimates and Errors</i> (for the restatement).</li> </ul>



Key audit matter	How the matter was addressed in our audit
<p>the lease payment is denominated in US\$ while the other portion is denominated in ZWL / ZWG, with settlement in local currency.</p> <p>Lease contracts that are denominated in ZWL and lease payments in ZWG after 05 April 2024.</p> <p>Lease contracts that are denominated in rental units or US\$ and the lease payments are settled in US\$.</p> <p>The determination of the lease term including the extension options.</p> <p>In addition, there were a number of modifications over the lease terms.</p> <p>Thus, due to the complexity and subjectivity, and the IAS 8 restatement, significant audit effort was expended on the ROU asset measurement and therefore this was considered to a key audit matter.</p>	

## Other information

The directors are responsible for the other information. The other information comprises the Report of the Directors and the Directors' Statement of Responsibility for Financial Reporting but does not include the consolidated financial statements and our auditor's report thereon, which we obtained prior to the date of this auditors' report, and the Annual report, which is expected to be made available to us after the date of this auditors' report.

Our opinion on the consolidated 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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.

When we read the OK Zimbabwe Limited 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 financial statements

The directors are responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board (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 financial statements that are free from material misstatement, whether due to fraud or error.





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

### **Auditors' responsibilities for the audit of the consolidated financial statements**

Our objectives are to obtain reasonable assurance about whether the consolidated 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 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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'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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated 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 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

30 October 2025

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

Mutual Gardens  
100 The Chase (West)  
Emerald Hill  
P.O Box 6, Harare  
Zimbabwe

## Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 March 2025

	Notes	2025 Audited US\$	2024* Restated US\$
Revenue	5	245,170,679	511,012,345
Other income	6.1	2,263,424	8,760,145
Changes in trade inventories	15.1	(8,894,584)	(6,980,550)
Merchandise and consumables used	15.1	(191,702,060)	(443,641,546)
Employee benefits expense		(27,661,806)	(53,374,043)
Depreciation and amortisation expense #	6.3	(11,512,702)	(12,237,096)
Impairment	6.4	(10,331,705)	-
Share based payments expense		(10,121)	(220,518)
Exchange gain/(loss) #	6.2.2	13,459,698	(51,131,999)
Other expenses #	6.2	(37,795,608)	(71,610,684)
Finance income		3,958	4,828
Finance costs #		(3,312,186)	(5,252,379)
Net monetary gain #		-	147,453,417
<b>(Loss) before income tax</b>	6	<b>(30,323,013)</b>	<b>22,781,920</b>
Tax credit/(expense) #	7.1	5,291,956	(23,401,287)
<b>Loss for the year</b>		<b>(25,031,057)</b>	<b>(619,367)</b>
<b>Other comprehensive income (OCI)</b>			
<b>Items that will not be reclassified subsequently to profit or loss:</b>			
Loss on revaluation of property	9	(4,607,306)	(2,439,885)
Fair value gain/(loss) on financial assets measured at fair value through other comprehensive income (FVTOCI)		25,402	(1,243)
Deferred tax income		654,749	1,091,549
<b>Other comprehensive loss net of tax</b>		<b>(3,927,155)</b>	<b>(1,349,579)</b>
<b>Total comprehensive loss for the year</b>		<b>(28,958,212)</b>	<b>(1,968,946)</b>
<b>Loss for the year attributable to:</b>			
Owners of the company		(24,937,041)	(1,126,507)
Non-controlling interests		(94,016)	507,140
		<b>(25,031,057)</b>	<b>(619,367)</b>
<b>Total comprehensive loss for the year attributable to:</b>			
Owners of the company		(28,864,196)	(2,476,086)
Non-controlling interests		(94,016)	507,140
		<b>(28,958,212)</b>	<b>(1,968,946)</b>
<b>Weighted average number of ordinary shares in issue</b>		<b>1,327,554,515</b>	<b>1,314,992,516</b>
<b>Share performance: US\$ cents</b>			
• Basic loss per share	30	(1.89)	(0.05)
• Headline loss per share	30	(1.08)	(0.06)
• Diluted loss per share	30	(1.89)	(0.05)
• Diluted headline loss per share	30	(1.08)	(0.06)
• Net asset value per share		2.52	4.74

\* The prior year consolidated statement of comprehensive income was previously reported in Zimbabwean Dollar (ZWL). This was restated by converting to the new functional currency, United States Dollar (US\$) as described per note 3.2.

# Comparative figures have been restated following the correction of prior year errors in the application of IFRS 16 Leases (see note 3.3 and 12.1)

## Consolidated Statement of Financial Position

As at 31 March 2025

	Notes	2025 Audited US\$	2024* Restated US\$	2023* Restated US\$
<b>Assets</b>				
<b>Non-current assets</b>				
Property and equipment	9	54,914,887	67,050,565	75,474,342
Financial asset held at amortised cost		-	-	4
Goodwill	10	95,123	4,096,889	4,096,889
Right of use asset #	12	22,493,949	29,039,165	13,961,522
Intangible asset	13	374,315	418,242	361,295
Financial assets held at FVTOCI	14	43,221	17,819	19,061
<b>Total non-current assets</b>		<b>77,921,495</b>	<b>100,622,680</b>	<b>93,913,113</b>
<b>Current assets</b>				
Inventories	15	16,480,675	25,262,734	43,652,372
Trade and other receivables	16	982,689	262,976	1,791,932
Prepayments	17	2,984,588	1,858,718	10,335,904
Current tax asset		-	2,518	54,779
Short-term loans receivable	18	8,649	7,744	52,302
Cash and cash equivalents	19	1,663,586	8,375,431	3,960,357
Assets held for sale	10.1	1,792,542	-	-
<b>Total current assets</b>		<b>23,912,729</b>	<b>35,770,121</b>	<b>59,847,646</b>
<b>Total assets</b>		<b>101,834,224</b>	<b>136,392,801</b>	<b>153,760,759</b>
<b>Equity and liabilities</b>				
<b>Equity</b>				
Share capital	8	133,582	28,935	28,935
Share premium		9,485,957	9,585,903	9,504,782
Share based payment reserve		695,289	691,155	671,209
Mark-to-market reserve		31,392	6,370	7,594
Revaluation reserve		17,040,694	20,992,870	22,341,225
Non-distributable reserves		2,335,436	2,335,436	2,335,436
Retained earnings #		3,296,507	28,233,548	29,949,289
<b>Equity attributed to equity holders of the parent</b>		<b>33,018,857</b>	<b>61,874,217</b>	<b>64,838,470</b>
Non-controlling interests	38	411,396	505,412	(1,722)
<b>Shareholders' equity</b>		<b>33,430,253</b>	<b>62,379,629</b>	<b>64,836,748</b>
<b>Non-current liabilities</b>				
Deferred tax liabilities #	20	6,474,978	12,161,079	6,569,637
Long term borrowings	24.2	794,444	456,583	3,060,303
Long term lease liability #	21	18,495,375	18,991,145	13,318,177
<b>Total non-current liabilities</b>		<b>25,764,797</b>	<b>31,608,807</b>	<b>22,948,117</b>
<b>Current liabilities</b>				
Trade and other payables	22	28,295,756	34,123,833	53,508,870
Provisions	23	2,422,974	934,541	1,595,138
Lease liability #	21	2,068,713	2,108,804	2,632,835
Short term borrowings	24.1	7,235,463	3,067,752	7,975,239
Current tax liabilities		276,582	2,169,435	263,812
Liabilities directly associated with assets classified as held for sale	10.1	2,339,686	-	-
<b>Total current liabilities</b>		<b>42,639,174</b>	<b>42,404,365</b>	<b>65,975,894</b>
<b>Total liabilities</b>		<b>68,403,971</b>	<b>74,013,172</b>	<b>88,924,011</b>
<b>Total equity and liabilities</b>		<b>101,834,224</b>	<b>136,392,801</b>	<b>153,760,759</b>

\*The prior year consolidated statement of financial position was previously reported in Zimbabwean Dollar (ZWL). This was restated by converting to the new functional currency, United States Dollar (US\$) as described per note 3.2.

# Comparative figures have been restated following the correction of prior year errors in the application of IFRS 16 Leases (see note 3.3 and 12.1).

For and on behalf of the board

  
**H. Nkala**  
Chairman  
30 October 2025



**V.W. Zireva**  
Chief Executive Officer



## Consolidated Statement of Changes in Equity

For the year ended 31 March 2025

	Share capital US\$	Share premium US\$	Share-based payments reserve US\$	
Balance at 1 April 2023 as previously stated	28,935	9,504,782	671,209	
Correction of prior period error	-	-	-	
Balance at 1 April 2023 Restated*	28,935	9,504,782	671,209	
(Loss)/Profit for the year - Restated*	-	-	-	
Other comprehensive income, net of tax	-	-	-	
<b>Total</b>	<b>28,935</b>	<b>9,504,782</b>	<b>671,209</b>	
<b>Transactions with owners:</b>				
<b>Contributions and distributions</b>				
Share options exercised	-	13,120	(7,320)	
Recognition of share based payments	-	68,001	27,266	
Dividends	-	-	-	
<b>Total transactions with owners</b>	<b>-</b>	<b>81,121</b>	<b>19,946</b>	
Balance at 31 March 2024	28,935	9,585,903	691,155	
Balance at 1 April 2024	28,935	9,585,903	691,155	
Loss for the year	-	-	-	
Other comprehensive income, net of tax	-	-	-	
<b>Total</b>	<b>28,935</b>	<b>9,585,903</b>	<b>691,155</b>	
<b>Transactions with owners:</b>				
<b>Contributions and distributions</b>				
Share options exercised	79	4,622	-	
Recognition of share based payments	-	-	4,134	
Reclassification #	104,568	(104,568)		
Total contributions and distributions	104,647	(99,946)	4,134	
<b>Total transactions with owners</b>	<b>104,647</b>	<b>(99,946)</b>	<b>4,134</b>	
Balance at 31 March 2025	133,582	9,485,957	695,289	

# Reclassification of impact of currency conversion from Zimbabwean dollar (ZWL) to United States Dollar (US\$) on opening balances.

\* The prior year consolidated statement of changes in equity was previously reported in Zimbabwean Dollar (ZWL). This was restated by converting to the new functional currency, United States Dollar (US\$) as described per note 3.2.

	Mark to Market reserve US\$	Revaluation reserve US\$	Non- distributable reserve US\$	Retained Earnings US\$	Total US\$	Non- controlling interests US\$	Total Equity US\$
	7,594	22,341,225	2,335,436	40,377,141	75,266,322	(1,722)	75,264,600
	-	-	-	(10,427,852)	(10,427,852)	-	(10,427,852)
	7,594	22,341,225	2,335,436	29,949,289	64,838,470	(1,722)	64,836,748
	-	-	-	(1,126,507)	(1,126,507)	507,140	(619,367)
	(1,224)	(1,348,355)	-	-	(1,349,579)	-	(1,349,579)
	6,370	20,992,870	2,335,436	28,822,782	62,362,384	505,418	62,867,802
	-	-	-	-	5,800	-	5,800
	-	-	-	-	95,267	-	95,267
	-	-	-	(589,234)	(589,234)	(6)	(589,240)
	-	-	-	(589,234)	(488,167)	(6)	(488,173)
	6,370	20,992,870	2,335,436	28,233,548	61,874,217	505,412	62,379,629
	6,370	20,992,870	2,335,436	28,233,548	61,874,217	505,412	62,379,629
	-	-	-	(24,937,041)	(24,937,041)	(94,016)	(25,031,057)
	25,022	(3,952,176)	-	-	(3,927,154)	-	(3,927,154)
	31,392	17,040,694	2,335,436	3,296,507	33,010,022	411,396	33,421,418
	-	-	-	-	4,701	-	4,701
	-	-	-	-	4,134	-	4,134
	-	-	-	-	8,835	-	8,835
	-	-	-	-	8,835	-	8,835
	31,392	17,040,694	2,335,436	3,296,507	33,018,857	411,396	33,430,253

## Consolidated Statement of Cash Flows

For the year ended 31 March 2025

	Notes	2025 Audited US\$	2024* Restated US\$
<b>Cash flows from operating activities</b>			
Cash (used in)/generated from trading#	26.0	(12,099,451)	45,039,039
Working capital changes	26.2	9,021,495	(21,143,147)
Cash (used in)/generated from operations		(3,077,956)	23,895,892
Finance costs paid#	26.3	(3,312,186)	(5,252,379)
Finance income received	26.1	3,958	4,828
Tax paid	26.4	(1,850,954)	(1,205,375)
<b>Net cash (used in)/generated from operating activities</b>		<b>(8,237,138)</b>	<b>17,442,966</b>
<b>Cash flows from investment activities</b>			
<b>Investments to maintain operations:</b>			
Replacement of property and equipment		(195,588)	(92,133)
Proceeds from disposal of property and equipment		226,058	294,816
Repayments of short-term loans receivable		65,032	59,391
Increase in short-term loans receivable		(65,937)	(14,832)
		<b>29,565</b>	<b>247,242</b>
<b>Investment to expand operations:</b>			
Additions to property and equipment		(677,869)	(6,397,633)
Additions to intangible assets	13	-	(62,138)
		(677,869)	(6,459,771)
<b>Net cash used in investing activities</b>		<b>(648,304)</b>	<b>(6,212,530)</b>
<b>Cash flows from financing activities</b>			
Dividends paid	26.5	-	(589,240)
Proceeds from share options exercised		5,477	9,452
Repayment of lease liabilities	26.6	(3,013,104)	(2,812,719)
Proceeds from borrowings	26.3	8,303,213	1,206,413
Repayment of borrowings	26.3	(3,851,971)	(9,762,920)
<b>Net cash used in financing activities</b>		<b>1,443,615</b>	<b>(11,949,014)</b>
Net decrease in cash and cash equivalents		(7,441,827)	(718,577)
Cash and cash equivalents at the beginning of year		8,375,431	3,960,357
Exchange gains on foreign cash balances		905,375	5,133,651
<b>Cash and cash equivalents at the end of year</b>		<b>1,838,979</b>	<b>8,375,431</b>
Cash and cash equivalents at end of year relating to assets classified as held for sale		(175,393)	-
<b>Cash and cash equivalents at end of year</b>		<b>1,663,586</b>	<b>8,375,431</b>

\* The prior year consolidated statement of cash flows was previously reported in Zimbabwean Dollar (ZWL). This was restated by converting to the new functional currency, United States dollar (US\$) as described per note 3.2.

# Comparative figures have been restated following the correction of prior year errors in the application of IFRS 16 Leases (see note 3.3 and 12.1).

# Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

## 1. General information

The Group is a leading supermarket retailer whose business is in retail and hypermarket formats, supplying food and liquor, housewares and household goods, building material and pharmaceutical goods. At the reporting date, the Group was operating from sixty-one retail, and eight hypermarket stores countrywide. The company, OK Zimbabwe Limited, had five subsidiaries.

The Group's parent company OK Zimbabwe Limited is a registered limited liability entity incorporated in Zimbabwe under the Companies and Other Business Entities Act ("COBE") Chapter 24:31 and is listed on the Zimbabwe Stock Exchange with its registered office at OK House, 7 Ramon Road, Graniteside, P. O. Box 3081, Harare, Zimbabwe.

## 2. Adoption of new and revised IFRS Accounting Standards

The following new and revised IFRS Accounting Standards have been applied in the current year and have affected the amounts reported in these financial statements. Details of other new and revised IFRSs in issue but not yet effective in the current year are set out in section 2.2.

### 2.1 New and amended IFRS Accounting Standards that are effective for the current year

NEW STANDARD	EFFECTIVE DATE (REPORTING PERIODS BEGINNING ON OR AFTER)	MAJOR REQUIREMENTS
Amendments to IAS 1, 'Presentation of Financial Statements' on Classification of Liabilities as Current or Non-Current.	1 January 2024	<p>Classification of liabilities as current or non-current depends solely on the entity's unconditional right to defer settlement at the reporting date. This right must be substantive.</p> <p>Settlement of a liability via the transfer of the entity's own equity instruments is generally treated as settlement, unless it arises from a conversion option that qualifies as an equity instrument.</p> <p>These amendments had no effect on the Group's consolidated financial statements, as no relevant transactions occurred during the period.</p>
Amendments to IAS 1-Noncurrent Liabilities with Covenants	1 January 2024	<p>A company classifies a liability as noncurrent if it has a right to defer settlement for at least 12 months after the reporting date. The right may be subject to the company complying with conditions (covenants) specified in a loan arrangement.</p> <p>The amendments clarify that only covenants that the Group must comply with on or before the reporting date are relevant when assessing whether a liability is classified as current or non-current. Covenants that are required to be complied with after the reporting date do not affect the classification.</p> <p>The amendments had no material impact on the Group's financial statements for the reporting period, as the Group had no liabilities subject to covenants that could affect classification at year-end.</p>
Amendments to IFRS 16, 'Leases': Lease Liability in a Sale and Leaseback	1 January 2024	<p>The amendment outlines how a seller-lessee should measure lease liabilities in a sale and leaseback arrangement.</p> <p>It ensures that no portion of the gain or loss is recognized for the right-of-use asset the seller-lessee retains.</p> <p>The amendment had no effect on the Group's consolidated financial statements, as no such transactions occurred during the reporting period.</p>



## Notes to the Consolidated Financial Statements (continued)

For the year ended 31 March 2025

### 2. Adoption of new and revised IFRS Accounting standards (continued)

#### 2.2 New and revised IFRS Accounting Standards in issue but not yet effective

NEW STANDARD	EFFECTIVE DATE (REPORTING PERIODS BEGINNING ON OR AFTER)	MAJOR REQUIREMENTS
Amendments to IAS 7, and IFRS 7: Disclosures: Supplier Finance Arrangements.	1 January 2024	<p>Requirements for entities to disclose :</p> <ul style="list-style-type: none"> <li>The impact of supplier finance arrangements on liabilities and cash flows.</li> <li>Terms and conditions of these arrangements               <ul style="list-style-type: none"> <li>-Quantitative data on related liabilities at the beginning and end of the reporting period</li> <li>-Non-cash changes affecting the carrying amount</li> <li>-Supplier finance arrangements are now explicitly cited as relevant to liquidity risk disclosures.</li> </ul> </li> <li>These amendments had an effect on the Group's consolidated financial statements as the entity now has reported their supplier finance agreements-related liabilities clearly showing terms, cash flow effects and liquidity exposure.</li> </ul>
Amendments to IAS 21: Lack of exchangeability	1 January 2025	<p>The amendments in Lack of Exchangeability (Amendments to IAS 21) amend IAS 21 to: Specify when a currency is exchangeable into another currency and when it is not.</p> <ul style="list-style-type: none"> <li>Specify how an entity determines the exchange rate to apply when a currency is not exchangeable.</li> <li>Require the disclosure of additional information when a currency is not exchangeable.</li> </ul> <p>The amendment is expected to have no material impact on the Group as currently there is no lack of exchangeability. However, the impact will be re-assessed in financial year 2026 based on the macro economic environment at that time.</p>
Amendments to IFRS 9 and IFRS 7 Classification and Measurement of Financial Instruments	1 January 2026	<p>A financial liability is derecognised on the settlement date when the obligation is discharged, cancelled, expires, or otherwise qualifies for derecognition.</p> <ul style="list-style-type: none"> <li>Introduces an accounting policy choice to derecognise liabilities settled via electronic payment systems before the settlement date, subject to specific conditions.</li> <li>Clarifies how to assess contractual cash flow characteristics of financial assets with ESG-linked or other contingent features.</li> <li>Provides guidance on the treatment of non-recourse assets and contractually linked instruments.</li> <li>The amendment is expected to have an impact on the financial statements through the need to separately disclose:</li> </ul>

## Notes to the Consolidated Financial Statements (continued)

For the year ended 31 March 2025

### 2. Adoption of new and revised IFRS Accounting standards (continued)

#### 2.2 New and revised IFRS Accounting Standards in issue but not yet effective

NEW STANDARD	EFFECTIVE DATE (REPORTING PERIODS BEGINNING ON OR AFTER)	MAJOR REQUIREMENTS
Amendments to IFRS 9 and IFRS 7 Classification and Measurement of Financial Instruments <i>(continued)</i>	1 January 2026	<p>Equity instruments at FVOCI—showing separately fair value movements in OCI for holdings sold versus held and financial instruments with contingent features such as ESG-linked triggers that could alter cash flows requiring descriptions of features, potential impact and exposure.</p> <p>The Group will adopt the amendments of the standard for the financial period beginning 1 January 2026. These amendments will not have a material impact on initial application.</p>
IFRS 18 - Presentation and Disclosure in Financial Statements	1 January 2027	<p>The International Accounting Standards Board (IASB) issued IFRS 18 on April 9, 2024. This standard introduces new requirements for the presentation of financial statements, including classification of income and expenses, disclosure of management performance measures, and enhanced disaggregation of information.</p> <p>The Group will adopt the amendments of standard for the financial period beginning on January 1 2027. These amendments will have a material impact on initial application.</p>
IFRS 19: Subsidiaries without Public Accountability: Disclosures	1 January 2027	<p>The International Accounting Standards Board (IASB) issued IFRS 19 in early May 2024. This standard offers reduced disclosure requirements for subsidiaries that don't hold public accountability.</p> <p>The amendments are expected to have no material impact on the Group's financial statements on initial application.</p>
Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7 (Annual Improvements to IFRS Accounting Standards 2022–2026 Cycle)	1 January 2026	<p>The amendments aim to improve clarity and internal consistency of IFRS Standards.</p> <p><b>IFRS 1:</b> Adds cross-references to IFRS 9 hedge accounting requirements to improve understandability (no impact as Group is not a first-time adopter).</p> <p><b>IFRS 7:</b> Updates terminology and illustrative examples for fair value disclosures and removes obsolete references (no material impact, as Group has limited fair value instruments).</p> <p><b>IFRS 9:</b> Clarifies that trade receivables are initially measured at the transaction price under IFRS 15, and addresses derecognition of lease liabilities (no material impact, Group already applies IFRS 15 guidance and derecognition events are rare).</p>

## Notes to the Consolidated Financial Statements (continued)

For the year ended 31 March

### 2. Adoption of new and revised standards (continued)

#### 2.2 New and revised IFRS Standards in issue but not yet effective

NEW STANDARD	EFFECTIVE DATE (REPORTING PERIODS BEGINNING ON OR AFTER)	MAJOR REQUIREMENTS
<b>Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7 (Annual Improvements to IFRS Accounting Standards 2022–2026 Cycle)</b> <i>(continued)</i>	1 January 2026	<p><b>IFRS 10:</b> Clarifies factors in assessing whether parties act as de facto agents (no impact, Group has no such structures).</p> <p><b>IAS 7:</b> Replaces references to “cost method” with “at cost” (editorial only, no impact on cash flow presentation).</p> <p>The Group will continue assessing the impact of these Annual Improvements to IFRS Standards in future reporting periods to ensure that any changes in business operations, financial instruments, or regulatory guidance are appropriately reflected in its consolidated financial statements.</p>

## Notes to the Consolidated Financial Statements (continued)

For the year ended 31 March 2025

### 3. Material accounting policy information

#### 3.1 Statement of compliance

The consolidated financial statements have been prepared in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and in compliance with Companies and Other Business Entities Act (COBE) (Chapter 24:31), except for non-compliance with IAS 21 The Effects of Changes in Foreign Exchange Rates, as more fully explained in Note 3.2.

#### 3.2 Functional currency

Since the promulgation of Statutory Instrument (“SI”) 185 of 2020, issued on 24 July 2020 and subsequently, SI 218 of 2023, issued on 27 October 2023, which confirmed the continued settlement of transactions and ultimately, the continued use of the US\$ until 31 December 2030, the economy has been observing a gradual increase in the use of the United States Dollar (US\$).

The Group companies have also been experiencing a shift in currency mix and as required by the guidance of IAS 21-The Effects of Changes in Foreign Exchange Rates, at the beginning of the financial year, the group companies evaluated whether the change in circumstances was indicative of a change in their functional currency.

In assessing the functional currency of the Group companies, the Directors considered the guidance provided by IAS 21 which required consideration of factors including but not limited to:

- The currency that mainly influences sales prices of goods and services, which is increasingly the US\$;
- The currency of costs that mainly influence operating expenses, including merchandise stock, services and employment costs, which are predominantly denominated and settled in US\$; and
- The currency in which funds are generated from financing activities.

Based on the review, the Directors concluded that the functional currency of the Group companies had changed from the Zimbabwe Dollar (ZWL) in prior year to the United States Dollar (US\$) with effect from 1 April 2024.

#### Procedures to convert functional currency

Prior to 1 April 2024, financial statements were presented in ZWL, after restatement of historical financial statements in accordance with IAS 29-Financial Reporting in Hyperinflationary Economies. IAS 21 requires entities that operated in hyperinflationary economies to translate their last reported inflation-adjusted financial statements using the closing rate of exchange at the last reporting date, on the effective date of change in functional currency.

Following the pronouncement of SI 27 of 2023, Census and Statistics (General) Notice, 2023 which introduced blended inflation rates replacing the ZWL inflation rates and Consumer Price Index (CPI) effective February 2023, the Group used an internal estimation based on the published Total Consumption Poverty Line (TCPL) since February 2023 to March 2024 to determine the Consumer Price Index (CPI).

In applying IAS 21 The Effects of Changes in Foreign Exchange Rates, the Group observed that for certain account balances specifically inventory, prepayments and work in progress (WIP) translating hyperinflation-adjusted ZWL balances at in-store rates did not yield amounts reflective of their true US\$ recoverable values. To address this, the following approaches were adopted:

- **Prepayments and WIP:** US\$-denominated invoices were retained at their US\$ values. ZWL-denominated invoices were translated to US\$ using the prevailing in-store exchange rate at the transaction date.
- **Inventory:** Implied exchange rates were derived from supplier pricing during the period 1–31 March 2024 by comparing ZWL and US\$ quotations, and these implied rates were applied in translation.

These translation approaches were applied to ensure that the reported US\$ balances reflect the amounts expected to be recovered. The Directors believe that this approach achieves a fair presentation of the financial position and performance of the Group and enhances comparability with prior periods.

#### 3.3 Accounting policies, changes in accounting estimates and errors

The Group applies IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors in accounting for restatements and changes in estimates.

Changes in accounting policies are applied retrospectively when required by an IFRS Accounting Standard, or when such a change results in financial statements providing more reliable and relevant information. In such cases, the comparative figures are restated and the opening balances of assets, liabilities and equity for the earliest prior period presented are adjusted accordingly.



## Notes to the Consolidated Financial Statements (continued)

For the year ended 31 March 2025

### 3. Material accounting policy information (continued)

#### 3.3 Accounting policies, changes in accounting estimates and errors (continued)

Changes in accounting estimates are applied prospectively. They are recognised in the period of the change if the change affects that period only, or in the period of the change and future periods if the change affects both.

Prior period errors are corrected retrospectively in the first set of financial statements authorised for issue after their discovery. The Group restates comparative amounts for prior periods presented in which the error occurred, and adjusts the opening balances of assets, liabilities and equity for the earliest prior period presented, as if the error had never occurred.

During the current financial year ended 31 March 2025, the Group identified and corrected prior period errors relating to the accounting for certain lease arrangements under IFRS 16 Leases. These leases had previously been treated as variable lease payments linked to the Zimbabwe Dollar (ZWL) interbank exchange rate. However, on reassessment, it was determined that the substance of the rental agreements was that these were United States Dollar (US\$) denominated leases which should have been accounted for as fixed foreign currency denominated leases during the periods in which the functional currency of the company was ZWL.

Accordingly, the comparative financial information as at and for the year ended 31 March 2024 has been restated, and the opening balances as at 1 April 2023 adjusted. The details of the restatement, including the nature of the error, the amounts involved, and the line items affected, are set out in Note 12.1 – Restatement of Prior Period Errors.

#### 3.4 Currency of reporting

The consolidated financial statements are presented in United States Dollars (US\$), which became the functional currency of the Group companies with effect from 1 April 2024. All foreign denominated transactions and balances are translated to the US\$ in accordance with IAS 21 (The Effects of Changes in Foreign Exchange Rates) at the in-store exchange rate prevailing at the time of transacting. All amounts in these financial statements are presented in United States dollars (US\$) to the nearest unit. No rounding has been applied.

#### 3.5 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the OK Zimbabwe Limited, the company and its subsidiaries (the Group).

Control is achieved when the Company:

- Has power over the investee;
- Is exposed, or has rights, to variable returns from its involvement with the investee; and
- Has the ability to use its power to affect its returns.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with those used by other members of the Group.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation. Non-controlling interests are shown separately from the parent company's equity in the consolidated financial statements. The value of non-controlling interests is determined as the proportionate share of the subsidiary's net assets.

#### 3.6 Goodwill

Goodwill arising on acquisition of assets is initially measured and recognised at cost as determined on the acquisition date. Subsequently goodwill is measured at cost less accumulated impairment losses, if any. This goodwill is subsequently tested for impairment at least on an annual basis and any resulting impairment is recognised immediately in the statement of profit or loss and other comprehensive income.

#### 3.7 Foreign currency transactions and balances

In preparing the financial statements of each individual group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. During the period the Group used, interbank rate plus a premium as allowable by the Reserve Bank of Zimbabwe, bank selling rates as well as market determined exchange rates 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 translated 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.

## Notes to the Consolidated Financial Statements (continued)

For the year ended 31 March 2025

### 3. Significant accounting policies (continued)

#### 3.7 Foreign currency transactions and balances (continued)

Transaction and translation gains or losses arising on conversion or settlement are dealt with in the statement of profit or loss and other comprehensive income in the determination of the profit before tax.

#### 3.8 Property and equipment

Property and equipment are stated in the statement of financial position at cost or revalued amount less any subsequent accumulated depreciation and impairment. Methods of valuation used are as follows:

Land and buildings	Market comparable and Income approach
Other property and equipment	Cost

Revaluations are performed frequently enough to ensure that the carrying amounts do not differ materially from those that would be determined using fair values. Any surplus arising on the revaluation of such land and buildings is recognised in other comprehensive income, except to the extent that it reverses a revaluation decrease for the same asset previously recognised in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously expensed. A decrease in the carrying amount arising on the revaluation of such land and buildings is recognised in the statement of profit or loss and other comprehensive income to the extent that it exceeds the balance, if any, held in the property's revaluation reserve relating to a previous revaluation of that asset.

Depreciation on revalued buildings is recognised in the statement of profit or loss and other comprehensive income. On the subsequent sale or retirement of a revalued property, the attributable revaluation surplus remaining in the property's revaluation reserve is transferred directly to retained earnings. No transfer is made from the revaluation reserve to retained earnings except when an asset is derecognised.

Properties in the course of construction for production, supply or administrative purposes, are carried at cost, less any recognised impairment. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use. Freehold land and work in progress are not depreciated.

Motor vehicles, fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment.

The assets are depreciated over their estimated useful lives which are as follows:

i) Freehold property	20 years
ii) Motor vehicles	5 years
iii) Leasehold improvements	20 years
iv) Furniture and equipment:	
Computers	5 years
Office furniture	10 years
Equipment	10 years
Air conditioners	10 years
Fixtures and fittings	10 years
Refrigerators	10 years
Boats	30 years

Depreciation is recognised so as to write off the cost or valuation of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method.

The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

The gain or loss arising on the disposal or retirement of an item of property and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the statement of profit or loss and other comprehensive income.

#### 3.9 Inventories

Inventories are valued at the lower of cost and net realisable value. Merchandise and consumable stores are valued at the landed cost on a first-in first-out basis. Net realisable value represents the estimated selling price for inventories less all estimated costs necessary to make the sale.

## Notes to the Consolidated Financial Statements (continued)

For the year ended 31 March 2025

### 3. Significant accounting policies (continued)

#### 3.10 Financial instruments

Financial assets and financial liabilities are initially recognised at fair value in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument. 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 which are immediately recognised in profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

##### Financial assets

The classification of financial assets is based on the contractual cash flow characteristics and the entity's business model for managing the financial asset. The categories used for these reflect their measurement, that is, amortised cost, fair value through other comprehensive income ("FVTOCI") and fair value through profit and loss ("FVTPL").

##### Financial assets held at amortised cost

A financial asset shall be measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL

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

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. Interest income is recognised in profit or loss.

##### Financial assets held at FVTOCI

Debt instruments that fall into this category are 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.

##### Financial assets held at FVTPL

By default, all other financial assets are measured subsequently at fair value through profit or loss. The Group may make the following irrevocable election at initial recognition of a financial asset:

- The Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognised by an acquirer in a business combination.
- The Group may irrevocably designate a debt instrument that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

##### 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. Exchange differences arising from translation are recognised in the same manner as the recognition of interest on the respective financial asset based on its category.

##### Derecognition of financial assets

The Group derecognises a financial asset when:

- The contractual rights to the cash flows from the financial asset expire; or
- The Group transfers the financial asset and substantially all the risks and rewards of ownership to another party.

When the Group neither transfers nor retains substantially all the risks and rewards of ownership, it assesses whether it has retained control of the financial asset. If the Group has not retained control, the asset is derecognised and any rights and obligations created or retained in the transfer are recognised separately as assets or liabilities.

##### Derecognition of financial liabilities

The Group derecognises a financial liability when the obligation under the liability is discharged, cancelled, or expires. A substantial modification of the terms of an existing financial liability is accounted for as the derecognition of the original liability and the recognition of a new liability, with any resulting gain or loss recognised in profit or loss.

#### 3.11 Cash and cash equivalents

Cash and cash equivalents comprise of cash on hand, demand deposits and other short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

## Notes to the Consolidated Financial Statements (continued)

For the year ended 31 March 2025

### 3. Significant accounting policies (continued)

#### 3.12 Revenue recognition

The revenue for the Group comprises sales of general merchandise to the local markets. The Group recognises revenue based on the consideration to which the Group expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. Revenue is measured at the fair value of the consideration received or receivable and represents amounts received or receivable for goods and services sold in the normal course of business, net of discounts and value added taxes. The Group recognises revenue when it transfers control of a product to a customer which is generally at till points.

Revenue is recognised when a performance obligation has been satisfied fully, when control of the goods has transferred, being when the goods have been collected or delivered to the customer's specific location. Following collection or delivery, the customer has full discretion over the manner in which they handle the goods, and also bears the risks of obsolescence and loss in relation to the goods.

A receivable is recognised by the Group when the goods are collected by or delivered to the customer as appropriate, as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due.

A sale of goods is recognised when goods are delivered, and title has passed to the buyer. Revenue from sales comprises the invoiced value of sales in respect of the Group's activities outlined.

#### 3.13 Tax

Income tax expense represents the current income tax and deferred tax

##### Current income tax

Current income tax is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of profit or loss and other comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable nor deductible. The Group's liability for current income tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

##### Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. 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 deferred tax assets and liabilities are not recognized if the temporary differences arise from assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. The carrying amount of deferred tax assets is reviewed at the end of each reporting period 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 asset 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 end of the reporting period. Following the increase of income tax rate from 24% to 25% with effect from 1 January 2024, deferred tax has been provided at 25.75% (inclusive 3% of AIDS levy).

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 end of the reporting period, 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 tax authority and the Group intends to settle its current tax assets and liabilities on a net basis.

##### Current income and deferred tax for the period

Current income and deferred tax are recognised as an expense or income in profit or loss, except when they relate to items that are recognised outside profit or loss (whether in other comprehensive income or directly in equity), in which case the tax is also recognised outside profit or loss.

#### 3.14 Employee benefits

##### Defined contribution plans

The entity operates pension schemes in terms of the Pension and Provident Funds Act (Chapter 24:09) and current contributions to defined contribution schemes are charged against income as incurred. The entity also participates in the National Social Security Authority scheme. Under defined contribution plans the entity's legal or constructive obligation is limited to the amount that it agrees to contribute to the fund. Consequently, the actuarial risk that benefits will be less than expected and the investment risk that assets invested will be insufficient to meet expected benefits is borne by the employee.



## Notes to the Consolidated Financial Statements (continued)

For the year ended 31 March 2025

### 3. Significant accounting policies (continued)

#### 3.14 Employee benefits (continued)

##### Retirement benefit costs

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

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

Retirement benefits are provided for Group employees through the OK Zimbabwe Pension Fund, which is a defined contribution fund, and through the National Social Security Authority ("NSSA") which is also a defined contribution scheme. Contributions to both are charged to the statement of profit or loss and other comprehensive income.

The NSSA scheme is a defined contribution scheme promulgated under the National Social Security Authority Act (Chapter 17:04). The Group's obligations under the scheme are limited to specific contributions legislated from time to time.

##### Share based payments

##### Equity settled Share-based Payments

The cost of equity settled transactions with employees is measured by reference to the middle market at the date on which they are granted. In valuing equity settled transactions, no account is taken of any performance conditions, other than linked to the price of the shares of the Company. The cost of equity settled transactions is recognised, together with the corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award ('the vesting date').

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's original estimates, if any, are recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the Share-based Payment reserve.

##### Cash settled share-based payments

The fair value determined at the grant date of the cash settled Share-based payments is re-measured at each reporting date until settlement. The Group recognises a liability for the cash settled share-based payments calculated at fair value determined at each financial reporting period. The related expense is recognised in share-based payment expense through the statement of comprehensive income over the vesting periods.

##### Short term employee benefits

Wages, salaries, paid annual leave, bonuses and non-monetary benefits are recognised as employee benefit expenses and accrued when the associated services are rendered by the employees of the entity.

##### Other long-term employee benefits

The Group provides long-term service awards to its employees that are payable on the attainment of a specified length of service. The long-term service awards are not vested until the employee has met the specified length of service. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the statement of financial position date, considering the risks and uncertainties surrounding the obligation. Remeasurements are recognized in the income statement over the period in which the employees render the related services.

##### Termination benefits

Termination benefits are payable when employment is terminated by the entity before retirement date or whenever an employee accepts voluntary redundancy in exchange for these benefits.

The entity recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without the possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy.

#### 3.15 Leases

The Group operates in leased premises in most of the locations. At inception of the contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

## Notes to the Consolidated Financial Statements (continued)

For the year ended 31 March 2025

### 3. Significant accounting policies (continued)

#### 3.15 Leases (continued)

##### The Group's leasing activities and how these are accounted for

The Group leases various properties for warehouses and retail space. Rental contracts are typically made for fixed periods of 3 to 10 years. 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, but leased assets may not be used as security for borrowing purposes.

Leases are recognised as a right-of-use asset and corresponding liability at the date of initial application since the leases were in effect as of that date. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. The lease term was used as it is lower than the useful life of the properties.

Liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the outstanding lease payments at date of initial application for already existing leases. The lease payments are discounted using the company's incremental borrowing rate. Where the Group does not have long term loans to use in determining the incremental borrowing rate, the Reserve Bank of Zimbabwe maximum co-operate lending rates are used. Right-of-use assets are measured at cost comprising the amount of the initial measurement of lease liability. Lease liabilities are remeasured when there is a change in future lease payments or when the lease term is revised. A corresponding adjustment is made to the carrying amount of the right-of-use asset.

The Group has elected not to recognize right of use asset and lease liabilities for leases of low-value assets. The threshold has been set as monthly rentals of an equivalent of US\$ 500. The Group recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The Group has entered into various lease contracts with varying contractual payments denominated in different currencies, these are treated as follows:

- Lease agreements denominated and payable in US\$ (including those expressed in rental units payable in US\$) are aligned to the Group's functional currency. Accordingly, both the right-of-use asset and the lease liability are recognised and measured in US\$. Subsequent remeasurement of the lease liability and right-of-use asset is also maintained in US\$.
- Lease agreements whose contractual base rentals are linked to a US dollar or rental unit index but settled in ZWG at the prevailing interbank exchange rate are considered to be US\$-denominated in substance. These are therefore accounted for in the same manner as US\$-denominated leases, with the underlying lease calculations maintained in US\$. Both the right-of-use asset and the lease liability are recognised and subsequently remeasured in US\$.
- Lease agreements denominated and payable in ZWG are treated as foreign currency denominated leases, given the Group's US\$ functional currency. At commencement, the lease liability is measured at the present value of the ZWG lease payments, discounted using the lessee's incremental borrowing rate applicable to ZWG. Thereafter, the lease liability is remeasured at each reporting date using the closing spot exchange rate, with corresponding foreign exchange fluctuations recognised in profit or loss. The right-of-use asset is initially recognised in US\$ based on the exchange rate at inception (or modification) of the lease.

##### Extension Options

Extension options are included in the property leases within the Group if management concludes that it is reasonably certain to exercise an option to extend a lease. These terms are used to maximise operational flexibility in terms of managing the contracts. The extension is exercisable by the Group and by the respective Lessor.

At the commencement date, the Group assessed whether it is reasonably certain to exercise an option to extend the lease or not. The Group considered all relevant facts and circumstances that would create an economic incentive for the Group to exercise, or not to exercise, the option, including any expected changes in facts and circumstances from the commencement date until the exercise date of the option.

The Group has Long-term commitments to specific locations situated in crucial areas for our customer base and long-term lease improvement plans, exercising the extension was therefore highly likely to happen.

The Group has no exercise options that were not included in the lease measurement.

##### Restatement of leases

During the current year, the Group restated the leases from inception of each lease contract (refer to Note 12.1). In performing the restatement, the Group applied the contractual terms of the leases including lease term, extension options that are reasonably certain to be exercised, and contractual rentals. The entity's incremental borrowing rate and Reserve Bank of Zimbabwe corporate lending rates were applied to discount the lease liabilities.

## Notes to the Consolidated Financial Statements (continued)

For the year ended 31 March 2025

### 3. Significant accounting policies (continued)

#### 3.15 Leases (continued)

**Operational and financial effects of those options.**

##### a) Financial Effects:

Increased future lease payments. The Group has estimated that the potential future lease payments should it exercise the options to extend contributes US\$ 32.6 million in the total lease liability recognised.

##### b) Operational Effects:

Maintenance and repairs: With extended asset use, the Group will be expected to incur repairs and maintenance costs to ensure the stores remains functional and appealing to our customers.

#### 3.16 Earnings per share

The calculation of earnings per share is based on profit for the period attributable to ordinary shareholders and the weighted average number of ordinary shares in issue during the period. Headline earnings per share is calculated in accordance with the formula determined and publicised by the Zimbabwe Stock Exchange. Diluted earnings per share is presented to show the effect of the conversion of favorable potential ordinary shares.

### 4. Key sources of uncertainty and critical judgments

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of revision and future periods if the revision affects both current and future periods. The following are the critical judgments, apart from those involving estimations, that the Directors and management have made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

#### 4.1 Key sources of uncertainty and critical judgments

##### 4.1.1 Assessment of impairment of property, equipment and right of use asset

###### Determination and Measurement of Recoverable Amount of Cash-Generating Units

The Group has identified each retail outlet as a separate cash-generating unit (CGU) for the purpose of impairment testing of property, equipment and right-of-use assets.

The recoverable amount of each CGU is determined as the higher of value in use and fair value less costs of disposal (FVLCD). The determination is sensitive to several critical assumptions, including projected cash flows, discount rates, and long-term growth assumptions. When assessing value in use, future cash flows are estimated using management-approved budgets and forecasts, which are informed by historical trading patterns, operational plans, and market expectations in Zimbabwe's retail sector. These forecasts take into account management's revenue growth initiatives and other mitigatory actions outlined in Note 40, which also highlights the material uncertainty related to the achievement of these initiatives and the Group's ability to continue as a going concern. These cash flows are discounted to present value using a pre-tax discount rate reflecting the time value of money and risks specific to the CGU. No benefits from future restructuring activities to which the Group is not yet committed are included in the forecasts.

**Continuing operations:** Where outlets are expected to remain in operation, cash flow projections are prepared over a five-year period, with terminal values determined using a growth rate that reflects population dynamics, anticipated consumer demand, and forward-looking inflation expectations for food and groceries in Zimbabwe.

**Non-continuing operations:** For outlets where the Group intends to close, cash flows are projected over the remaining lease term only. For the purpose of determining FVLCD, management considers observable market inputs where available. However, for right-of-use assets and leasehold improvements, FVLCD was not separately determined as there is currently no active market evidence for comparable retail properties or related leasehold improvements in Zimbabwe. In such cases, management relied on the value-in-use approach to assess recoverable amounts. Key assumptions applied, including the discount rate and long-term growth rate, are disclosed in Note 11.

###### Determination and Measurement of Recoverable Amount of Corporate Assets

The Group supports the store operations through centralised functions such as head office facilities, information systems and distribution centres. These corporate assets provide benefits across the Group and do not generate independent cash inflows.

Accordingly, corporate assets are tested for impairment together with the CGUs that they support. Where a reasonable and consistent allocation of the corporate assets to individual CGUs is not possible, the Group tests them for impairment at a higher aggregated level, being the Group CGU.

## Notes to the Consolidated Financial Statements (continued)

For the year ended 31 March 2025

### 4. Key sources of uncertainty and critical judgments (continued)

#### 4.1.1 Assessment of impairment of property, equipment and right of use asset (continued)

Certain assets, such as property and equipment relating to the central bakery, can be allocated to individual CGUs on a reasonable and consistent basis, for example by using each store's level of participation in bakery production and sales. These assets are tested for impairment at the respective CGU level.

The recoverable amount of corporate assets is similarly determined as the higher of value in use and fair value less costs of disposal, with sensitivity to discount rates, cash flow projections and growth rates, consistent with the approach outlined above.

#### 4.1.2 Useful lives and residual values of property, equipment and right of use asset

The residual values were assessed through comparison of prices of new and aged assets, for each asset category to give an indicative recovery rate. The useful lives are set out in note 3.6 and no changes to these useful lives have been considered necessary during the year. The assessment does not relate to properties that are fair valued.

#### 4.1.3 Assets held for sale

Non-current assets, or disposal groups comprising assets and liabilities, are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets, or disposal groups are generally measured at the lower of their carrying amount and fair value less costs to sell. Any impairment loss on a disposal group is allocated first to goodwill and then to the remaining assets and liabilities on a pro-rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets, investment property or biological assets, which continue to be measured in accordance with the Group's other accounting policies. Impairment losses on initial classification as held for sale and subsequent gains and losses on remeasurement are recognised in the profit or loss.

Once classified as held for sale, intangible assets and property, plant and equipment are no longer amortised or depreciated.

#### Use of estimates and judgements

- **Fair value less costs to sell**  
The disposal group is measured at fair value less costs to sell. This requires estimation of expected disposal proceeds, transaction costs, and in some cases use of discounted cash flow models. Key inputs include expected selling price, market comparables, and discount rates applied.
- **Probability and timing of disposal**  
Classification as held for sale under IFRS 5 requires management judgement that the disposal is highly probable within 12 months. This involves assessment of the progress of negotiations, approvals required, and the likelihood of execution of the sale plan.
- **Allocation of impairment losses**  
Impairment losses recognised on classification as held for sale are allocated across assets within the disposal group on a pro-rata basis, subject to IFRS 5 restrictions. This involves estimating the recoverable amount of individual assets and determining whether they can absorb allocated impairment.

#### 4.1.4 Valuation of share options

Refer to note 8.4 for the assumptions applied in the model.

#### 4.1.5 Impairment of goodwill

Goodwill arising on acquisition of assets is initially measured and recognised at cost as determined on the acquisition date less accumulated impairment, if any. This goodwill is subsequently tested for impairment at least on an annual basis and any resulting impairment is recognised immediately in the statement of profit or loss and other comprehensive income. The value in use calculation requires the Directors to estimate the future cash flows expected to arise from the cash generating unit and a suitable discount rate in order to calculate present value. Where the actual future cash flows are less than expected, an impairment may arise. An impairment loss recognised for goodwill shall not be reversed in a subsequent period. Key assumptions utilised in the impairment assessment:

- Budgeted future cash-flows that were exclusive of cash-flows to be realised from any future refurbishments.
- A growth rate of 6% (2024: 4%) in future cash-flows was applied in the first 3 years, and 4.42% in perpetuity.
- Discount rate, pretax, of 27.07% (2024: 13.9%).

These assumptions are consistent with those applied in the Group's going concern cash flow forecasts (refer to Note 40), ensuring alignment between impairment testing and broader financial viability assessments.



## Notes to the Consolidated Financial Statements (continued)

For the year ended 31 March 2025

### 4. Key sources of uncertainty and critical judgments

#### 4.1.6 Valuation of land and buildings

The valuation was undertaken using the appropriate valuation methodology and professional judgment of the valuers. The Group engaged professional valuers, Dawn Property Consultants (Private) Limited to value land and buildings at the end of the reporting period. The fair values as determined by Dawn Property Consultants are used for reporting purposes.

Valuations of land and buildings are based on market comparable and income methods. The market comparable approach considers comparable market evidence i.e. the sales evidence either achieved or on the market, of similar land and buildings situated in the comparable residential suburbs and undeveloped land with that of subject land and buildings or the sales evidence of complete transactions as well as transactions where offers had been made but the transaction had not been completed. The income approach involves the capitalization of expected rental income by an appropriate yield. The most acceptable approach in assessing the valuation of commercial properties is the income approach. Accordingly, the income approach was used for all land and buildings except for undeveloped land and residential properties, for which the comparative approach was used.

The valuers have stated that valuations rely on inputs such as market rentals per square metre, rental yields and recent price per square meter for comparable properties.

### 4.2 Critical Judgements

#### 4.2.1 Determining the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option. The assessment is reviewed if a significant event or change in circumstances occurs which affects this assessment.

#### 4.2.2 Exchange rate

The Group transacts in foreign currency when paying for imports as well as for some revenue and expenses following the liberalization on the use of foreign currency for domestic transactions through Statutory Instrument 85 of 2020. The Group relies primarily on the sale of products on the domestic market to obtain foreign currency. For the conversion of the foreign currency transactions management determined the appropriate exchange rate applicable.

#### 4.2.2 Control over investee

In determining whether the entity has control over another entity, management assesses whether it has power over the investee; exposure, or rights, to variable returns and ability to use power to affect returns. Management considers all facts and circumstances when assessing whether it controls an investee and shall reassess whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Management considers the following factors in assessing whether it has control over an investee including where the Group holds less than 50%:

- Purpose and design of the investee
- What the relevant activities are and how decisions about those activities are made
- Whether the rights of the investor give it the current ability to direct the relevant activities
- Whether the investor is exposed, or has rights, to variable returns from its involvement with the investee.

## Notes to the Consolidated Financial Statements (continued)

For the year ended 31 March 2025

### 5. Revenue

	2025 Audited US\$	2024 Restated US\$
<b>Revenue</b>		
Retail	190,157,647	393,276,151
Hypermarket	55,013,032	117,736,194
<b>Total</b>	<b>245,170,679</b>	<b>511,012,345</b>

During the year, the Group earned revenue from sale of merchandise through its retail and hypermarket stores as shown above.

### 6. Profit before Income tax

Profit before income tax takes into account the following:

#### 6.1 Other income

	2025 Audited US\$	2024 Restated US\$
Lease and sub-lease income	36,337	726,757
Commission income	2,227,087	8,033,388
<b>Total</b>	<b>2,263,424</b>	<b>8,760,145</b>

Commission income represents fees and service charges earned by the Group from various third-party arrangements. These include, but are not limited to mobile money platforms, international remittance services, insurance and bill payment services.

#### 6.2

	2025 Audited US\$	2024 Restated US\$
<b>Other expenses</b>		
Utilities and backup power expenses	14,508,472	28,172,643
Property operating costs	5,168,917	7,386,299
Marketing and promotional expenses	2,445,676	4,906,392
Maintenance expenses	2,466,221	5,260,957
Security expenses	2,972,246	4,406,580
Cleaning expenses	726,806	4,162,123
Transport and motor vehicle	1,542,744	3,481,047
Retirement benefit costs	1,395,394	2,509,005
Distribution expenses	920,556	2,869,948
Bank Charges	1,288,025	851,837
Licences Expenses	1,566,079	1,876,546
Consultancy fees	231,933	1,877,677
Stock-taking expenses	400,203	1,135,934
Insurance expenses	495,456	614,551
Auditor's fees – year-end audit	187,748	540,726
Auditor's fees – other services	27,865	196,986
Loss/(profit) on sale of property and equipment	311,532	(180,746)
Other <sup>1</sup>	1,139,735	1,542,179
<b>Total</b>	<b>37,795,608</b>	<b>71,610,684</b>

1 Due to the nature of the Group's diversified operations, other expenses include several line items that are not material enough to be reasonably disaggregated.

# Comparatives were inflation-adjusted in ZWL and converted to US\$, creating distortions; figures are not fully comparable.

## Notes to the Consolidated Financial Statements (continued)

For the year ended 31 March 2025

### 6. Profit before income tax (continued)

#### 6.2.1 Retirement benefit costs

	2025 Audited US\$	2024 Restated US\$
<b>OK Zimbabwe Pension Fund</b>		
- Defined contribution	635,377	1,450,872
- National Social Security Authority Scheme	760,017	1,058,133
	<b>1,395,394</b>	<b>2,509,005</b>

#### 6.2.2 Exchange gains/(losses)

	2025 Audited US\$	2024 Restated US\$
Exchange gains/(losses)	13,459,698	(51,131,999)

The current period exchange gains were primarily driven by ZWG liabilities.

### 6.3 Depreciation and amortization expense

	2025 Audited US\$	2024 Restated US\$
Property	1,178,380	4,477,325
Equipment	3,840,187	1,864,744
Right of use asset	6,450,209	5,889,834
Intangible asset	43,926	5,192
	<b>11,512,702</b>	<b>12,237,095</b>

### 6.4 Impairment of non-financial assets

	2025 Audited US\$	2024 Restated US\$
Intangible assets		
Goodwill	4,001,766	-
Property and equipment		
Equipment, furniture and fittings	29,207	-
Leasehold Improvements	1,706,561	-
Right of use assets	4,594,171	-
	<b>10,331,705</b>	<b>-</b>

Refer to Note 11 for further details on the impairments.

## Notes to the Consolidated Financial Statements (continued)

For the year ended 31 March 2025

### 7. Income taxes

	2025 Audited US\$	2024 Restated US\$
<b>7.1 Tax charge</b>		
Income Tax:		
Current	38,781	16,718,296
Standard	37,651	16,315,220
Aids Levy	1,130	403,076
Deferred tax:		
(Credit)/debit to statement of profit or loss	(5,330,737)	6,682,991
<b>Total tax (credit)/expense</b>	<b>(5,291,956)</b>	<b>23,401,287</b>
<b>7.2 Reconciliation of tax charge</b>	<b>2025</b>	<b>2024</b>
	%	%
Standard rate	25.75	24.72
Adjusted for:		
Effect of net expenses not deductible for tax #	(8.31)	78.18
Effect of changes in tax rate	-	(0.18)
Interest taxed at special rates *	0.01	0.00
Effective rate of tax	(8.30)	78.00
	<b>17.45</b>	<b>102.72</b>

# Permanent differences arise from recognised expenses that are not deductible for tax purposes. Key non-deductible expenditures were Intermediated Money Transfer Tax (IMTT), Staff canteen costs and Value Added Tax (VAT).

\* The interest relates to income received from financial institutions, which attracts 15% withholding tax at source.

The standard tax rate of 25.75% represents the statutory corporate income tax rate of 25%, plus an AIDS levy of 3%.

### 8. Share Capital

	2025 Audited US\$	2024 Restated US\$
<b>8.1 Share Capital</b>		
Authorised:	200,000	200,000
Issued and fully paid:	133,582	28,935

\*Comparative figures have been restated, the nominal value per share remains US\$0.0001, with 2,000,000,000 authorised shares.

#### Reconciliation of issued share capital

	2025 US\$	2024 US\$
<b>Number of shares:</b>		
At the beginning of the year	1,320,208,817	1,311,691,373
Shares issued during the year	15,611,985	8,517,444
<b>At the end of the year</b>	<b>1,335,820,802</b>	<b>1,320,208,817</b>

Holders of these shares are entitled to dividends from time to time and are also entitled to attend, ask questions and vote at general meetings of the company. All rights attached to the shares held by the Group are suspended until those shares are re-issued.



## Notes to the Consolidated Financial Statements (continued)

For the year ended 31 March 2025

### Share capital (continued)

#### Reconciliation of treasury shares

	2025 US\$	2024 US\$
<b>Number of shares:</b>		
At the beginning of the year	3,808,739	3,808,739
Shares acquired/(issued) during the year	-	-
<b>At the end of the year</b>	<b>3,808,739</b>	<b>3,808,739</b>

### 8.2 Nature and purpose of reserves

Goal	Targets
<b>Mark to Market Reserve</b>	The mark to market reserve relates to cumulative fair value adjustments that are done to financial instruments measured at Fair Value through Other Comprehensive Income.
<b>Revaluation Reserve</b>	The revaluation reserve relates to the revaluation of land and buildings measured at fair value. There are no restrictions on the distribution of the balances of the revaluation to the shareholders.
<b>Share based payment Reserve</b>	This reserve relates to a provision of the anticipated equity instruments of OK Zimbabwe to be issued in the future as a result of OK Zimbabwe transacting with its own equity instruments in share-based payment transactions.
<b>Retained Earnings</b>	The reserve contains accumulated earnings of the company since its inception, less any amounts paid in dividends.
<b>Non-Distributable Reserves</b>	The Group's non-distributable reserve comprises the Functional Currency Translation Reserve as such, cannot be distributed as dividends to shareholders. It is presented separately in equity to provide transparency regarding amounts that are not available for distribution.

### 8.3 Shares under option

The number of shares subject to options is approved by the shareholders in Annual General Meetings. The Directors in turn are empowered to grant share options to certain employees of the Group. These options are granted at a price determined by the middle market price ruling on the Zimbabwe Stock Exchange on the date of grant and have a vesting period of three years after which they are exercisable over 6 years from grant date. Each employee share option converts into one ordinary share of OK Zimbabwe Limited.

*The share option prices are presented in ZWG as the equivalent amounts in US\$ are negligible.*

The details of the number of share options outstanding during the year are as follows:

## Notes to the Consolidated Financial Statements (continued)

For the year ended 31 March 2025

### 8.3 Shares under option (continued)

The details of the number of share options outstanding during the year are as follows:

These shares were under option at the beginning of the year:-	Subscription Price	Number of shares
<b>2019 Scheme</b>		
Granted 5 June 2021*	ZWG0.0069	26,532,500
<b>Balance at 31 March 2025</b>		<b>26,532,500</b>
<b>Movements for the year under the 2019 scheme:</b>		
<b>Balance at 1 April 2024</b>		26,532,500
Options exercised		(20,623,600)
Options forfeited		(5,908,900)
<b>Balance at 31 March 2025</b>		-
<b>2022 Scheme</b>		
Granted 17 September 2022	ZWG 0.0118	25,355,000
Granted 31 July 2023	ZWG 0.0443	17,310,000
Granted 26 June 2024	ZWG 0.5000	29,985,000
<b>Balance at 31 March 2025</b>		<b>72,650,000</b>
<b>Movements for the year under the 2022 scheme:</b>		
<b>Balance at 1 April 2024</b>		42,665,000
Options issued		29,985,000
Options exercised		-
Options forfeited		(13,250,000)
<b>Balance at 31 March 2025</b>		<b>59,400,000</b>
<b>Total options granted yet to vest</b>		<b>59,400,000</b>

\*The options were exercisable over 6 years from grant date and these were fully exercised during the year.

### 8.4 Share-based payments computation

The options outstanding at 31 March 2025 had a weighted average exercise price of ZWG 0.2222 and a weighted average remaining contractual life of twenty-five months.

The inputs into the Black-Scholes model in respect of the options granted during the current and prior years were as follows:

Scheme	Grant Date	Share Price
2019 scheme	5 June 2021	ZWG 0.00699
2022 scheme	17 September 2022	ZWG 0.01180
2022 scheme	31 July 2023	ZWG 0.04436
2022 scheme	26 June 2024	ZWG 0.50000
Expected volatility		103.62%
Weighted average grant price		ZWG 0.2222
Expected life		40 months
Average risk-free rate		10.23%

Valuation inputs:

**Exercise price-** The Scheme rules state that the price for the shares comprised in an option shall be the market price ruling on the Zimbabwe Stock Exchange on the day on which the options are granted. The share price for options granted in 26 June 2024 was ZWG 0.5000.

## Notes to the Consolidated Financial Statements (continued)

For the year ended 31 March 2025

### 8.4 Share-based payments computation (continued)

**Expected volatility** - Expected volatility is a measure of the amount by which the price is expected to fluctuate during a period, for example between grant date and the exercise date. Volatility is calculated as the standard deviation of log-normal daily returns for the period starting, 5 June 2021 to 31 March 2025.

**Expected dividend** - When estimating the fair value of options, the projected valuation of shares is reduced by the present value of dividends expected to be paid during the vesting period. This is because the payment of dividends reduces the value of the Group.

**Risk-free rate of return** - A risk free rate of return is the interest rate an investor would expect to earn on an investment with no risk which is usually taken to be a government issued security. It is the interest rate earned on a risk-free security over a specified time horizon.

All options expire 6 years after the date of grant, if not exercised.

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's original estimates, if any, are recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the Share-based Payment reserve.

The fair value determined at the grant date of the cash 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 liability. At the end of each reporting period, the Group's original estimates, if any, are recognized in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the liability.

The key terms and conditions related to the grants under the scheme are as follows:

Grant date	Equity settled (000s)	Cash settled (000s)	Number of shares (000s)	Vesting conditions	Contractual life of options from grant date
On 17 Sept. 2022	15,440	2,310	17,750	3 years' service from grant date and employee performance based on set KPIs.	6 years
On 31 July 2023	10,855	2,495	13,350	Same as above	6 years
On 26 June 2024	24,075	4,225	28,300	Same as above	6 years
<b>Total share options</b>	<b>50,370</b>	<b>9,030</b>	<b>59,400</b>		

Each option represents a right to acquire one ordinary share in OK Zimbabwe Limited (equity-settled) or to receive a cash payment equivalent to the fair value of one share at exercise date (cash-settled).

Details of the liabilities arising from cash-settled share-based payments are as follows:

	2025 US\$	2024 US\$
Expense recognised during the year	5,987	104,742
Total carrying amount of cash-settled share-based payment liabilities	8,306	12,992

### 8.5 Revaluation Reserve

	2025 US\$	2024 Restated US\$
At the beginning of the year	20,992,870	22,341,225
Comprehensive loss for the year	(4,607,306)	(2,439,885)
Deferred tax	655,130	1,091,530
	<b>17,040,694</b>	<b>20,992,870</b>

## Notes to the Consolidated Financial Statements (continued)

For the year ended 31 March 2025

### 8.5 Revaluation Reserve (continued)

Revaluations of freehold land and buildings are conducted frequently to ensure that carrying amounts do not differ materially from those that would be determined using fair values. The Directors decided to have the freehold property revalued in the current year in order to ensure that the carrying amounts do not differ materially from the fair values as at the reporting date. The next revaluation is due in the financial year ending 31 March 2026.

### 9. Property and equipment

	2025 Audited US\$	2024 Restated US\$
<b>Freehold land and buildings</b>		
Revalued amount	27,268,000	30,340,876
Accumulated depreciation	-	-
	<b>27,268,000</b>	<b>30,340,876</b>
<b>Leasehold improvements</b>		
Cost	10,152,846	8,530,796
Accumulated depreciation	(4,472,357)	(2,451,733)
	<b>5,680,489</b>	<b>6,079,063</b>
<b>Furniture and Equipment</b>		
Cost	43,253,212	40,510,056
Accumulated depreciation	(24,263,372)	(21,337,436)
	<b>18,989,840</b>	<b>19,172,620</b>
<b>Vehicles</b>		
Cost	4,734,551	5,550,332
Accumulated depreciation	(2,008,761)	(2,003,413)
	<b>2,725,790</b>	<b>3,546,919</b>
<b>Work in progress</b>	250,768	7,911,087
<b>Total Property and equipment</b>	<b>54,914,887</b>	<b>67,050,565</b>
<b>At the beginning of the year</b>	<b>67,050,565</b>	<b>69,455,641</b>
<b>Capital expenditure</b>	873,457	6,489,766
Impairment	(1,735,768)	-
WIP write off	(339,098)	-
Revaluation	(4,607,306)	(2,439,885)
Disposals	(537,756)	(112,887)
Depreciation	(5,018,567)	(6,342,070)
Reclassified as held for sale	(770,640)	-
<b>At the end of the year</b>	<b>54,914,887</b>	<b>67,050,565</b>
<b>Freehold land and buildings</b>		
At the beginning of the year	30,340,876	36,092,471
Additions	2,212,934	450,337
Revaluation	(4,607,306)	(2,439,885)
Transfer from leasehold	158,902	-
Depreciation	(837,406)	(3,762,047)
<b>At the end of the year</b>	<b>27,268,000</b>	<b>30,340,876</b>



## Notes to the Consolidated Financial Statements (continued)

For the year ended 31 March 2025

### 9. Property and equipment (continued)

	2025 Audited US\$	2024 Restated US\$
<b>Leasehold improvements</b>		
At the beginning of the year	6,079,063	4,868,145
Additions	1,827,253	1,433,716
Transfer to freehold	(158,902)	-
Disposals	(13,279)	-
Impairment	(1,706,560)	-
Depreciation	(340,974)	(222,798)
Reclassified as held for sale	(6,112)	-
<b>At the end of the year</b>	<b>5,680,489</b>	<b>6,079,063</b>
<b>Furniture and Equipment</b>		
At the beginning of the year	19,172,620	17,615,025
Additions	3,860,227	3,823,921
Disposals	(26,922)	(64,623)
Impairment	(29,207)	-
Depreciation	(3,222,350)	(2,201,703)
Reclassified as held for sale	(764,528)	-
<b>At the end of the year</b>	<b>18,989,840</b>	<b>19,172,620</b>
<b>Vehicles</b>		
At the beginning of the year	3,546,919	2,483,895
Additions	230,929	1,266,810
Disposals	(434,220)	(48,264)
Depreciation	(617,838)	(155,522)
<b>At the end of the year</b>	<b>2,725,790</b>	<b>3,546,919</b>
<b>Work in progress</b>		
At the beginning of the year	7,911,087	8,396,105
Additions	13,348	644,063
Disposals	(63,335)	-
WIP write off	(339,098)	-
Capital expenditure capitalised	(7,271,234)	(1,129,081)
<b>At the end of the year</b>	<b>250,768</b>	<b>7,911,087</b>
<b>Total Property and Equipment</b>	<b>54,914,887</b>	<b>67,050,565</b>
<b>Additions comprised:</b>		
Freehold property	2,212,934	450,337
Leasehold improvements	1,827,253	1,433,716
Furniture and Equipment	3,860,227	3,823,921
Motor vehicles	230,929	1,266,810
Transferred from WIP	(7,257,886)	(485,018)
Capital expenditure	<b>873,457</b>	<b>6,489,766</b>
<b>Disposals:</b>		
Plant and equipment	<b>(537,756)</b>	<b>(112,887)</b>

The gross carrying amount of fully depreciated property and equipment that is still in use was US\$ 1.2 million (2024: US\$ 0.49 million).

## Notes to the Consolidated Financial Statements (continued)

For the year ended 31 March 2025

### 9. Property and equipment (continued)

#### Assets pledged as security

During the year, the Group pledged certain immovable properties as security against borrowings from financial institutions. The total market value of the pledged properties amounted to US\$19,580,000 (2024: nil), with mortgage values of US\$19,580,000 securing total facilities of US\$23,000,000. As a result of liquidity constraints in the economy, the Group was not able to fully access the facilities during the year.

The pledged assets are summarised below:

Property	Address	Market value	Mortgaged
OK Mbuya Nehanda	Stand 5950 Salisbury Township 118 Mbuya Nehanda Street Harare	US\$3,210,000	US\$3,210,000
OK Glen View	Stand 12279 Glenview Township Glenview Harare	US\$1,830,000	US\$1,830,000
Birmingham Warehouse	Stand 14997 Salisbury Township Harare	US\$3,700,000	US\$3,700,000
	<b>Total mortgaged to FBC Bank Limited</b>	<b>US\$8,740,000</b>	<b>US\$8,740,000</b>
OK Gweru	Stand 151A Gweru Township Gweru	US\$2,700,000	US\$2,700,000
OK Malvern	Stand 223 Malvern Township Harare	US\$1,420,000	US\$1,420,000
Harare Stand	Stand 6464 Odar Township Stand 39 Odar Township Harare	US\$720,000	US\$720,000
	<b>Total pledged to National Building Society</b>	<b>US\$4,840,000</b>	<b>US\$4,840,000</b>
Harare Stand	Stand 19678 Harare Township of Borrowdale Harare	US\$6,000,000	US\$6,000,000
	<b>Total pledged to CBZ Bank Limited</b>	<b>US\$6,000,000</b>	<b>US\$6,000,000</b>
	<b>Total Properties</b>	<b>US\$19,580,000</b>	<b>US\$19,580,000</b>

#### 9.1 Fair value measurement of the Group's freehold land and buildings

The Group's freehold land and buildings are stated at their revalued amounts, being the fair value at the date of revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment. The fair value measurements of the Group's freehold land and buildings were performed by Dawn Property Consultancy (Private) Limited, independent valuers not related to the Group, as at 31 March 2025. Dawn Property Consultancy is a member of the Valuers Council of Zimbabwe, and they have appropriate qualifications and recent experience in the fair value measurement of properties in the relevant locations.

#### Key assumptions and considerations applied in the valuation process include:

- The underlying valuation has been prepared in US\$ and the US\$ rental rates used in compilation of the valuation were reasonable and reflective of the market as at the date of valuation.
- The US\$ replacement rates used in compilation of the valuation were obtained from a professional Quantity Surveyor and was deemed to be the reflective of the market as at the date of valuation.
- Rentals were invoiced in US\$ during the year.
- In determining the rental rates, the "formulas" presently being applied by the market for purposes of rent negotiations were taken into account.
- Valuers professional judgement and adjustment was used to arrive at the land rates because direct comparable land rates were few and afar due to the nature, location and sizes of the properties.
- Capitalisation rates – The Group adopted the principle of risk-free rate of return plus premium to reflect the market and specific risks related to the properties.

## Notes to the Consolidated Financial Statements (continued)

For the year ended 31 March 2025

### 9. Property and equipment (continued)

#### 9.1 Fair value measurement of the Group's freehold land and buildings (continued)

Capitalisation rates were derived from the observed transactions and adjusted using building specific factors as well as subject property performance. The Group's current lease arrangements, which are entered into on an arm's length basis, and which are comparable to those for similar properties in the same location, were considered in the fair valuation measurement of the Group's freehold land and buildings.

Rentals are reviewed regularly in response to inflation.

##### a) Hierarchy (Level 3)

Details of the Group's freehold land and buildings and information about the fair value hierarchy as at 31 March 2025 are as follows:

	Level 1 US\$	Level 2 US\$	Level 3 US\$	Fair value as at 31/03/2025 US\$
Freehold land	—	—	10,376,000	10,376,000
Buildings	—	—	16,892,000	16,892,000

	Level 1 US\$	Level 2 US\$	Level 3 US\$	Fair value as at 31/03/2024 US\$
Freehold land	—	—	12,306,830	12,306,830
Buildings	—	—	18,034,046	18,034,046

If freehold land and buildings were stated at cost less accumulated depreciation the values at reporting period would have been US\$ 11.1 million (2024: US\$ 11.6 million). There were no transfers into or out of Level 3 fair value hierarchy during the period.

##### b) Valuation techniques used and significant unobservable inputs

###### Market comparable approach: residential suburbs and undeveloped land

This method considered comparable market evidence i.e. the sales evidence either achieved or on the market, of similar land and buildings situated in the comparable residential suburbs and undeveloped land with that of subject land and buildings. This comprises of complete transactions as well as transactions where offers had been made but the transaction had not been completed.

###### Income approach: Commercial properties

This method was applied for all land and buildings except for residential and undeveloped land. Anticipated future cash flow benefits in the form of annual market rental income were capitalised into present values using an all-risk yield. All risk yield for the different asset classes were determined by the rate/yields at which similar properties in the different asset classes traded in the recent past.

###### Significant unobservable inputs as at 31 March 2025

The significant unobservable inputs in the valuation of land and buildings were the percentage yield in market rentals (10.27%), rental rates per square metre (US\$ 27.13) and price per square metre for land (US\$ 814.22).

##### c) Inter-relationship between key unobservable inputs and fair value measurement

The estimated fair value would increase/ (decrease) if the all-risk yields were lower/ (higher) as shown in the sensitivity analysis below:

###### Sensitivity analysis to significant changes in unobservable inputs within Level 3 of the hierarchy

###### Yield rate risk and sensitivity

The table below highlights the sensitivity to a reasonable possible change in the yield rate applied to values of land and buildings. With all other variables held constant, the Group's other comprehensive income, land and buildings and deferred tax are affected through the impact on the fluctuating yield rate as follows:

## Notes to the Consolidated Financial Statements (continued)

For the year ended 31 March 2025

### 9. Property and equipment (continued)

	2025		2024	
	US\$ 10% increase in yield	US\$ 10% decrease in yield	US\$ 10% increase in yield	US\$ 10% decrease in yield
Impact on revaluation surplus	(1,742,000)	2,129,000	(2,174,662)	2,657,909
Impact on deferred tax expense	365,820	(447,090)	456,679	(558,161)
Impact on other comprehensive income	(1,376,180)	1,681,910	(1,717,983)	2,099,748
Impact on equity	(1,376,180)	1,681,910	(1,717,983)	2,099,748

Significant increases/ (decreases) in the comparable transacted land and buildings rental per square metre in isolation would result in significant higher/ (lower) fair value measurement

#### Rental rate risk and sensitivity

The table below highlights the sensitivity to a reasonable possible change in the rental applied to values of land and buildings. With all other variables held constant, the Group's other comprehensive income, land and buildings and deferred tax are affected through the impact on the fluctuating rental rate as follows:

	2025		2024	
	US\$ 10% increase in rental	US\$ 10% decrease in rental	US\$ 10% increase in rental	US\$ 10% decrease in rental
Impact on revaluation surplus	1,916,000	(1,916,000)	2,392,132	(2,392,130)
Impact on deferred tax expense	(402,360)	402,360	(502,348)	502,347
Impact on other comprehensive income	1,513,640	(1,513,640)	1,889,785	(1,889,783)
Impact on equity	1,513,640	(1,513,640)	1,889,785	(1,889,783)

#### Comparable market prices risk and sensitivity

The table below highlights the sensitivity to a reasonable possible change in the comparable market prices applied to values of land and buildings. With all other variables held constant, the Group's other comprehensive income, land and buildings and deferred tax are affected through the impact on the fluctuating market price as follows:

	2025		2024	
	US\$ 10% increase in market price	US\$ 10% decrease in market price	US\$ 10% increase in market price	US\$ 10% decrease in market price
Impact on revaluation surplus	575,000	(575,000)	717,634	(717,632)
Impact on deferred tax expense	(120,750)	120,750	(150,703)	150,703
Impact on other comprehensive income	454,250	(454,250)	566,931	(566,929)
Impact on equity	454,250	(454,250)	566,931	(566,929)

### 10. Goodwill

	2025 Audited US\$	2024 Restated US\$
Opening Balance	4,096,889	4,096,889
Goodwill Impairment	(4,001,766)	-
Closing balance	95,123	4,096,889



## Notes to the Consolidated Financial Statements (continued)

For the year ended 31 March 2025

### 10. Goodwill (continued)

Goodwill arose when the Group acquired assets and assumed liabilities of Makro Zimbabwe and Talwant at a premium. The carrying values of goodwill is reviewed at least annually for impairment. Goodwill is monitored at the level of individual cash-generating units (CGUs) or groups of CGUs that are expected to benefit from the business combination. As at 31 March 2025, goodwill was allocated as follows:

CGU/ Business	Goodwill Carrying Amount (US\$)	Impairment Loss (US\$)
Fresh & Green City	4,001,766	4,001,766
OKmart	95,123	-
<b>Total</b>	<b>4,096,889</b>	<b>4,001,766</b>

#### Impairment

During the year ended 31 March 2025, management identified indicators of impairment relating to the Fresh & Green City cash-generating unit (CGU). The indicators included:

- Sustained underperformance of several stores relative to budget;
- A strategic decision by the Board to rationalise operations and close certain loss-making branches

In accordance with IAS 36 Impairment of Assets, the Group performed an impairment assessment of the goodwill allocated to this CGU. The assessment was conducted at the CGU level, encompassing all directly related assets and liabilities. Management determined the recoverable amount of the CGU based on its value in use (VIU), which represents the present value of estimated future cash flows expected to be derived from the unit. The key assumptions applied in the VIU calculation, including the discount rate and growth rate estimates, are disclosed in Note 4.1.5. The analysis concluded that the recoverable amount of the Fresh & Green CGU was lower than its carrying amount, resulting in a goodwill impairment loss of US\$ 4 million, which fully wrote off the goodwill allocated to this unit. The impairment loss is presented under "Impairment Loss" in the consolidated statement of profit or loss and other comprehensive income.

Following the impairment assessment, management initiated a plan to dispose of or close the Fresh & Green operations which is expected to be disposed of or closed within the next 12 months. Upon meeting the criteria for classification as held for sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations, the CGU was subsequently classified as held for sale.

For goodwill that remains in the statement of financial position refer to note 4.1.4 for key assumptions applied.

### 10.1 Assets held for sale

The Group has classified Fresh and Green City assets as held for sale in accordance with IFRS 5. Management is committed to a plan to sell, and the sale is highly probable within 12 months. The disposal does not represent a separate major line of business or geographical area of operations and therefore does not meet the definition of a discontinued operation.

The carrying amount of assets classified as held for sale and related liabilities as at 31 March 2025 is as below. The sale is expected to be completed by 31 March 2026.

At 31 March 2025, the disposal group was stated at fair value less costs to sell and comprised the following assets and liabilities:

	2025 Audited US\$	2024 Restated US\$
Property and equipment	770,640	-
Inventory	511,653	-
Trade and other receivables	7,626	-
Prepayments	27,845	-
Cash and Cash equivalent	175,392	-
Deferred tax asset	299,386	-
<b>Assets held for sale</b>	<b>1,792,542</b>	<b>-</b>
Trade and other payables	389,897	-
Current tax liability	78,161	-
Provisions	96,001	-
Lease liability	1,775,627	-
<b>Liabilities related to assets held for sale</b>	<b>2,339,686</b>	<b>-</b>

## Notes to the Consolidated Financial Statements (continued)

For the year ended 31 March 2025

### 11. Impairment of Non-Financial Assets

#### Impairment testing of cash-generating units

Adverse macroeconomic conditions and sustained cost pressures continued to affect the Group's operating environment during the year ended 31 March 2025. Zimbabwe experienced persistent inflationary pressures, currency volatility, constrained consumer liquidity, and elevated utility and supply chain costs. These factors have placed pressure on operating margins and increased the risk profile of the retail sector.

In light of these external conditions, management performed a comprehensive impairment review of all cash-generating units (CGUs), including those with limited headroom. The review incorporated current cash flow projections, revised discount rates, and adjusted terminal value assumptions reflecting the heightened economic uncertainty.

These assumptions are consistent with those applied in the Group's going concern cash flow forecasts (refer to Note 40), ensuring alignment between impairment testing and broader financial viability assessments. The impairment loss recognised for the year ended 31 March 2025 was US\$10.3 million (2024: Nil), as the recoverable amounts of certain CGUs were lower than their respective carrying amounts. The table below sets out the impairment losses recognised by the Group during the current and prior years under review.

Entity / Asset Class	31 March 2025	31 March 2024
<b>OK Company</b>		
▪ Right-of-use assets (ROUA)	3,058,703	–
▪ Leasehold improvements	1,706,561	–
▪ Other property and equipment (PPE)	29,207	–
▪ Goodwill	4,001,766	–
<b>Total Company Impairment</b>	<b>8,796,237</b>	<b>–</b>
<b>Fresh and Green City</b>		
▪ Right-of-use assets (ROUA)	1,535,468	–
<b>Total Company Impairment</b>	<b>10,331,705</b>	<b>–</b>

Further details of the key assumptions used, including sensitivity analysis, are provided as follows:

#### Value in Use

For purposes of impairment testing, the Group identified cash-generating units (CGUs) at the store level. To determine the appropriate discount rates and terminal values, branches were aggregated into categories with similar external risk profiles, such as location, customer demographics, and competitive dynamics. This grouping ensured that discount rates reflected the risks specific to each category, while maintaining consistency with the Group's weighted average cost of capital.

The following table summarises the key inputs used in determining value in use for each branch category:

Branch Category	Discount Rate (Post-tax)	Terminal Growth Rate
Bon Marche Stores	25.12%	3.43%
OKMart Stores	27.54%	1.07%
OK Premium	24.49%	3.32%
OK Mainstream	26.65%	1.23%
OK Budget Stores	27.39%	1.80%
Non-Strategic*	32.24%	(14.55)%

\*All the above branch categories were assessed using the value-in-use method, except for the non-strategic branches, which were measured at fair value less costs to sell.

#### Fair Value Less Costs of Disposal

Where recoverable amount was determined based on fair value less costs of disposal, the Group used observable market data by obtaining current online prices for comparable assets. These values were adjusted to reflect:

- Bulk sale discounts, recognising that assets would likely be disposed of in groups rather than individually,
- Remaining useful life of the assets, to reflect wear and tear and limited economic benefit, and
- Nil value for leasehold improvements, as these are not transferable on disposal.

## Notes to the Consolidated Financial Statements (continued)

For the year ended 31 March 2025

### 11. Impairment of Non-Financial Assets (continued)

#### Fair Value Less Costs of Disposal (continued)

The resulting fair value measurements fall within Level 3 of the IFRS 13 fair value hierarchy, as significant inputs to the valuation were unobservable. The table below shows how headroom (difference between recoverable amount and carrying amount) changes when key assumptions vary:

#### Sensitivity Analysis

The following table presents the sensitivity analysis performed by management on the significant judgements applied in accounting for the Group's impairments for the year ended 31 March 2025:

#### Discount rate applied in value in use measurement

Impact on statement of comprehensive income (US\$)	-1%	As reported	+1%
Impairment losses on property, and equipment, intangible assets and right of use assets	10,257,736	10,331,705	10,482,552

#### Terminal growth rate applied in value in use measurement

Impact on statement of comprehensive income (US\$)	-1%	As reported	+1%
Impairment losses on property and equipment, intangible assets and right of use assets	10,493,321	10,331,705	10,248,164

#### Cash flows applied in the value in use measurement

Impact on statement of comprehensive income (US\$)	-10%	As reported	+10%
Impairment losses on property and equipment, intangible assets and right of use assets	9,972,458	10,331,705	10,124,351

### 12. Right of use asset

	2025 Audited US\$	2024 Restated US\$
Cost	41,848,623	35,530,395
Reclassification to held for sale	(2,039,395)	-
Additions	-	2,208,850
Remeasurements	4,499,164	4,109,379
Accumulated depreciation of Right Of Use Asset	(18,755,740)	(12,809,459)
Impairment	(3,058,703)	-
<b>Total</b>	<b>22,493,949</b>	<b>29,039,165</b>

The Group leases several properties. The average lease tenure is between 3 to 10 years and lease extension options included in the property leases are considered for purposes of determining the right of use asset and lease liabilities. The maturity analysis of lease liabilities is presented on note 21.

#### Amounts recognised in profit or loss

	2025 Audited US\$	2024 Restated US\$
Depreciation expense on right-of-use assets	6,450,209	6,602,575
Interest expense on lease liabilities	1,718,138	4,589,217
Expense relating to leases of low value assets	231,933	602,086
Expense relating to variable lease payments not included in the measurement of the lease liability	1,025,697	3,485,933
<b>Total</b>	<b>9,425,977</b>	<b>15,279,811</b>

## Notes to the Consolidated Financial Statements (continued)

For the year ended 31 March 2025

### 12. Right of use asset (continued)

Some of the Group's property leases contain variable lease payment terms that are linked to sales generated from the leased stores. Variable payment terms are used to match rental payments to store cash flows and reduce fixed cost. The breakdown of lease payments for these stores is as follows:

	2025 Audited US\$	2024 Restated US\$
Fixed payments	4,731,242	7,401,936
Variable payments	1,025,697	3,485,933
<b>Total payments</b>	<b>5,756,939</b>	<b>10,887,869</b>

Overall, the variable payments constitute at least fifty-three per cent of the Group's entire lease payments. The Group expects this ratio to remain constant in future years. The variable payments depend on sales and consequently on the overall economic development over the next few years. Considering the development of sales expected over the next five years, variable rent expenses are expected to continue to maintain a similar proportion of store sales in future years.

Certain property leases are contractually based on rentals denominated in US\$ or rental unit indices, but are payable in ZWG at the prevailing interbank exchange rate. This arrangement results in monthly variability in the ZWG-equivalent rentals due to exchange rate fluctuations. For reporting purposes, these leases are treated as US\$-denominated in substance, with lease liabilities and right-of-use assets recognised and remeasured in US\$.

In assessing lease terms, the Group concluded that renewal options are reasonably certain to be exercised given its long-term commitments to strategic locations and store improvement plans. Accordingly, such options have been incorporated into the measurement of lease liabilities and right-of-use assets.

Contractual rentals linked to an index or a rate are considered variable lease payments in accordance with IFRS 16. These variable payments are included in the measurement of the lease liability at inception and are remeasured when changes in the relevant indices or rates occur, with remeasurements applied consistently in line with the Group's functional currency.

Comparatives have been restated as set out in Note 12.1 below.

#### 12.1 Restatement of Comparative Figures (Correction of Prior Period Errors in IFRS 16 Application)

During the year ended 31 March 2025, the Group corrected the accounting treatment of certain lease arrangements that had previously been misapplied. In the prior years, certain leases were structured with contractual base rentals denominated in United States dollars (US\$) or in rental units indexed to US\$, but contractually payable in Zimbabwe dollars (ZWL) at the prevailing interbank exchange rate. To preserve value in the hyperinflationary environment, the Group and lessors adopted this structure. The Group had therefore included these payments in the lease liability but accounted for them as variable lease payments, subject to periodic re-assessments.

However, the substance of these payments is that the conversion rate is linked to underlying economic factors, meaning the payments are in substance fixed or contractually determinable. Under IFRS 16, such arrangements represent contractual lease payments rather than variable lease payments. Accordingly, these should have been treated as fixed lease payments, denominated in a foreign currency, in both the initial measurement and subsequent re-measurement of lease liabilities and the related right-of-use assets.

In accordance with IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*, the Group has corrected these errors by restating each of the affected financial statement line items for prior periods, as follows:



## Notes to the Consolidated Financial Statements (continued)

For the year ended 31 March 2025

### 12. Right of use asset (continued)

#### Impact on Statement of Financial Position

	31 March 2024 (As previously reported)	Adjustment	31 Mar 2024 (Restated)
	US\$	US\$	US\$
Right-of-use assets	62,231,026	(33,191,861)	29,039,165
Total assets*	188,113,608	(51,720,809)	136,392,799
Lease liabilities (non-current)	7,430,097	11,561,049	18,991,146
Lease liabilities (current)	1,518,057	590,747	2,108,804
Deferred tax*	26,573,756	(14,412,677)	12,161,079
Total Liabilities	76,274,051	(2,260,881)	74,013,170
Retained earnings	77,693,475	(49,459,928)	28,233,547
Total equity	111,839,557	(49,459,928)	62,379,629

#### Impact on Statement of Profit or Loss and Other Comprehensive Income

	31 March 2024 (As previously reported)	Adjustment	31 Mar 2024 (Restated)
	US\$	US\$	US\$
Amortisation	(12,949,837)	712,741	(12,237,096)
Finance costs	(8,429,271)	3,176,891	(5,252,380)
Exchange gain/(losses)	(16,969,702)	(34,162,297)	(51,131,999)
Net monetary gain*	164,321,904	(16,868,487)	147,453,417
Profit before tax	69,923,074	(47,141,154)	22,781,920
Income tax expense	(31,510,366)	8,109,079	(23,401,287)
Profit for the year	38,412,709	(39,032,076)	(619,367)

#### Impact on Statement of Cash Flows

	31 March 2024 (As previously reported)	Adjustment	31 Mar 2024 (Restated)
	US\$	US\$	US\$
Finance costs paid	(8,429,271)	3,176,891	(5,252,380)
Working capital changes	(21,841,613)	698,466	(21,143,147)
Cash generated from trading	48,914,396	(3,875,357)	45,039,039

#### Opening Balances Restated (1 April 2023)

	(As previously reported)	Adjustment	(Restated)
	US\$	US\$	US\$
Retained earnings	40,377,141	(10,427,852)	29,949,289
Lease liabilities (non-current)	14,578,857	(1,260,681)	13,318,176
Lease liabilities (current)	2,882,056	(249,221)	2,632,835
Deferred tax	9,993,873	(3,424,236)	6,569,637
Right-of-use assets	29,323,512	(15,361,990)	13,961,522

#### Impact on Statement of Changes in Equity

	(As previously reported)	Adjustment	(Restated)
	US\$	US\$	US\$
Opening retained earnings (1 April 2023)	40,377,141	(10,427,852)	29,949,289
Profit for the year	38,412,709	(39,032,076)	(619,367)
Closing retained earnings (31 March 2024)	77,693,475	(49,459,928)	28,233,548
Total equity	111,839,557	(49,459,928)	62,379,629

## Notes to the Consolidated Financial Statements (continued)

For the year ended 31 March 2025

### 12. Right of use asset (continued)

#### Impact on Earnings per Share (EPS)

For the year ended 31 March 2024	(As previously reported) US\$	Adjustment US\$	(Restated) US\$
Profit attributable to ordinary shareholders	38,412,709	(39,032,076)	(619,367)
Weighted average number of ordinary shares in issue	1,314,992,516	-	1,314,992,516
Weighted average diluted number of ordinary shares in issue	1,314,992,516	-	1,314,992,516
Basic earnings per share (US\$ cents per share)	2.92	(2.97)	(0.05)
Diluted earnings per share (US\$ cents per share)	2.92	(2.97)	(0.05)

The correction of these prior period errors had no impact on the Group's cash position, but resulted in adjustments to the recognition of right-of-use assets, lease liabilities, deferred tax, depreciation, interest expense, foreign exchange fluctuations, net monetary gains/losses and retained earnings. Comparative information for the year ended 31 March 2024 has been restated accordingly. Included in total assets are IAS 21 opening balance translation adjustments arising from the change in functional currency, as detailed in Note 3.2. These adjustments comprise Inventory US\$ 11.1 million, work in progress US\$ 6.0 million and prepayments US\$ 1.3 million. The related deferred tax impact on the above adjustments amounts to US\$ 2.7 million. The net monetary loss recognised in respect of opening balance adjustments amounted to an aggregate of US\$18.5 million, while the gain arising from the lease restatement was US\$1.7 million, resulting in a net adjustment of US\$16.8 million.

In accordance with IAS 29 Financial Reporting in Hyperinflationary Economies, the Group recognised a net monetary gain of US\$147.4 million in the consolidated profit or loss for the year ended 31 March 2024 (2025: US\$0). This amount represented the effect of inflation during the comparative period on the Group's net monetary position when the Zimbabwe Dollar (ZWL) was the functional currency. Specifically, the gain reflected the reduction in the real burden of monetary liabilities relative to monetary assets in an environment of hyperinflation.

### 13. Intangible assets

	2025 Audited US\$	2024 Restated US\$
<b>Enterprise Resource Planning</b>		
Cost	439,366	439,366
Accumulated amortisation	(65,051)	(21,124)
<b>At the end of the year</b>	<b>374,315</b>	<b>418,242</b>
<b>At the beginning of the year</b>	<b>418,242</b>	<b>361,295</b>
Additions	-	62,138
Amortisation	(43,927)	(5,191)
<b>At the end of the year</b>	<b>374,315</b>	<b>418,242</b>

Intangible assets are recognised at cost then amortised over their useful lives. The intangible assets are amortised on a straight-line basis over 10 years.

### 14. Financial Assets held at FVTOCI

	2025 Audited US\$	2024 Restated US\$
At the beginning of the year	17,819	19,062
Fair Value Adjustment	25,402	(1,243)
<b>At the end of the year</b>	<b>43,221</b>	<b>17,819</b>

The financial assets held at fair value through other comprehensive income relate to investment in shares in various companies.

15.	Inventories	2025 Audited US\$	2024 Restated US\$
	Consumable stocks	233,786	121,261
	Merchandise	16,246,889	25,141,473
		<b>16,480,675</b>	<b>25,262,734</b>
15.1	Changes in trade inventories		
	Opening Merchandise Stock	25,141,473	32,028,673
	Closing Merchandise Stock	16,246,889	25,048,123
		<b>(8,894,584)</b>	<b>(6,980,550)</b>

## Notes to the Consolidated Financial Statements (continued)

For the year ended 31 March 2025

### 15. Inventories (continued)

The cost of merchandise and consumables inventories recognised as an expense during the year was US\$191.7 million (2024: US\$443.6 million). This cost includes merchandise purchased and sold during the period amounting to US\$190.1 million (2024: US\$443.4 million), a shrinkage provision of US\$21.8 thousand (2024: US\$20.7 thousand), and obsolete inventories and markdown provisions totalling US\$1.5 million (2024: US\$115.6 thousand). During the year, the Group also sold inventory that formed part of the opening balances, amounting to US\$8.8 million (2024: US\$6.9 million).

### 16. Trade and other receivables

	2025 Audited US\$	2024 Restated US\$
Trade receivables	735,292	258,952
Other receivables	607,812	49,575
Allowance for credit losses	(360,415)	(25,551)
	<b>982,689</b>	<b>262,976</b>

Other receivables comprise amounts for staff debtor balances.

The Group always measures the expected credit losses (ECL) for 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 both the current and forecast direction of conditions at the reporting date. Nonetheless, the Group has no significant trade receivables as merchandise is sold mainly on cash basis.

The Group writes off a trade and other receivable when there is information indicating that there is no realistic prospect of recovery. Although the trade receivables carrying amount increased over prior year, 95% of the balance is current and within payment terms. There has been no change in the estimation techniques or significant assumptions during the reporting period. The movement of the expected credit loss balance during the year was as follows:

#### Expected credit loss movement:

	2025 Audited US\$	2024 Restated US\$
Expected credit loss movement		
At the beginning of the year	25,551	63,420
Movement to profit and loss	334,864	(37,869)
<b>At the end of the year</b>	<b>360,415</b>	<b>25,551</b>

#### Credit risk exposure

Set out below is the credit risk exposure on the Group's trade and other receivables. Refer to note 29.5 for the Group's credit risk management disclosure.

	Gross receivables US\$	Within payment terms US\$	Exceeding payment terms by less than 30 days US\$	Exceeding payment terms by over 30 days US\$
<b>2025</b> Trade and other receivables	1,227,103	1,020,826	12,821	243,455
% expected credit losses		16%	10%	82%
Expected credit losses	360,415	158,700	1,282	200,433
<b>2024</b> Trade and other receivables	288,527	250,677	6,164	31,686
% expected credit losses		1%	10%	71%
Expected credit losses	25,551	2,507	616	22,428

## Notes to the Consolidated Financial Statements (continued)

For the year ended 31 March 2025

### 17. Prepayments

	2025 Audited US\$	2024 Restated US\$
Prepayments	2,984,588	1,858,718

The prepayments relate to mainly imported inventory and capital equipment paid for in advance.

### 18. Short-term loans receivable

	2025 Audited US\$	2024 Restated US\$
Unsecured	8,649	7,744

Short-term loans held at amortised cost are made up of loans provided to staff. These are recovered over periods determined by management following the issue of the loan and attract interest at a rate of 15% per annum. Management has classified the loans receivable as low credit risk and has determined that there are no expected credit losses as at the reporting date. The amounts are recoverable from future salary payments and employee retirement and termination benefits.

### 19. Cash and cash equivalents

	2025 Audited US\$	2024 Restated US\$
Cash on hand and in bank (non-US\$)	564,008	6,137,608
Cash on hand and in bank (US\$)	1,099,578	2,237,823
	<b>1,663,586</b>	<b>8,375,431</b>

### 20. Deferred tax

	2025 Audited US\$	2024 Restated US\$
Deferred tax liability movement		
At the beginning of year	12,161,079	6,569,637
Credit to statement of profit or loss	(5,330,737)	6,682,991
Income tax relating to components of other comprehensive income	(654,749)	(1,091,549)
Reclassification of deferred tax directly associated with assets held for sale	299,385	-
<b>At the end of year</b>	<b>6,474,978</b>	<b>12,161,079</b>

The deferred tax liability / (asset) comprises of the effects of temporary differences arising from:



## Notes to the Consolidated Financial Statements (continued)

For the year ended 31 March 2025

### 20. Deferred tax (continued)

	2025 Audited US\$	2024 Restated US\$
Property	5,214,922	6,284,144
Inventory	-	-
Equipment	4,801,962	5,353,585
Quoted investments	648	267
Intangible assets	94,153	103,231
Right of use asset	5,792,191	7,477,586
Lease liability	(5,370,202)	(5,433,237)
Unrealised exchange loss	520,780	(1,393,716)
Provisions	(1,120,124)	(230,781)
Tax loss	(3,459,352)	-
	<b>6,474,978</b>	<b>12,161,079</b>

### 21. Lease liabilities

	2025 Audited US\$	2024 Restated US\$
Long term lease liability	18,495,375	18,991,145
Short term lease liability	2,068,713	2,108,804
	<b>20,564,088</b>	<b>21,099,949</b>
<b>Maturity analysis</b>		
0-12 months	4,244,246	182,004
Between 2 & 5 years	10,880,539	431,172
Over 5 years	17,476,993	521,967
<b>Total contractual cash flows</b>	<b>32,601,778</b>	<b>1,135,143</b>

Comparatives have been restated as set out in Note 12.1.

### 22. Trade and other payables

	2025 Audited US\$	2024 Restated US\$
Trade payables	25,557,401	31,256,993
Accruals and other payables	2,738,355	2,866,840
	<b>28,295,756</b>	<b>34,123,833</b>

The Group endeavours to settle its obligations to suppliers in accordance with agreed terms. However, during the reporting period the Group did not have sufficient liquidity to settle all obligations as they fell due, resulting in delays in payments to creditors. Refer to note 31.5 on Groups liquidity risk management.

#### Supplier Finance Arrangements

The Group has supplier finance arrangements with third-party financial institutions (the “finance providers”). Under this programme, when the Group is unable to settle invoices with suppliers on the contractual due date, certain suppliers elect to receive early payment from the finance provider. The finance provider pays the supplier the invoiced amounts on or shortly after the due date, and the Group subsequently settles the amounts directly with the finance provider at a later agreed date.

The suppliers bear the financing costs of obtaining early settlement from the finance provider. The Group incurs incremental interest expense under the arrangement should it fail to meet the finance provider settlement date.

## Notes to the Consolidated Financial Statements (continued)

For the year ended 31 March 2025

### 22. Trade and other payables (continued)

#### Presentation

Obligations under the supplier finance arrangement are presented as borrowings in the statement of financial position. Management concluded that the characteristics of the liabilities differ from trade payables as the amounts are owed directly to a finance provider rather than the original supplier, and therefore fall within the scope of borrowings.

#### Carrying amounts

The carrying amounts of financial liabilities that are part of supplier finance arrangement are presented in the statement of financial position as set out below:

	2025 Audited US\$	2024 Restated US\$
Liabilities subject to supplier finance arrangements (presented in borrowings)	770,365	-
Other borrowings	3,357,566	-
<b>Total borrowings (note 24.1)</b>	<b>4,127,931</b>	<b>-</b>

#### Payment terms

The range of payment due dates of financial liabilities that are part of the supplier finance arrangement, and those that are not, are as follows:

	2025 Days	2024 Days
Liabilities subject to supplier finance arrangements	30-45	-
Trade payables not part of supplier finance arrangements	30	-

#### Cash flow presentation

Payments made to the finance provider under the supplier finance arrangement are presented in the financing activities section of the statement of cash flows, consistent with the classification of the liabilities as borrowings.

#### Liquidity risk

The liabilities under the arrangement are classified as current, as the Group does not have an unconditional right to defer settlement beyond 12 months. The Group monitors concentration risk with the finance provider to ensure that reliance on supplier finance does not give rise to significant liquidity risk.

### 23. Provisions

The movement in provisions during the year was as follows:

	2025 Audited US\$	2024 Restated US\$
<b>The movement in provisions during the year was as follows:</b>		
At the beginning of the year	934,541	1,595,138
Additions during the year	2,591,271	6,460,972
Utilised during the year	(1,006,837)	(1,331,112)
Reclassification of provisions directly associated with assets held for sale	(96,001)	-
Impact of inflation	-	(5,790,457)
<b>At the end of the year</b>	<b>2,422,974</b>	<b>934,541</b>
<b>Provisions balance comprises of:</b>		
Employee benefits	1,348,745	933,466
Other provisions	1,074,229	1,075
<b>At the end of the year</b>	<b>2,422,974</b>	<b>934,541</b>

The employee benefits provisions relate mainly to long service awards and leave pay provision. Other provisions mainly comprise the Mashonaland Holdings provision, together with several smaller provisions that cannot be reasonably disaggregated.

## Notes to the Consolidated Financial Statements (continued)

For the year ended 31 March 2025

### 24. Borrowings

#### 24.1 Short-term borrowings

	2025 Audited US\$	2024 Restated US\$
Interest-bearing loans	4,127,932	1,666,667
Bank overdraft	3,107,531	1,401,085
	<b>7,235,463</b>	<b>3,067,752</b>

The Group took out short-term borrowings and utilised overdraft facilities during the period. A detailed breakdown of the short-term borrowings is presented in Note 22.

#### 24.2 Long-term borrowings

Due in over a year	794,444	456,583
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##### The Group's principal bank loans

The Group took out a loan of US\$ 5 million on 30 August 2022 with a maturity date of 31 August 2025. The loan carries an interest of 18.5% per annum. In February 2025 the Group took out a loan of US\$1.3 million with a maturity date of 31 January 2028 with an interest of 16% per annum.

##### Borrowings and Covenant Compliance

As at 31 March 2025, the Group was not in compliance with certain qualitative covenants attached to its borrowing facilities. While the lenders have not formally waived these breaches, the Group obtained letters of support from its principal banks confirming their intention to continue making available the existing facilities and/or provide financial support for at least 12 months from the date of approval of these financial statements, subject to the satisfactory conduct of accounts and ongoing financial performance. Management therefore does not anticipate that the covenant breaches will result in withdrawal of facilities.

### 25. Reconciliation of movements of liabilities to cash flows arising from financing activities

	Borrowings US\$	Lease liabilities US\$	Share capital and premium US\$	Reserves US\$	Retained earnings US\$	NCI US\$	Total US\$
<b>Restated balance as at 1 April 2023</b>	<b>11,035,541</b>	<b>15,951,012</b>	<b>9,533,717</b>	<b>25,355,464</b>	<b>29,949,289</b>	<b>(1,722)</b>	<b>91,823,301</b>
Proceeds from borrowings	1,206,413	-	-	-	-	-	1,206,413
Repayment of borrowings	(9,762,920)	-	-	-	-	-	(9,762,920)
Payment of lease liabilities	-	(2,812,719)	-	-	-	-	(2,812,719)
Proceeds from share options exercised	-	-	13,120	(3,668)	-	-	9,453
Dividend paid	-	-	-	-	(589,234)	(6.27)	(589,240)
<b>Total changes from financing cashflows</b>	<b>(8,556,508)</b>	<b>(2,812,719)</b>	<b>13,120</b>	<b>(3,668)</b>	<b>(589,234)</b>	<b>(6.27)</b>	<b>(11,949,015)</b>
<b>Other changes</b>							
Effect of changes in foreign exchange rates	16,634,354	39,571,070	-	-	-	-	56,205,424
Impact of inflation	(15,589,052)	(35,718,792)	-	-	-	-	(51,307,845)
Recognition of share based payments	-	-	68,001	27,266	-	-	95,267
Lease remeasurements	-	4,109,379	-	-	-	-	4,109,379
<b>Total liability-related other changes</b>	<b>1,045,302</b>	<b>7,961,657</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,006,958</b>
<b>Total equity-related other changes</b>	<b>-</b>	<b>-</b>	<b>68,001</b>	<b>(1,325,964)</b>	<b>(1,126,507)</b>	<b>507,140</b>	<b>(1,877,330)</b>
<b>Balance as at 31 March 2024</b>	<b>3,524,335</b>	<b>21,099,950</b>	<b>9,614,838</b>	<b>24,025,831</b>	<b>28,233,548</b>	<b>505,412</b>	<b>87,003,914</b>

## Notes to the Consolidated Financial Statements (continued)

For the year ended 31 March 2025

### 25. Reconciliation of movements of liabilities to cash flows arising from financing activities (continued)

	Borrowings US\$	Lease liabilities US\$	Share capital and premium US\$	Reserves US\$	Retained earnings US\$	NCI US\$	Total US\$
<b>Balance as at 1 April 2024</b>	3,524,335	21,099,950	9,614,838	24,025,831	28,233,548	505,412	87,003,914
Liabilities related to assets held for sale		(1,775,628)					(1,775,628)
Proceeds from borrowings	8,303,213	-	-	-	-	-	8,303,213
Repayment of borrowings	(3,851,917)	-	-	-	-	-	(3,851,971)
Payment of lease liabilities	-	(3,013,104)	-	-	-	-	(3,013,104)
Proceeds from share options exercised	-	-	4,701	-	-	-	4,701
<b>Total changes from financing cashflows</b>	<b>4,451,242</b>	<b>(4,788,732)</b>	<b>4,701</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(332,789)</b>
Other changes	-	-	-	-	-	-	-
Effect of changes in foreign exchange rates	54,330	(246,293)	-	-	-	-	(191,963)
Recognition of share based payments	-	-	-	4,134	-	-	4,134
Lease remeasurements*	-	4,499,163	-	-	-	-	4,499,163
<b>Total liability-related other changes</b>	<b>54,330</b>	<b>4,252,870</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,307,200</b>
<b>Total equity-related other changes</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3,923,020)</b>	<b>(24,937,041)</b>	<b>(94,016)</b>	<b>(28,954,077)</b>
<b>Balance as at 31 March 2025</b>	<b>8,029,907</b>	<b>20,564,088</b>	<b>9,619,539</b>	<b>20,102,811</b>	<b>3,296,507</b>	<b>411,396</b>	<b>62,024,248</b>

\*Lease remeasurements relate to changes in contractual rental payments arising from amendments to lease agreements.



## Notes to the Consolidated Financial Statements (continued)

For the year ended 31 March 2025

### 26. Cash flow information

		2025 Audited US\$	2024 Restated US\$
26.1	<b>Cash (utilised)/generated from trading</b>	<b>(12,099,451)</b>	<b>45,039,039</b>
	Loss before tax	(30,323,013)	22,781,920
	<b>Adjusted for:</b>		
	Finance costs	3,312,186	5,252,379
	Depreciation and amortization	11,512,702	12,237,096
	Share based payments expense	10,121	220,518
	Unrealised foreign exchange (gains)/losses	(11,140,120)	51,131,999
	Interest income	(3,958)	(4,828)
	Loss/(profit) on sale of property and equipment	311,532	(180,747)
	Increase in provision	1,584,434	(660,597)
	Inventory write-offs	1,544,848	-
	Expected credit loss allowance	334,864	(37,869)
	Other non-cash items*	425,248	-
	Impairments	10,331,705	-
	Impact of inflation on cash flows	-	(45,700,832)
26.2	<b>Working capital changes</b>	<b>9,021,495</b>	<b>(21,143,147)</b>
	Decrease in inventories	6,725,558	7,273,632
	(Increase)/decrease in trade and other receivables	(1,062,204)	1,576,501
	(Increase)/decrease in prepaid expenses and merchandising supplies	(1,153,715)	7,137,852
	Increase/(decrease) in trade and other payables	4,511,856	(37,131,132)
26.3	<b>Finance costs</b>	<b>(3,312,186)</b>	<b>(5,252,379)</b>
	Finance costs: Other	(1,594,048)	(3,840,053)
	Interest on Lease liability	(1,718,138)	(1,412,326)
26.4	<b>Tax paid</b>	<b>(1,850,953)</b>	<b>(1,205,375)</b>
	Liability at the beginning of the year	(2,166,915)	(209,034)
	Current tax charge for the year	3,420,571	(13,838,933)
	Impact of inflation on cash flows	-	13,086,427
	Liability at the end of the year	(3,104,609)	2,166,915
26.5	<b>Dividend paid</b>	<b>-</b>	<b>(589,240)</b>
26.6	<b>Lease Payments</b>		
	Net Lease payments	(3,013,104)	(2,812,719)
	Gross Payments	(4,731,242)	(7,401,936)
	Interest on Lease liability	1,718,138	4,589,217

\* Other non-cash items comprise mainly the expensing of work-in-progress write-offs.

### 27. Directors

27.1	Director's emoluments	2025 Audited US\$	2024 Restated US\$
	For fees as directors	308,797	1,614,665
	For managerial services	741,917	1,006,154
		1,050,714	2,620,819

## Notes to the Consolidated Financial Statements (continued)

For the year ended 31 March 2025

### 27. Directors (continued)

#### 27.2 Directors shareholding

At 31 March 2025, the directors held the following number of shares in the Group:

	2025	2024
R. Mavima	600	600
R. J. Moyo	40,161,585	40,161,585
V.W. Zireva	1,087,124	-
A.E. Siyavora	80,433	-
	<b>41,329,742</b>	<b>40,162,185</b>

### 28. Related party transactions and balances

Balances and transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note.

#### 28.1 Compensation of key management personnel

	2025 Audited US\$	2024 Restated US\$
Short-term employment benefits	3,256,645	5,069,195
Post-employment benefits	404,328	619,899
Share-based payments	10,121	220,518
Termination benefits	191,732	164,900
	<b>3,862,826</b>	<b>6,074,512</b>

### 29. Commitment for capital expenditure

	2025 Audited US\$	2024 Restated US\$
Authorised but not contracted	4,000,000	3,000,000

### 30. Earnings per share

#### 30.1 Headline earnings per share

	2025 Audited US\$	2024 Restated US\$
Loss attributable to shareholders	(25,031,057)	(619,367)
Impairment	10,331,705	-
Profit/(loss) on sale of property and equipment	311,532	(180,747)
Headline loss	<b>(14,387,820)</b>	<b>(800,114)</b>

	2025	2024
Issued ordinary shares at 1 April	1,320,208,817	1,311,691,373
Effect of share options exercised	7,345,698	3,301,143
Weighted average number of ordinary shares as at 31 March	<b>1,327,554,515</b>	<b>1,314,992,516</b>

## Notes to the Consolidated Financial Statements (continued)

For the year ended 31 March 2025

### 30. Earnings per share (continued)

#### 30.2 Diluted earnings per share

	2025 Audited US\$	2024 Restated US\$
Loss attributable to shareholders (basic)	(25,031,057)	(619,367)
Interest expense on convertible notes, net of tax	-	-
<b>Diluted earnings</b>	<b>(25,031,057)</b>	<b>(619,367)</b>

#### Weighted average number of shares:

	2025	2024
<b>Reconciliation of weighted number of shares</b>		
<b>Number of shares:</b>		
At the beginning of the year	1,320,208,817	1,311,691,373
Effect of share options exercised	7,345,698	3,301,143
<b>At the end of the year</b>	<b>1,327,554,515</b>	<b>1,314,992,516</b>

	2025	2024
<b>Reconciliation of diluted weighted number of shares</b>		
<b>Number of shares:</b>		
At the beginning of the year	1,320,208,817	1,311,691,373
Effect of share options exercised	7,345,698	3,301,143
Effect of share options granted yet to vest	59,400,000	48,757,326
<b>At the end of the year</b>	<b>1,386,954,515</b>	<b>1,363,749,842</b>

#### Basic earnings

The calculations are based on the earnings attributable to ordinary shareholders. Account is taken of the weighted number of shares in issue for the period during which they have participated in the income of the Group and these amount to 1,327,554,515 (2024: 1,314,992,516) at reporting date.

#### Headline earnings

Headline earnings per share are calculated by dividing the headline earnings by the same divisor used in the basic earnings basis.

#### Diluted earnings

The calculation is based on the earnings attributable to ordinary shareholders and the number of shares in issue after adjusting to assume conversion of share options not yet exercised. Dilution arising in respect of share options granted amounted to 1,386,954,515 shares (2024: 1,363,749,842). Diluted headline earnings per share are calculated by dividing the total shares for dilution by headline earnings per share.

#### Right issue

Subsequent to year-end, the Board approved a Renounceable Rights Offer to raise US\$20 million through the issue of 1,834,982,573 new ordinary shares at a subscription price of US\$0.0109 per share.

The Rights Offer entitled shareholders to subscribe for 1.37 new ordinary shares for every 1 ordinary share held on the record date of 21 July 2025. The new ordinary shares ranked pari passu with all existing shares and commenced trading immediately upon allotment.

Had this Rights Offer been effected before the reporting date, it would have significantly increased the weighted average number of shares outstanding used in the calculation of earnings per share. Accordingly, in terms of IAS 33.70(d), the effect of this transaction was disclosed but was not adjusted for in the current year's earnings per share calculation.

#### Rights issue effect

As at 23 May 2025, being the last practicable date prior to the publication of this Abridged Circular, the Group's share capital structure, pre and post the Rights Offer was as follows:

	Before the Rights Offer	Rights Offer	After the Rights Offer
Issued shares	1,335,820,802	1,834,982,573	3,170,803,375

## Notes to the Consolidated Financial Statements (continued)

For the year ended 31 March 2025

### 31. Financial risk management

#### 31.1 Treasury risk management

Senior executives of the Group meet on a regular basis to analyse, amongst other matters, interest rate exposures and report positions to the Board. The Group's exposures at the reporting period date are as detailed below.

#### 31.2 Foreign exchange risk management

The Group's functional currency is the US\$. Exchange risk arises when the Group incurs liabilities denominated in other currencies. To manage this risk, the Group settles these foreign currency liabilities promptly once the required currency becomes available, thereby reducing potential exchange losses.

The following US\$ cross rates with major transacting currencies for the Group were applied at:

	31 March 2025	31 March 2024
ZWG/US\$	32.00	13.56
ZAR/US\$	16.92	19.85
BWP/US\$	12.79	13.70
GBP/US\$	0.74	0.79
EUR/US\$	0.88	0.92

#### 31.3 Foreign exchange risk management

The carrying amount of the Group's foreign currency denominated monetary assets and liabilities at the end of the year are as follows:

	Liabilities		Assets	
	31 March 2025 US\$	31 March 2024 US\$	31 March 2025 US\$	31 March 2024 US\$
Currency of South Africa (ZAR)	(283,488)	(58,680)	5,862	(5,272)
Currency of Botswana (BWP)	-	1	40	22,106
Currency of United Kingdom (GBP)	-	-	130	28,072
Currency of European Union (EURO)	-	-	75	15,227
Currency of the United States of America (USD)*	-	796,693	-	4,642,824
Currency of Zimbabwe (ZWG)**	20,349,313	-	23,253	-
	20,065,825	738,014	29,360	4,702,957

\* Starting from 1 April 2024, US\$ balances ceased to be treated as foreign currency denominated as a result of the change in functional currency to US\$ from Zimbabwean Dollar (ZWL).

\*\*Starting from 1 April 2024, ZWG balances were treated as foreign currency denominated as a result of the change in functional currency to US\$ from Zimbabwean Dollar (ZWL).

#### Sensitivity analysis

Changes in exchange rates have an impact on the Group's foreign currency denominated monetary assets and liabilities. The following tables detail the Group's sensitivity to a 10% increase or decrease in the US\$ against other currencies in 2025, and to a 10% increase or decrease in the ZWL against other currencies in 2024.

A 10% depreciation of the US\$ and ZWL will result in a foreign exchange loss of US\$2.0 million (2024: gain of US\$0.396 million). The table below illustrates the sensitivity analysis for each foreign currency based on the 10% depreciation in US\$ and ZWL:

## Notes to the Consolidated Financial Statements (continued)

For the year ended 31 March 2025

### 31. Financial risk management (continued)

31 March 2025	ZAR US\$	BWP US\$	GBP US\$	EURO US\$	ZWG US\$	Total US\$
Monetary assets	6,448	44	143	83	25,578	32,296
Monetary liabilities	311,837	-	-	-	(22,384,245)	(22,072,408)
Net monetary assets	318,285	44	143	83	(22,358,667)	(22,040,112)
Profit / (loss)	28,935	4	13	8	(2,032,607)	(2,003,646)

31 March 2024 Restated	ZAR US\$	BWP US\$	GBP US\$	EURO US\$	ZWG US\$	Total US\$
Monetary assets	(5,799)	24,317	30,879	16,750	5,107,106	5,173,253
Monetary liabilities	64,548	(2)	-	-	(876,362)	(811,816)
Net monetary assets	58,749	24,315	30,879	16,750	4,230,744	4,361,437
Profit / (loss)	5,341	2,210	2,807	1,523	384,613	396,494

A 10% appreciation of the US\$ and ZWL will result in a foreign exchange gain of US\$2.0 million (2024: loss of US\$0.396 million). The table below illustrates the sensitivity analysis for each foreign currency based on the 10% appreciation in US\$ and ZWL:

31 March 2025 Restated	ZAR US\$	BWP US\$	GBP US\$	EURO US\$	ZWG US\$	Total US\$
Monetary assets	5,276	36	117	68	20,928	26,425
Monetary liabilities	255,139	-	-	-	(18,314,382)	(18,059,243)
Net monetary assets	260,415	36	117	68	(18,293,454)	(18,032,818)
Profit / (loss)	(28,935)	(4)	(13)	(7)	2,032,606	2,003,648

31 March 2024 Restated	ZAR US\$	BWP US\$	GBP US\$	EURO US\$	ZWG US\$	Total US\$
Monetary assets	4745	19,896	25,265	13,705	4,178,541	4,232,662
Monetary liabilities	52,812	(1)	-	-	(717,023)	(664,212)
Net monetary assets	48,067	19,895	25,265	13,705	3,461,518	3,568,450
Profit / (loss)	(5,341)	(2,210)	(2,807)	(1,522)	(384,613)	(396,493)

#### 31.4 Interest rate risk management

Group policy is to adopt a non-speculative approach to managing interest rate risk. Approved funding instruments include bankers' acceptances, call loans, overdrafts and long-term loans. Approved investment instruments include term.

A 10% increase in interest rates would result in a US\$ 0.3 million increase in finance charges whereas a 10 % decrease would result in a US\$ 0.3 million decrease.

#### 31.5 Liquidity risk management

The Group faces significant liquidity risk, as evidenced by delayed payments to certain creditors and temporary restrictions on access to undrawn banking facilities. The Directors continue to monitor liquidity closely and are implementing measures to improve cash flow and financial stability.

#### Reference to Going Concern

In assessing liquidity risk, the Directors have considered the Group's ability to continue as a going concern (refer to Note 40 – Going Concern). While liquidity pressures exist, management expects to manage cash flows and meet obligations as they fall due, subject to the execution of planned mitigating actions.



## Notes to the Consolidated Financial Statements (continued)

For the year ended 31 March 2025

### 31. Financial risk management (continued)

#### 31.5 Liquidity risk management (continued)

The following table details the Group's remaining contractual maturities for its financial assets and liabilities, based on undiscounted cash flows and the earliest repayment dates.

2025	< 12 months US\$	1-5 years US\$	>5 years US\$	Total US\$
<b>Liabilities</b>				
Trade and other payables	25,557,401	-	-	25,557,401
Borrowings	7,235,463	794,444	-	8,029,907
Lease liabilities	4,244,246	10,880,539	17,476,993	32,601,778
	<b>37,037,110</b>	<b>11,674,983</b>	<b>17,476,993</b>	<b>66,189,086</b>
<b>Assets</b>				
Trade and other receivables	982,689	-	-	982,689
Short term loans receivable	8,649	-	-	8,649
Financial assets at FVTOCI	43,221	-	-	43,221
Financial assets at amortised cost	-	-	-	-
Cash and cash equivalents	1,663,586	-	-	1,663,586
	<b>2,698,145</b>	<b>-</b>	<b>-</b>	<b>2,698,145</b>
<b>Liquidity gap</b>	<b>34,338,965</b>	<b>11,674,983</b>	<b>17,476,993</b>	<b>63,490,941</b>

2024	< 12 months US\$	1-5 years US\$	>5 years US\$	Total US\$
<b>Liabilities</b>				
Trade and other payables	31,256,993	-	-	31,256,993
Borrowings	3,067,752	-	-	3,067,752
Lease liabilities	182,004	431,172	521,967	1,135,144
	<b>34,506,749</b>	<b>431,172</b>	<b>521,967</b>	<b>35,459,889</b>
<b>Assets</b>				
Trade and other receivables	262,976	-	-	262,976
Short term loans receivable	7,744	-	-	7,744
Financial assets at FVTOCI	17,819	-	-	17,819
Financial assets at amortised cost	-	-	-	-
Cash and cash equivalents	8,375,431	-	-	8,375,431
	<b>8,663,969</b>	<b>-</b>	<b>-</b>	<b>8,663,970</b>
<b>Liquidity gap</b>	<b>25,842,779</b>	<b>431,172</b>	<b>521,967</b>	<b>26,795,919</b>

#### 31.6 Credit risk management

Credit risk arises from trade and other receivables. The Group uses publicly available financial information and its own trading records to rate its customers. Customer banking records are also reviewed. Credit exposure is controlled by counterpart limits that are reviewed and approved by management.

The Group is also exposed to credit risk in respect of cash and cash equivalents, which comprise cash on hand, demand deposits and other short-term, highly liquid investments. Credit risk arises from the possibility that the counterparty bank may default on its obligations. The Group manages this risk by transacting only with reputable financial institutions that are licensed and regulated in Zimbabwe and, where available, are rated at investment grade or above. The Group also applies internal counterparty exposure limits to avoid significant concentration of funds with any one institution.

Based on the credit quality of the banks with which the Group holds funds and the short-term nature of these balances, management considers the credit risk to be low. Consequently, no expected credit loss allowance has been recognised on cash and cash equivalents at the reporting date.

#### 31.7 Capital risk management

The Group's primary objectives in managing capital are:

- To guarantee the ability of the Group to continue as a going concern whilst providing an equitable return to the shareholders and benefit to customers and other stakeholders

## Notes to the Consolidated Financial Statements (continued)

For the year ended 31 March 2025

- To maintain a strong fallback position which is commensurate with the level of risk undertaken by the Group in the normal course of its business.

The Group's capital consists of equity attributable to the shareholders, comprising the issued share capital, reserves and retained income as disclosed in the statement of changes in shareholders' equity. The Group's operating target is to maintain operating assets at a level that is higher than the available operating funds at all times in order to restrict recourse on shareholders' equity for operational funding.

The objectives were met at all times during the course of the year under review.

The gearing ratio for the Group is 86% (2024: 39%)

### 32. Fair value of financial instruments

The estimated net fair values of all financial instruments approximate the carrying amounts shown in the financial statements.

### 33. Insurance cover

The Group's assets are adequately insured at full replacement cost.

### 34. Segment information

IFRS 8, Operating Segments requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segments and to assess their performance. For the purpose of decision making, allocation of resources and assessment of performance, senior management consider the Group to be a single operating unit. Consequently, no segment information is presented.

### 35. CPI sensitivity analysis

In prior years, the Group was required to apply hyperinflationary accounting in accordance with IAS 29, and therefore considered several approaches in estimating CPI.

Effective from 1 April 2024, the Group's functional currency was changed to US\$. The Group considered the following four approaches in estimating the CPI for the financial year 2024:

- Trend analysis - This approach considered the movement of CPI in prior months to determine a trend.
- Interbank exchange rate movement - This approach considered the movement in interbank exchange rate as the basis.
- Internal exchange rate movement - This approach considered the movement in internal exchange rate as the basis.
- Total Consumption Poverty Line (TCPL) - This method used the movement in TCPL published by ZIMSTATS as the basis to estimate CPI. Management considered this approach to be the most appropriate in determining the CPI for the year.

The table below highlights the sensitivity analysis that was performed to determine the possible change in the CPI if the other four approaches were adopted.

	Poverty Datum Line movement	Trend Analysis	Impact on the conversion factor	Interbank exchange rate movement	Impact on the conversion factor	Internal exchange rate movement	Impact on the conversion factor
CPI as at 31 March 2024	429,218	17,465	-95.9%	272,317.4	-36.6%	299,553	30.2%
Average CPI for the 12 months to 31 March 2024	96,304.1	16,032.9	-83.4%	99,189.2	3.0%	101,708.3	5.6%

## Notes to the Consolidated Financial Statements (continued)

For the year ended 31 March 2025

### 36. Subsidiaries

Name of subsidiary	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the parent company	
			31/03/25	31/03/24
Eriswell (Private) Limited	Leasing of property	Harare, Zimbabwe	100%	100%
Swan Technologies (Private) Limited	Dormant	Harare, Zimbabwe	100%	100%
Winterwest (Private) Limited	House Boat Owning Company	Harare, Zimbabwe	100%	100%
Alowell Medical Investments (Private) Limited	Pharmacy	Harare, Zimbabwe	49%	49%
Fresh and Green City (Private) Limited	Retail	Harare, Zimbabwe	100%	100%

### 37. Subsequent events

#### Statutory Instrument 34 of 2025

On 15 April 2025, Statutory Instrument 34 of 2025 was issued, repealing the Exchange Control (Amendment of Schedule to the Exchange Control Act) Notice, 2024, which had been published under Statutory Instrument 81A of 2024. This repeal removed the legal requirement to use the interbank rate for pricing and liberalised the use of market-determined exchange rates. As a result, exchange rates agreed to by market participants in contractual arrangements are now legally enforceable in Zimbabwe.

The Directors have assessed the impact of these changes and determined that they represent a non-adjusting subsequent event for the year ended 31 March 2025.

#### Exchange Rate Movement

As at the date of approval of these financial statements, the interbank rate had moved from US\$1:ZWG26.77 to US\$1:ZWG26.45. The Directors have considered this movement to be a non-adjusting subsequent event.

#### Labour Dispute

Subsequent to year-end, the Local Joint Committee and Negotiating Committee issued communication to the Group regarding employees who were previously found to have been wrongfully terminated and were not subsequently reinstated. Should the Group's reasons for non-reinstatement not be accepted by the Labour Court, the Group may be liable for back-pay and damages to the tune of US\$500,000.

Based on legal advice, the Directors believe that the Group has valid grounds for its position. Accordingly, this has been treated as a non-adjusting subsequent event.

#### Rights Issue

At an Extraordinary General Meeting of shareholders held on 17 July 2025, the Company obtained approval for the following key resolutions:

- An increase in the authorised share capital from 2 billion to 6 billion ordinary shares.
- A renounceable rights offer to raise approximately US\$20 million, underwritten by the National Social Security Authority (Lead Underwriter), with Datvest Nominees (Private) Limited and Old Mutual Life Assurance Company Limited as Sub-Underwriters.
- Disposal of certain immovable properties to raise approximately US\$10.5 million in net proceeds.
- Reconstitution of the Board of Directors at the forthcoming Annual General Meeting.
- Authority for Directors to implement the above resolutions and related transactions.

By 21 August 2025, the Group had received the full proceeds from the rights issue, which were applied towards settling 50% of the legacy debt.

#### Other developments

Subsequent to the reporting date, the Group continued implementing its branch rationalisation and restructuring programme aimed at improving operational efficiency and preserving liquidity.

## Notes to the Consolidated Financial Statements (continued)

For the year ended 31 March 2025

### Key developments after year-end include:

- The closure of OK Marondera, OK Banket, OK Banket Liquor stores and termination of lease agreements for closed branches;
- The closure of Alowell Medical Investment;
- The sale of the Food Lovers Market (FLM) Borrowdale and Avondale branch assets as part of the Group's strategic exit from the Food Lovers Market franchise;

Management expects that these actions will enhance the Group's cost efficiency and support its ongoing efforts to streamline operations and strengthen financial stability.

These events occurred after the reporting date and have been appropriately disclosed but not adjusted in the financial statements.

### 38. Non-Controlling Interest (NCI)

	2025 US\$	2024 US\$
At the beginning of the year	505,412	(1,722)
Comprehensive income for the year	(94,016)	507,140
Distributions to shareholders	-	(6)
<b>At the end of the year</b>	<b>411,396</b>	<b>505,412</b>
NCI percentages	51%	51%
Non-current assets	519,719	288,956
Current assets	186,491	130,808
Non-current liabilities	64,815	64,295
<b>Net assets</b>	<b>771,025</b>	<b>484,059</b>
Net assets Attributable to NCI (51%)	393,223	246,870
Revenue	365,578	438,990
Profit	(184,345)	994,392
OCI	(184,345)	994,392
<b>Total comprehensive income</b>		
Profit allocated to NCI	(94,016)	507,140
OCI allocated to NCI	(94,016)	507,140
Cash flows from operating activities	280,602	98,447
Cash flows from investment activities	(275,412)	(226,733)
Cash flows from financing activities	-	(6)
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>5,190</b>	<b>(128,292)</b>

NCI relate to the 49% interest held by OK Zimbabwe Limited in Alowell Medical Investment. Management assessed that OK Zimbabwe has control over Alowell, per our policy on control over investee.

### 39. Contingencies

#### Contingent Liabilities

##### Tax Dispute – Zimbabwe Revenue Authority (ZIMRA)

The Zimbabwe Revenue Authority ("ZIMRA") issued a civil penalty order against the Group amounting to US\$ 2,054,250 in terms of Section 81B as read with the First Schedule of the Value Added Tax Act [Chapter 23:12]. The penalty relates to alleged non-compliance with the Fiscal Data Management System ("FDMS") requirements and was calculated on the basis of 914 tills over a period of 90 days commencing 23 January 2024.

The Group, with the assistance of its tax advisors, is disputing the penalty on the following grounds:

- The Group was actively engaging with ZIMRA on FDMS integration and encountered technical challenges beyond its control, which were communicated to ZIMRA throughout the process. Successful on boarding was achieved in December 2024.
- The legal basis for the civil penalty order in relation to FDMS compliance is unclear under the VAT Act, and the prescribed procedure for issuing a penalty order, including the requirement for a "show cause notice," was not followed.
- The number of tills used to calculate the penalty is being contested by the Group.

The company has lodged an appeal with the Commissioner Domestic Taxes and is awaiting the outcome. Management believes that there are strong grounds to contest the civil penalty, and accordingly no provision has been recognised in these financial statements.

## Notes to the Consolidated Financial Statements (continued)

For the year ended 31 March 2025

### 40. Going concern

#### Assessment of the Group's Ability to Continue as a Going Concern

The consolidated financial statements have been prepared on the assumption that the Group will continue as a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities will occur in the ordinary course of business.

The Directors have evaluated the Group's financial position, liquidity, cash flow forecasts, borrowing capacity, and the broader economic environment in accordance with IAS 1 – Presentation of Financial Statements. This review included consideration of the Group's capital structure, profitability trends, debt maturity profile, and access to financing.

#### Financial Position

For the year ended 31 March 2025, the Group incurred a net loss of US\$ 25,031,057, and as at that date, its current liabilities exceeded current assets by US\$18,726,445. These conditions indicate the existence of events or conditions that may cast doubt on the Group's ability to continue as a going concern.

#### Macroeconomic and Trading Environment

The Group operates in a market facing economic challenges, including:

- high inflation and exchange rate volatility;
- reduced consumer liquidity;
- power supply disruptions; and
- tight credit conditions.

While these factors create uncertainty, management has already taken significant steps to stabilise the Group and strengthen its ability to withstand external pressures.

#### Mitigating Actions and Progress

1. **Capital Raising** – A rights issue process was successfully concluded in July 2025 and US\$20 million proceeds received in August 2025. Property valued at US\$10.5 million has been identified for disposal and sale and purchase agreements for property worth US\$7.3 million have been drawn up and will be signed before 31 October 2025. All prospective buyers are prepared to enter long-term sale-and-leaseback agreements. The Group has additional owned properties worth US\$17.2 million and these may be disposed to fund working capital requirements, should it be necessary, and subject to Board approval.
2. **Debt Refinancing and Facilities** – US\$19.6 million in banking facilities have been secured, with US\$12.3 million still undrawn at approval while some of the facilities are expiring on 31 December 2025, renewal negotiations have started and the Group is confident these will be renewed. Four key relationship banks have provided formal letters of support (subject to normal conditions), reinforcing confidence in continued financial backing.
3. **Cost Control and Efficiency** – Overhead reductions were achieved through headcount rationalisation to align staffing levels with productivity requirements. In addition, the Group implemented branch rationalisation measures, which included the closure of the Borrowdale and Avondale Food Lovers Market (FLM) stores, the closure of all Alowell stores, and, in the second quarter, the closure of further underperforming stores in Banket, as well as the commencement of the closure process for Bon Marché Marondera. FLM Bulawayo expected to close in the third quarter. The Group continues negotiations with landlords and other service providers to pay rentals and fees commensurate with economic benefit to the Group. In the same vein, the Group will continue reviewing performance of stores with a view to close non-performing stores.
4. **Revenue Growth Initiatives** – The revised product mix is improving margins, digital sales channels are being rolled out, and suppliers have resumed trade following successful rights issue funding and settlement of legacy debts. These steps are expected to enhance both sales growth and supply chain stability.
5. **Capital Expenditure** – The Group has deliberately slowed down on capital expenditure projects and other expansion initiatives in order to preserve liquidity and strengthen the balance sheet. Investment has been limited to essential maintenance of existing infrastructure, refurbishment of strategic stores, and critical systems upgrades required to support operational efficiency.

In addition to the mitigating actions undertaken by management, the Directors also note recent government policy interventions that have had a stabilising effect on the trading environment. On 15 April 2025, Statutory Instrument 34 of 2025 was issued, repealing the Exchange Control (Amendment of Schedule to the Exchange Control Act) Notice, 2024 (Statutory Instrument 81A of 2024). This repeal removed the legal requirement to use the interbank rate for pricing and liberalised the use of market-determined exchange rates.



## Notes to the Consolidated Financial Statements (continued)

For the year ended 31 March 2025

### 40. Going concern (continued)

As a result, exchange rates agreed to by market participants in contractual arrangements are now legally enforceable in Zimbabwe. This policy change has reduced a key macro-economic pressure previously faced by the Group, improving predictability in pricing, supply chain stability, and financial planning.

#### Cash Flow Forecasts

Management prepared detailed forecasts covering September 2025 to September 2026. These incorporate confirmed rights issue proceeds, expected property disposals, cost reductions already achieved, and access to committed facilities. The forecasts indicate that, assuming continuation of these actions, the Group will maintain sufficient liquidity to meet obligations as they fall due.

#### Directors' Conclusion

After careful review, the Directors are satisfied that:

- Adequate financing arrangements are in place or are reasonably expected to be secured;
- Property disposals and cost reductions are progressing and will support working capital stability; and
- The Group has sufficient resources to continue operations for at least 12 months from the approval date of these financial statements.

Accordingly, the financial statements have been prepared on a going concern basis.

The Directors acknowledge that the challenging macroeconomic environment may hamper the achievement of the targeted revenue growth and business recovery. While the Group is renegotiating banking facilities for longer term funding, the tight money supply in the market may hamper access to the required levels of liquidity support and furthermore it may also be difficult to realise the fair value of additional properties of US\$17.2 million should it be necessary to dispose of them. All these factors represent material uncertainties that cast doubt about the Group's ability to continue as a going concern.

### 41. Approval of the consolidated financial statements

The consolidated financial statements were approved by the Board of Directors and authorised for issue on the 30th of October 2025.

## Shareholders' Analysis

### SHAREHOLDER DISTRIBUTION

Range	Number of Shareholders	Shareholders %	Issued Shares	Shares %
1 — 5 000	27,213	95.32	18,323,092	95.32
5 001 — 10 000	381	1.33	2,731,062	1.33
10 001 — 25 000	308	1.08	4,956,464	1.08
25 001 — 50 000	183	0.64	6,756,098	0.64
50 001 — 100 001	138	0.48	9,909,123	0.48
100 001 — 200 000	100	0.35	14,233,183	0.35
200 001 — 500 000	109	0.38	33,996,883	0.38
500 001 — 1 000 000	37	0.13	27,262,598	0.13
1 000 001 and Above	84	0.29	1,217,652,299	0.29
Totals	28,553	100.00	1,335,820,802	100.00

### SHAREHOLDER ANALYSIS BY INDUSTRY

Industry	Number of Shareholders	Shareholders %	Issued Shares	Shares %
PENSION FUNDS	275	0.96	395,524,513	29.62
LOCAL COMPANIES	394	1.38	362,986,641	27.18
LOCAL NOMINEE	90	0.32	338,538,200	25.34
INSURANCE COMPANIES	41	0.14	167,843,497	12.56
LOCAL INDIVIDUAL RESIDENT	26,896	94.22	52,665,468	3.94
UNKNOWN	37	0.13	4,519,724	0.34
DECEASED ESTATES	471	1.65	4,318,747	0.32
FUND MANAGERS	26	0.09	3,171,961	0.24
FOREIGN COMPANIES	05	0.02	2,715,775	0.20
TRUSTS	40	0.14	1,255,806	0.09
NEW NON RESIDENT	169	0.59	1,042,556	0.08
FOREIGN NOMINEES	07	0.02	503,119	0.04
OTHER INVESTMENTS & TRUST	54	0.19	400,001	0.03
CHARITABLE	15	0.05	162,389	0.01
FOREIGN INDIVIDUAL RESIDENT	27	0.09	154,535	0.01
GOVERNMENT / QUASI	02	0.01	17,254	0.00
EMPLOYEES	03	0.01	416	0.00
OTHER	01	0.00	200	0.00
Totals	28,553	100.00	1,335,820,802	100.00

### TOP TEN SHAREHOLDERS

Shareholder	Issued shares	%
DATVEST NOMINEES FOREIGN	260,072,037	19.47
NSSA - NATIONAL PENSION SCHEME	207,772,917	15.55
OLD MUTUAL LIFE ASS CO ZIM LTD	141,964,936	10.63
QUANT AFRICA WEALTH MANAGEMENT	126,397,635	9.46
STANBIC NOMINEES (PVT) LTD.	94,605,354	7.08
MEGA MARKET (PVT) LTD	58,095,176	4.35
NSSA - WORKERS COMPENSATION IF	48,318,896	3.62
DATVEST NOMINEES (PVT) LTD	48,206,367	3.61
GROUP FIVE COMPANIES (PVT) LTD	41,660,141	3.12
MINING INDUSTRY PENSION FUND	31,208,174	2.34
Other	277,519,169	20.77
Totals	1,335,820,802	100.00

## Notice to Shareholders

**NOTICE IS HEREBY GIVEN THAT** the Twenty-Fourth Annual General Meeting of Members of OK Zimbabwe Limited will be held at the OK Head Office, OK House, 7 Ramon Road, Graniteside, Harare, on Thursday, 11 December 2025, at 14:30 hours for purposes of transacting the business detailed below:

Shareholders will be requested to connect and attend the meeting virtually by logging onto:

<https://escrowagm.com/eagmZim/Login.aspx#>

### ORDINARY BUSINESS

#### 1.0 CONSOLIDATED FINANCIAL STATEMENTS AND REPORTS

To receive, consider, and adopt the Audited Financial Statements of the Company for the year ended 31 March 2025, together with the Report of the Directors and Auditors thereon.

#### 2.0 DIRECTORATE

- 2.1 To note the resignation of Mrs. Rufaro Audrey Maunze Bhebhe, Mrs. Keresia Mtemererwa, Mr. Maxen Phillip Karombo, and Mr. Phillimon Mushosho from the Board of Directors during the course of the past financial year.
- 2.2 To note the resignation of Mrs. Rose Mavima, Mrs. Kiitumetsi Zawanda, Mr. Wonder Stan Nyabereka and Mr. Rutenhuro James Moyo at the conclusion of the meeting.
- 2.3 In terms of Article 100 of the Company's Articles of Association Mrs. Lyndsay Webster-Rozon and Mr. Tawanda Lloyd Gumbo are scheduled to retire by rotation at the conclusion of the meeting. They do not offer themselves for re-election.
- 2.4 To confirm the appointment of Mr. Vimbai Willard Zireva and Mr. Alex Edgar Siyavora, in their capacities as Chief Executive Officer and Chief Finance Officer, respectively, as members of the Board of Directors with effect from 26 February 2025.
- 2.5 In terms of the Company's Articles of Association, the Chairman of the Board of Directors, Mr. Herbert Nkala, is scheduled to retire at the conclusion of the meeting. Mr. Nkala does not offer himself for re-election.
- 2.6 To approve the fees paid to the Directors during the financial year ended 31 March 2025.

**NOTE 1:** In accordance with the Articles of Association of the Company and the dictates of good corporate governance, the Board Nominations Committee has taken steps to review and consider suitable candidates for appointment to the Board of Directors in compliance with law and regulation.

**NOTE 2:** Each Director will be appointed individually and separately in accordance with the Articles of Association of the Company.

**NOTE 3:** The consolidated Directors' emoluments are included in the Annual Report.

#### 3.0 AUDITORS' FEES AND APPOINTMENT OF AUDITORS

- 3.1 To approve the external auditors' fees for the financial year ended 31 March 2025.
- 3.2 To confirm the reappointment of Messrs. KPMG Chartered Accountants (Zimbabwe) as the Auditors of the Company for the ensuing year. KPMG Chartered Accountants (Zimbabwe) have carried out the Audit of the Company for three (3) financial years.

### ANY OTHER BUSINESS

- 4.0 To transact all such other business as may be transacted at an Annual General Meeting.

### APPOINTMENT OF PROXY

In terms of the Companies Act [Chapter 24:03], a member of the Company is entitled to appoint one or more proxies to attend, vote, and speak in his or her stead. A proxy need not be a member of the Company. Proxy forms must be deposited at the registered office of the Company not less than forty-eight (48) hours before the time appointed for holding the meeting.

### ELECTRONIC ANNUAL REPORT

The Company's 2025 Annual Report is now available on the Company's website <https://www.okziminvestor.com/>. Electronic copies of the Annual Report have also been emailed to those shareholders whose e-mail addresses are on record.

### BY ORDER OF THE BOARD



.....  
Margaret Munyuru (Mrs.)  
Group Secretary

18 November 2025

## Proxy Form

I/We ..... of .....  
being a member of the above Company and entitled to vote, hereby appoint .....  
of ..... or failing him, .....  
of .....  
as my/our Proxy to vote for me/us on my/our behalf at the Twenty-Fourth Annual General Meeting of OK Zimbabwe Limited to be held on Thursday, 11 December 2025 at 14.30 hours and at any adjournment thereof for the following purposes: -

	Item on the Agenda for the AGM	For	Against	Abstain
	<b>ORDINARY BUSINESS</b>			
<b>1.</b>	<b>CONSOLIDATED FINANCIAL STATEMENTS AND REPORTS</b> To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31 March 2025, together with the Report of the Directors and Auditors thereon.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>2.</b>	<b>DIRECTORATE</b>			
<b>2.1</b>	To note the resignation of Mrs. Rufaro Audrey Maunze Bhebhe, Ms. Keresia Mtemererwa, Mr. Maxen Phillip Karombo and Mr. Phillimon Mushosho from the Board of Directors during the course of the past financial year.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>2.2</b>	To note the resignation of Mrs. Rose Mavima, Mrs. Kiitumetsi Zawanda, Mr. Wonder Stan Nyabereka and Mr. Rutenhuro James Moyo at the conclusion of the meeting.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>2.3</b>	In terms of Article 100 of the Company's Articles of Association Mrs. Lyndsay Webster-Rozon and Mr. Tawanda Lloyd Gumbo are scheduled to retire by rotation at the conclusion of the meeting. They do not offer themselves for re-election.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>2.4</b>	To confirm the appointment of Mr. Vimbai Willard Zireva and Mr. Alex Edgar Siyavora, in their capacities as Chief Executive Officer and Chief Finance Officer, respectively, as members of the Board of Directors with effect from 26 February 2025:  Mr. Vimbai Willard Zireva  Mr. Alex Edgar Siyavora	<input type="checkbox"/>  <input type="checkbox"/>	<input type="checkbox"/>  <input type="checkbox"/>	<input type="checkbox"/>  <input type="checkbox"/>
<b>2.5</b>	In terms of the Company's Articles of Association, the Chairman of the Board of Directors, Mr. Herbert Nkala, is scheduled to retire at the conclusion of the meeting. Mr. Nkala does not offer himself for re-election.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>2.6</b>	To approve the fees paid to the Directors during the financial year ended 31 March 2025.  <b>NOTE 1: In accordance with the Articles of Association of the Company and the dictates of good corporate governance, the Board Nominations Committee has taken steps to review and consider suitable candidates for appointment to the Board of Directors in compliance with law and regulation.</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

	Item on the Agenda for the AGM	For	Against	Abstain
	<b>ORDINARY BUSINESS</b>			
	<b>NOTE 2:</b> Each Director will be appointed individually and separately in accordance with the Articles of Association of the Company.  <b>NOTE 3:</b> The consolidated Directors' emoluments are included in the Annual Report.			
<b>3</b>	<b>AUDITORS' FEES AND APPOINTMENT OF AUDITORS</b>			
<b>3.1</b>	To approve the external auditors' fees for the financial year ended 31 March 2025.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>3.2</b>	To confirm the reappointment of Messrs. KPMG Chartered Accountants (Zimbabwe) as the Auditors of the Company for the ensuing year. KPMG Chartered Accountants (Zimbabwe) have carried out the Audit of the Company for three (3) financial years.  <b>NOTE:</b> The Group has adopted the requirements of the Companies and Other Business Entities Act [Chapter 24:31]: Section 191 (11) and the ZSE Listing Requirements (Statutory Instrument 134/2019): Section 69 (6) from the date of enactment. The Board of Directors recommends the reappointment of Messrs. KPMG Chartered Accountants (Zimbabwe) as the Auditors of the Company for the ensuing financial year.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>3.</b>	<b>ANY OTHER BUSINESS</b> To transact all such other business as may be transacted at an Annual General Meeting.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Signed at ..... this ..... Day of ..... 2025.

Signature of Member .....

#### NOTES

1. Unless otherwise instructed, the proxy will vote as he thinks fit.
2. This proxy form must be signed, dated and returned so as to reach the Company no later than forty-eight hours before the Meeting.

**NOTE 1:** In terms of the Companies and Other Business Entities Act [Chapter 24:31], a member of the Company is entitled to appoint one or more proxies to attend, vote and speak in his or her stead. A proxy need not be a member of the Company. Proxy forms must be deposited at the registered office of the Company not less than forty-eight (48) hours before the time appointed for holding the meeting.

#### **NOTE 2: ELECTRONIC ANNUAL REPORT**

The Company's 2025 Annual Report will be made available on the Company's website <http://www.okziminvestor.com/>. Electronic /copies of the Annual Report will also be emailed to those shareholders whose e-mail addresses are on record.



## Shareholders Calendar

Twenty-fourth Annual General Meeting	11 December 2025
Next financial year end	31 March 2026

### ANTICIPATED DATES

Interim reports for financial year ending 31 March 2026	December 2025
Annual Report publication for financial year ending 31 March 2026	July 2026
Twenty-fifth Annual General Meeting	July 2026

### REGISTERED OFFICE:

OK House  
7 Ramon Road  
Graniteside  
P O Box 3081  
Harare, Zimbabwe  
Telephone: +263 - 242 - 757311-9  
email: mmunyuru@okzim.co.zw

### TRANSFER SECRETARIES:

Corpserve (Private) Limited  
2nd Floor, ZB Centre  
Corner First Street / Kwame Nkrumah Avenue  
P O Box 2208  
Harare, Zimbabwe

## Corporate Information

### Business Address

**Head Office and Registered Office**  
7 Ramon Road  
Graniteside  
P O Box 3081  
Harare, Zimbabwe  
Telephone: +263-242-757311-9

### Lawyers

**Wintertons Legal Practitioners**  
No 3 Pascoe Avenue  
Belgravia  
Harare, Zimbabwe

### Auditors

**KPMG Chartered Accountants**  
100 The Chase (West)  
Emerald Hill  
Harare, Zimbabwe

### Transfer Secretaries

**Corpserve (Private) Limited**  
2nd Floor, ZB Centre  
Corner First Street / Kwame Nkrumah Avenue  
P O Box 2208  
Harare, Zimbabwe

### Principal Bankers

**CABS**  
3 Northend Close  
Northridge Park, Highlands  
P O Box 2798  
Harare, Zimbabwe

### Nedbank Zimbabwe Limited

Old Mutual Centre  
Corner 3rd Street / Jason Moyo Avenue  
P O Box 3200  
Harare, Zimbabwe

### FBC Crown Bank Limited

Africa Unity Square Branch  
Corner Nelson Mandela / Sam Nujoma Street  
P O Box 2472  
Harare, Zimbabwe

### CBZ

7 Selous Avenue  
P O Box 1887  
Harare, Zimbabwe

### Sustainability Advisors

**Institute for Sustainability Africa**  
65 Whitwell Road  
Borrowdale West  
Harare, Zimbabwe

## GRI Content Index

Statement of Use	OK Zimbabwe Limited has reported the information cited in this GRI content index for the period 01 April 2024 and 31 March 2025 with reference to the GRI Standards.
GRI used	GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	LOCATION	EXPLANATION
<b>GRI 2: General Disclosures 2021</b>	2-1 Organisational details	103,156	
	2-2 Entities included in the organisation's sustainability reporting	1	
	2-3 Reporting period, frequency and contact point	1	
	2-4 Restatements of information	1	
	2-5 External assurance	1	
	2-6 Activities, value chain and other business relationships	4 - 9	
	2-7 Employees	71,72	
	2-8 Workers who are not employees	72	
	2-9 Governance structure and composition	29	
	2-10 Nomination and selection of the highest governance body	30	
	2-11 Chair of the highest governance body	20	
	2-12 Role of the highest governance body in overseeing the management of impacts.	32	
	2-13 Delegation of responsibility for managing impacts	32	
	2-14 Role of the highest governance body in sustainability reporting	32	
	2-15 Conflicts of interest	29	
	2-16 Communication of critical concerns	29	
	2-17 Collective knowledge of the highest governance body	20-25	
	2-18 Evaluation of the performance of the highest governance body	28	
	2-19 Remuneration policies	28	
	2-20 Process to determine remuneration	-	
	2-21 Annual total compensation ratio	-	
	2-22 Statement on sustainable development strategy	54	
	2-23 Policy commitments	-	
	2-24 Embedding policy commitments	-	

## GRI Content Index (continued)

GRI STANDARD	DISCLOSURE	LOCATION	EXPLANATION
<b>GRI 2: General Disclosures 2021 (continued)</b>	2-25 Processes to remediate negative impacts	42-44	
	2-26 Mechanisms for seeking advice and raising concerns	1,49-52	
	2-27 Compliance with laws and regulations	38	
	2-28 Membership associations	-	
	2-29 Approach to stakeholder engagement	48	
	2-30 Collective bargaining agreements	74	
<b>GRI 3: Material Topics 2021</b>	3-1 Process to determine material topics	53	
	3-2 List of material topics	53	
	3-3 Management of material topics	See each material topic	
<b>GRI 201: Economic Performance 2016</b>	201-1 Direct economic value generated and distributed	98-102	
	201-2 Financial implications and other risks and opportunities due to climate change	65	
	201-3 Defined benefit plan obligations and other retirement plans	74	
<b>GRI 203: Indirect Economic Impacts 2016</b>	203-1 Infrastructure investments and services supported	-	
	203-2 Significant indirect economic impacts	-	
<b>GRI 204: Procurement Practices 2016</b>	204-1 Proportion of spending on local suppliers	59	
<b>GRI 207: Tax 2019</b>	207-1 Approach to tax	83	
	207-2 Tax governance, control, and risk management	83	
	207-3 Stakeholder engagement and management of concerns related to tax	83	
	207-4 Country-by-country reporting	84	
<b>GRI 301: Materials 2016</b>	301-1 Materials used by weight or volume	57	
	301-2 Recycled input materials used	-	

## GRI Content Index (continued)

GRI STANDARD	DISCLOSURE	LOCATION	EXPLANATION
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	62	
	302-2 Energy consumption outside the organisation	62	
	302-3 Energy intensity	-	
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	61	
	303-2 Management of water discharge-related impacts	61	
	303-5 Water consumption	61	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	68	
	305-2 Energy indirect (Scope 2) GHG emissions	68	
	305-7 Nitrogen oxides NO <sub>x</sub> , sulphur oxides (SO <sub>x</sub> ), and other significant air emissions	67	
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	66	
	306-2 Management of significant waste-related impacts	66	
	306-3 Waste generated	66	
	306-5 Waste directed to disposal	66	
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	73	
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	74	
	401-3 Parental leave	75	
GRI 402: Labor/ Management Relations 2016	402-1 Minimum notice periods regarding operational changes	1 Month	



## GRI Content Index (continued)

GRI STANDARD	DISCLOSURE	LOCATION	EXPLANATION
<b>GRI 403: Occupational Health and Safety 2018</b>	403-1 Occupational health and safety management system	-	
	403-2 Hazard identification, risk assessment, and incident investigation	-	
	403-3 Occupational health services	76	
	403-5 Worker training on occupational health & safety	76	
	403-6 Promotion of worker health	76	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	75	
	403-8 Workers covered by an occupational health and safety management system	-	
	403-9 Work-related injuries	76	
<b>GRI 404: Training and Education 2016</b>	404-1 Average hours of training per year per employee	77	
	404-2 Programs for upgrading employee skills and transition assistance programs	77	
<b>GRI 405: Diversity and Equal Opportunity 2016</b>	405-1 Diversity of governance bodies and employees	36,71,73	
<b>GRI 407: Freedom of Association and Collective Bargaining 2016</b>	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	-	
<b>GRI 413: Local Communities 2016</b>	413-1 Operations with local community engagement, impact assessments, and development programs	79	





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