INNSCOR Africa Limited

Annual Report 2022

Our Passion for Value Creation

“Self Funding Our Row crop requirements”

We are Growing our Contract Farming Initiatives towards achieving the minimum 40% of own production threshold set by Government.

VISION

Our vision is to improve the quality of life of the customers in our chosen target markets and thereby create and unlock value for all our stakeholders. We do this by bringing access to best value consumer staple goods at the lowest relative price.

MISSION

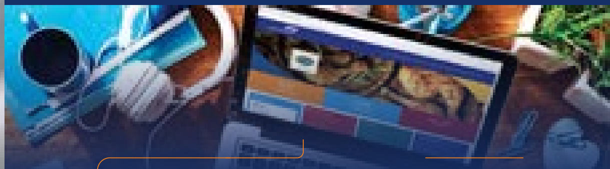
Innscor Africa Limited is a focused group of light manufacturing businesses which, together with various strategically integrated agricultural operations, produce a number of Zimbabwe's iconic brands in the consumer staple product space.

We manufacture consumer staple goods for the mass market through a managed, and where strategically appropriate, integrated portfolio of businesses which:

- benefit from being part of our Group
- have the ability of being lowest cost producers
- have the ability or potential to achieve scale
- have the ability to become market leaders

VALUES

- Passion for value creation
- Entrepreneurial spirit
- Leadership
- Quality in all we do
- Integrity
- Accountability
- Trust
- Collaboration



ONLINE
You can find this report and more information about Innscor Africa Limited online at www.innscorafrica.com and can download this report at https://www.innscorafrica.com/investor/financial-reporting/

About Our Report

Innscor Africa Limited, is a Company listed on the Zimbabwe Stock Exchange (ZSE), and presents its 30 June 2022 Annual Report. This 30 June 2022 report integrates both financial and non-financial information necessary to inform our broad stakeholders on the overview of our economic, environmental and social performance, as well as prospects and strategy of the Group.

The report reflects our belief in strong corporate sustainable practices underpinning our quest for value creation for the benefit of our stakeholders and shareholders.

All references to a year refer to the Group's financial year which is 30 June, for instance 2022 refers to the financial year, starting 1 July 2021 and ending 30 June 2022.

Reporting Frameworks
The Group's consolidated annual inflation-adjusted financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and the requirements of the Companies and Other Business Entities Act (Chapter 24:31). In reporting non-financial information, the Group is guided by:

- Global Reporting Initiatives ("GRI") Protocol
- Listing Requirements of the Zimbabwe Stock Exchange ("ZSE")
- Zimbabwe standard ZWS ISO 26000: 2010 integrating, implementing and promoting socially responsible behaviour throughout the organisation, through its policies and practices and within its sphere of influence; identifying and engaging with stakeholders; and communicating commitments, performance and other information related to social responsibility
- The National Code of Corporate Governance in Zimbabwe ("ZIMCODE")
- Climate Change Disclosure Framework of the Carbon Disclosure Standards Board ("CDSB") guided by ISO 14064-65-66 Greenhouse gas ("GHG") quantification, reporting, verification, validation
- Business Reporting on Sustainable Development Goals ("SDGs"): Guide of GRI and United Nations Global Compact ("UNGC"): ISO 26000 and other relevant ISO standards.

Data and Assurance
Our Group's consolidated annual inflation-adjusted financial statements were audited by Messrs Deloitte & Touche Chartered Accountants (Zimbabwe) ("Deloitte") in accordance with International Standards of Auditing ("ISA"). The independent auditor's report on the financial statements is contained on **page 180**.

Sustainability Report Declaration
The sustainability information in this annual report was prepared using Zimbabwe standard ZWS ISO 26000:2010, the international ISO guidance standard adopted by Zimbabwe, providing the framework to integrate Social Responsibility ("SR") into the values and practices of the Group. It communicates the commitment, performance and relevant information on SR; a key component of sustainability.

The detailed sustainability initiatives conducted by the Group are available on https://www.innscorafrica.com/sustainable-development-goals-sdgs/.

Black Crystal Consulting, an independent sustainability reporting consultant, performed an independent review of this report and the information therein, assessed the actual performance through site visits, and provided third- party assurance that all considerations were taken into account to ensure that the report complies in all material aspects with provisions of the selected standard and linkage requirements.

A summary of the applicable United Nations Sustainable Development Goals ("SDGs") in relation to Innscor Africa Limited is also presented as part of this report.

The report reflects our belief in strong corporate sustainable practices underpinning our value creation ethos.

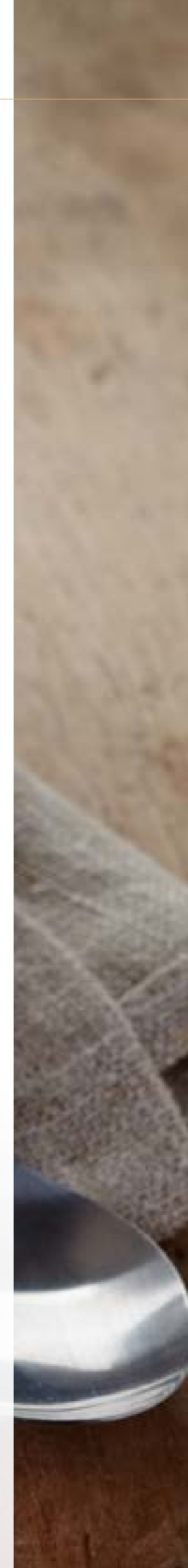
Forward-looking Statements
This report contains certain forward-looking statements. These statements are based on current estimates and projections by Innscor Africa Limited management using current available information. Future statements are not guarantees of future developments and results outlined therein.

Future Statements are dependent on a number of factors; they involve various risks and uncertainties; and they are based on assumptions that may not prove to be accurate. We do not assume any obligation to update the forward-looking statements contained in this report.

We would welcome your feedback on our reporting and any suggestions you may have in terms of what you would like to see incorporated in our future reports. To do so, please contact Andrew Lorimer or Tracey Stephens on email: andrew.lorimer@innscorafrica.com or tracey.stephens@innscorafrica.com and phone +263 242 496790/496886.

Addington Chinake
Chairman

Julian Schonken
Group Chief Executive Officer



INNSCOR
Africa Limited

Contents

Machine operated by Gift Jena

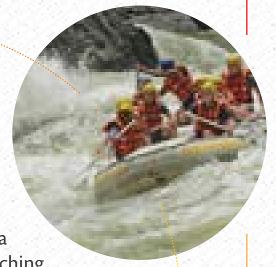
01

Overview

History and Evolution of the Group

1987

First Quick Service Restaurant (QSR) branded as Chicken Inn opened on Speke Avenue in Harare.



1993

- Acquired Astra Crocodile Ranching & Shearwater Adventures.
- Opened Distribution Group Africa (DGA) and started securing international agencies.

1995

Acquired and commissioned a mechanised bread plant in Harare.

1998

- Secured Nando's Franchise and opened the first Nando's store in Avondale, Harare.

- Acquired Capri Corporation Limited and reverse-listed Innscor on the ZSE (market cap US$70m).
- Opened QSR outlets namely Chicken Inn, Pizza Inn, Bakers Inn and Creamy Inn in Zambia, Ghana, Kenya, Tanzania, Uganda and Mozambique.

1999

- Acquired Spar Eastern Region and opened SPAR branded Corporate Stores in Harare.

- Secured Steers franchise and opened the first Steers outlet at Speke Avenue, Harare.

2000

- Concluded an Innscor-Exxon Mobil deal to open Innscor branded QSR outlets on Exxon Mobil forecourts across Africa.

2002

- Opened QSR outlets in Nigeria and Senegal on Exxon Mobil forecourts.
- Opened franchised QSR outlets in Malawi and Angola.
- Opened the first SPAR Corporate store in Zambia.

2003

Acquired shareholding in National Foods Holdings Limited (NTFD.zw), a leading supplier of Zimbabwean FMCGs **(www.nationalfoods.co.zw)**.

2004

Acquired shareholding in Colcom Holdings Limited (COLC.zw), a leading manufacturer of pork products in Zimbabwe **(www.colcomfoods.com)**.

2005

- Commenced construction of a third crocodile farm in Kariba.
- Expanded QSR footprint into 12 African countries, 7 company operated and 5 franchised.

2006

- Increased equity in Colcom Holdings Limited (COLC.zw) to **79.64%** and started consolidating Colcom into Innscor results.

2007

- Acquired a new biscuit line for the Iris Biscuit business.
- New packaging machine purchased for the Snacks business.
- Major refurbishment of the Bakery line at Simon Mazorodze Road Site, Harare.
- Opened 2 additional SPAR stores in Lusaka and Livingstone, with a total of 6 stores now in operation in Zambia.
- Increased the number of franchised QSR outlets in the Nigerian market.

2008

- Invested into a new Timber processing plant for our Bakaya Hardwoods business.
- A new SPAR branded corporate store opened in Chawama, Zambia.

2009

- Acquired shareholding in Irvine's Zimbabwe (Private) Limited, a leading Zimbabwean poultry producer **(www.irvineschicken.co.zw)**.

2010

Unbundled through a dividend in-specie on a one to one basis, the crocodile ranching operation and listed this separately on the ZSE as Padenga Holdings Limited (PHL.zw) **(www.padenga.com)**.

2011

- Acquired Shepperton Road property in Harare, with space to accommodate 5 breadlines and started consolidation of Bakery operations onto this site.
- Secured Galito's Franchise.

2013

- Franchised Chicken Inn, Pizza Inn, Creamy Inn and Galito's branded QSR outlets in Swaziland and Lesotho.
- Grew QSR network in the Zimbabwean, Kenyan & Zambian markets.
- Opened QSR outlets in the Democratic Republic of Congo (DRC).

2015

- Acquired a non-controlling interest in a leading stockfeeds business, Profeeds (Private) Limited **(www.profeeds.co.zw)**.
- Unbundled QSR operations through a dividend in-specie and listed it separately on the ZSE as Simbisa Brands Limited (SIM.zw), **(www.simbisabrands.com)**.

The following main QSR brands were transferred to Simbisa as part of the unbundling: Chicken Inn, Pizza Inn, Creamy Inn, Nando's, Baker's Inn, Steers, Galito's and other QSR brands.

2016

- Acquired automotive retail business Transerv.
- Commenced the reorganisation of the Group into a light manufacturing business.
- Disposed the Group's interest in non-core SPAR Corporate Retail stores, Distribution operations and Tourism operations of Shearwater Adventures.
- Acquired a non-controlling interest in an FMCG manufacturing and downpacking of basic commodities business, Probrands (Private) Limited, **(www. probrands.co.zw)**.
- Unbundled Speciality Retail businesses through a dividend in-specie on a one to one basis and listed it separately on the ZSE as Axia Corporation Limited (AXIA.zw). **(www.axiacorpltd.com)**. The following businesses comprised the unbundled Axia: TV Sales & Home, Transerv and Distribution Group Africa (DGA)
- Consolidated the Group's light manufacturing business into key categories.

2017

- Disposed SPAR Zambia Limited and The River Club.

2018

- Acquired remaining non-controlling interest in Colcom Holdings Limited and de-listed the company. **(www.colcom.co.zw)**.
- Commenced UHT milk production at Prodairy (Private) Limited. **(www.prodairy.co.zw)**

2019

- Restructure of Probrands (Private) Limited.
- Acquisition of **50.64%** interest in Probottlers (Private) Limited. **(www.probottlers.co.zw)**.
- Restructured Associated Meat Packers (Private) Limited (AMP) out of Colcom.
- Concluded the dilution of Innscor Appliance Manufacturing (Private) Limited to 25.05%. ("Capri")
- Disposal of interest in Freddy Hirsch (Private) Limited.
- Commenced production of condiments.

2020

- Set target of 100 000 hectares under irrigation, to meet the Country's given requirements.

2021

- Invested in Financial Services - MyCash Financial Services.
- Invested in fertiliser blending plant - 'Nutrimaster' through the Profeeds business.

2022

- Invested in a potato grading plant under Sabithorn (Private) Limited.
- Invested in a sorghum beer manufacturing plant under The Buffalo Brewing Company.

- Increased equity in Mafuro Farming.
- Restructure of Baker's Inn Bakeries into Manufacturing, Distribution & Wholesale divisions.
- Disposal of remaining interest in Skitap (Private) Limited T/A Innscor Appliance Manufacturing (Private) Limited "Capri".
- Disposal of our interest in Pure Oils (Private) Limited.

Group Structure and Profile

Innscor Africa Limited

Mill-Bake

- **37.45% – National Foods Holdings Limited**
  - 100% National Foods Limited
  - 100% National Foods Properties Limited
  - 100% Breathaway Food Caterers (Private) Limited
  - 100% Botswana Milling & Produce Company (Private) Limited
  - 100% Red Seal Manufactures (Private) Limited
  - 50% National Foods Logistics (Pvt) Ltd (Associate Company)
- **100% – Bread Division**
  - Shepperton Road Plant Harare (Division)
  - Lennard Bread Bulawayo (Division)
  - 100% Bakers Inn Logistics (Pvt) Ltd
  - 50% Superlinx (Private) Limited
- **49% – Profeeds (Private) Limited (Associate Company)**
  - 47 x Retail Stores (Division)
  - 1 x Feed Factory (Division)
  - 66% Aquafeeds (Private) Limited
  - 50% Nutrimaster (Private) Limited
- **49% – Irvine's Zimbabwe (Private) Limited**
  - Feedmill (Division)
  - Commercial Hatchery (Division)
  - Breeders (Division)
  - Layers (Division)
  - Broilers and Abattoir (Division)

Protein

- **100% – Colcom Division**
  - Colcom Holdings Limited
  - Triple C Pigs (Division)
  - Colcom Foods Limited
- **50.1% – Associated Meat Packers (Private) Limited**
  - Texas Meats – 23 x Retail Stores, 3x Texas Meat Market
  - 50.01% Silkchin Trading (Pvt) Ltd
  - 50.1% Intercane (Pvt) Ltd – 20 Texas Chicken Stores

Head Office Services

- **Treasury Division**
  - 40% MyCash Financial Services (Private) Limited
- **IT Services**
  - 50% Syntegra Solutions (Private) Limited
    - 30% MyCash Financial Services (Private) Limited
- **Payroll & Wellness Services**
  - 60% Rafferty Investments (Private) Limited t/a Providence Human Capital
    - 1 x Hospital
    - 5 x Industrial Clinics
- **Group Properties Division**
- **Other Head Office Shared Services**
  - Tax
  - Internal
  - Legal

Other Light Manufacturing

- **50.64% – Probottlers (Private) Limited**
- **39.2% – Probrands (Private) Limited (Associate Company)**
- **50.1% – Prodairy (Private) Limited**
  - 50% Keshelmar (Private) Limited (Associate Company)
  - 80% Mafuro Farming (Private) Limited (Associate Company)
- **58.33% – Natpak (Private) Limited**
  - 78.33% Alpha Packaging (Private) Limited
- **60% – Zando (Private) Limited**
  - 100%
    - 100% Saxin Enterprises (Private) Limited
    - 54% Sabithorn (Private) Limited
- **50.2% – The Buffalo Brewing Company (Private) Limited**
- **50% – Paperhole Investments (Private) Limited (Associate Company)** (PHI Commodities)
  - 50% Nutrimaster (Private) Limited
  - 50% IL Integrated Agric (Private) Limited
- **49.89% – Afrigrain Trading Limited (Associate Company)**

Innscor Africa Limited is a manufacturer of consumer staple and durable goods for the mass market, through a managed, and where strategically appropriate, integrated portfolio of businesses.

The Group commands leading market shares across a range of its categories and over the years has grown organically, through acquisition and by venturing into new categories.

The structure of the Group and the effective shareholding by Group Companies in the main operating subsidiaries and associates is illustrated herewith.

Our Products and Brands

Maize
- National Foods Ltd
- Pearlenta
- Red Seal
- Better Buy
- Smart Carbs

Stockfeed and Petfood
- National Foods Stockfeeds
- PROfeeds
- PROfarmer
- aquafeeds
- titon
- Red Seal
- Irvine's
- BowWow
- Kenergy
- animax Superior
- Colcom

Flour
- National Foods Ltd
- Gloria
- Gloria Quick Mix
- Red Seal
- Better Buy

Chicken
- Irvine's
- Texas Meats
- Texas Chicken

Table Eggs and Day-Old Chicks
- Irvine's

Bread and Pies
- Baker's Inn
- Colcom

Pork and Beef
- Colcom
- Colcom Shops
- Colcom Shop Express
- Home-2-U
- Tastee
- Danmeats
- Oscars
- amp
- Texas Meat Market
- Butcher Box
- Prime Brand
- Texas Meats
- Texas Pork
- Texas Beef
- Zimnyama
- Triple C Pigs

FMCG
- Red Seal
- Ma-Hat-Ma Rice
- Nutri Active
- Smart Carbs
- Oleo
- Purela
- Zimbrite
- Better Buy
- PRObrands
- ideal
- Royal
- Makleena

Biscuits and Snacks
- National Foods Ltd
- Allegros Popticorn
- Allegros Sesame Snax
- Iris
- ZapNax
- King Rings
- King Pops
- King Kurls

Dairy and Dairy Blends
- Texas Dairy
- PROdairy
- Life
- Revive
- Swirl
- KSM Beverages
- Kershelmar Dairies
- Mafuro Farming

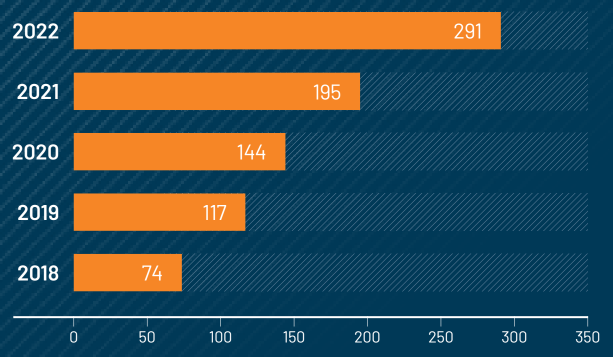
Packaging
- NatPak
- Alpha Packaging

Beverages
- PRObottlers
- Bally House
- fizzi
- Treetips
- St. Clairs
- Buffalo

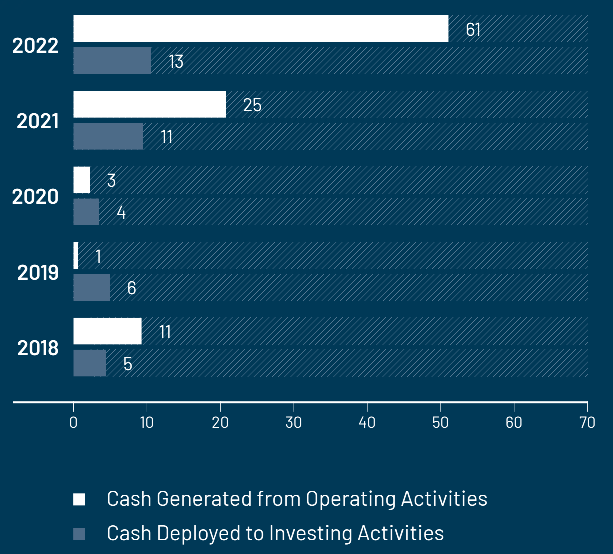
Farming Products
- nutrimaster
- PHI Commodities
- kukura
- Sabi Thorn

Five-Year Performance Highlights - Inflation-Adjusted

Revenue
ZWS Billion

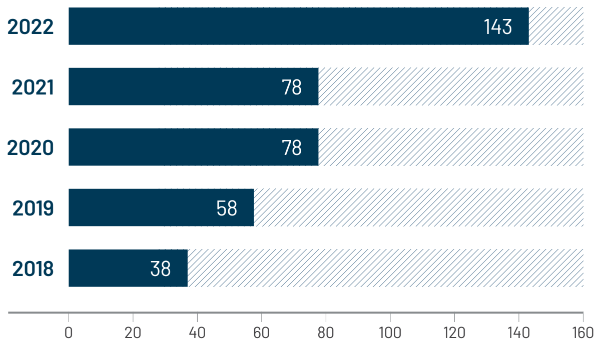


Cashflows
ZWS Billion

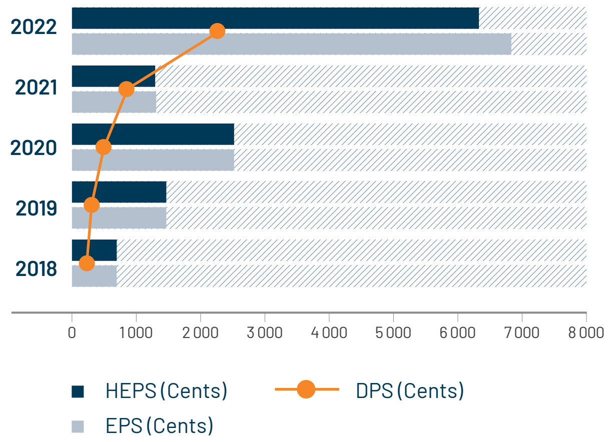


Five-Year Performance Highlights - Inflation-Adjusted (continued)

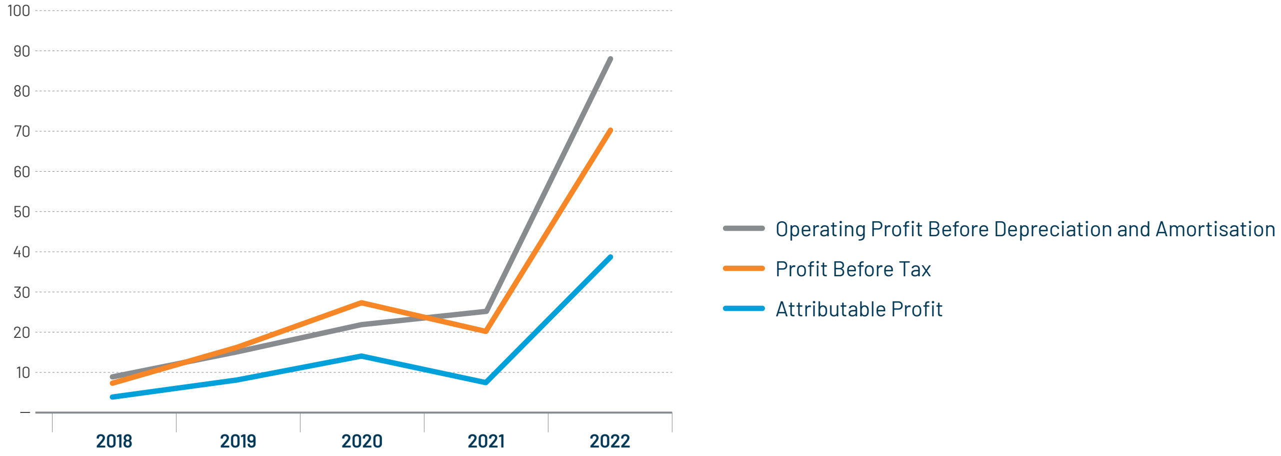
Net Assets
ZWS Billion



Share Performance
ZWS Cents Per Share



Profit Trend
ZWS Billion



Sustainability Performance

	2022	2021	2020	2019	2018
Enviromental Performance					
Water usage (m^3)	1 373 509	1 772 380	1 691 187	1 626 961	1 503 793
% change	-22%	5%	4%	8%	44%
Carbon Footprint Scope 1 Fuels (tonnes CO_{2e})*	42 455	38 105	33 752	30 119	27 546
% change	11%	13%	12%	9%	22%
Carbon Footprint Scope 2 Electricity (tonnes CO_{2e})	97 540	71 590	58 535	73 176	68 284
% change	36%	22%	-20%	7%	7%
Number of Employees	10 629	8 805	7 579	7 730	7 566
% change	21%	16%	-2%	2%	12%

** The historical data has been recalculated using the DEFRA 2022 factors to allow the annual data to be comparable with the 2022 data.*

Chairman's Statement and Review of Operations

Directors' Responsibility

> The Holding Company's Directors are responsible for the preparation and fair presentation of the Group's consolidated inflation-adjusted financial statements

These Group financial statements are presented in accordance with the disclosure requirements of the Zimbabwe Stock Exchange ("ZSE") Listing Requirements for provisional inflation-adjusted annual financial statements (Preliminary Reports), and in accordance with the measurement and recognition principles of International Financial Reporting Standards ("IFRS") and in the manner required by the Companies and Other Business Entities Act (Chapter 24:31).

Chairman's Statement and Review of Operations (continued)

The principal accounting policies applied in the preparation of these inflation-adjusted financial statements are consistent with those applied in the previous annual financial statements. There is no impact arising from revised IFRS, which became effective for the reporting period commencing on or after the 1st of January 2021 on the Group's inflation-adjusted financial statements.

CAUTIONARY STATEMENT-RELIANCE ON ALL FINANCIAL STATEMENTS PREPARED IN ZIMBABWE FROM 2019-2022

The Directors would like to advise users to exercise caution in their use of these Group inflation-adjusted financial statements due to the material and pervasive impact of the technicalities brought about by the change in functional currency in February 2019 and its consequent effect on the usefulness of financial statements from 2019 through to 2021, and which have resulted in carry-over effects into the 2022 financial year reporting period.

Whilst the Directors have always exercised reasonable due care, and applied judgements that they felt were appropriate in the preparation and presentation of the Group's annual inflation-adjusted financial statements, certain distortions may arise due to various specific economic factors that may affect the relevance and reliability of the information that is presented in economies that are experiencing hyperinflation, as well as technicalities regarding the change in functional and reporting currency.

2022 FINANCIAL YEAR ADVERSE AUDIT OPINION

As in the prior year, due to the existing foreign exchange market complexities, the inability to source any meaningful amounts of foreign currency from the Reserve Bank of Zimbabwe ("RBZ") Foreign Exchange Auction System, and in order to provide users with what was considered to be the best possible and practical reflection of the Group's performance and financial position, the Group utilised estimated exchange rates in order to translate its foreign currency transactions and balances in its annual inflation-adjusted financial statements for the year ended 30 June 2022 prepared under the historical cost convention.

The principles utilised in estimating the exchange rates applied for the current year under review were identical to those applied in the prior year.

In the prior year, Messers Deloitte & Touche Chartered Accountants (Zimbabwe) (Deloitte), were in agreement with the Group that there was a long-term lack of exchangeability of the foreign exchange within the Zimbabwean market. Accordingly, Deloitte accepted the use of an estimated exchange rate as an appropriate rate to use for translation of foreign exchange transactions.

In the current year, as the RBZ has continued to make foreign exchange available on the auction system and introduced the willing buyer willing seller rate, Deloitte has concluded that there is a temporary lack of exchangeability of foreign exchange and therefore the official published rate (official spot rate) should be used to translate these foreign exchange transactions.

As noted above, the Board believes that the estimated exchange rates utilised at the time a foreign currency transaction occurred or in the foreign currency translation process provides users with the best possible and practical reflection of the Group's performance and financial position for the year ended 30 June 2022, and were it to follow the external auditor's interpretation of IAS 21, then the Group's performance and financial position would have been materially mis-stated.

The external auditors, Deloitte, have therefore issued an adverse audit opinion due to the fact that the Group did not utilise the RBZ published interbank rate of exchange prevailing at the time the foreign exchange transaction occurred or at the time that the foreign balance was translated. It is worth noting, in this context, the 72% devaluation in the RBZ interbank rate from US$ 1 = ZW$366.26 at 30 June 2022 to US$ 1 = ZW$629.52 at 21 October 2022.

IAS 29 (FINANCIAL REPORTING IN HYPERINFLATIONARY ECONOMIES)

IAS 29 provides that inflation-adjusted financial statements are the entity's primary financial statements, and the Group has complied with this requirement for these inflation- adjusted financial statements. The Consumer Price Index ("CPI") was applied in the preparation of the hyperinflation financial statements in accordance with IAS 29, and under the direction of the Public Accountants and Auditors Board ("PAAB").

Due to the prevailing distortions in the economy, and the material and pervasive effects that these can have in the application of the methodologies inherent in IAS 29, the Directors advise users to exercise caution in the interpretation and use of these Group annual inflation-adjusted financial statements. Due to the foregoing, financial statements prepared under the historical cost convention have been presented as supplementary information.

EXTERNAL AUDITOR'S STATEMENT

The Group's annual inflation-adjusted financial statements have been audited by Deloitte, who have issued an adverse opinion as a result of their view that the Group has not complied with the requirements of IAS 21 as noted above. The Auditor's Report on the Group's annual inflation-adjusted financial statements, is presented from **pages 180 to 183**: The Engagement Partner responsible for the audit was Mr Stelios Michael, PAAB Practice Certificate Number 0443.

Chairman's Statement and Review of Operations (continued)

SUSTAINABILITY REPORTING

As part of our commitment to ensuring the sustainability of our business and stakeholders, the Group is utilising ISO 26000 as guidance for Social Responsibility and continues to apply the Global Reporting Initiative ("GRI") protocol for overall sustainability. Over the years, the Group has aligned its sustainability reporting with Sustainable Development Goals ("SDGs"), demonstrating the Group's commitment and contribution to sustainable development within the environments in which it operates. The Group continues to strengthen its practices and values across its operations to ensure that long-term business success is achieved in a sustainable manner, and further details on the Group's Sustainability Initiatives is covered from **pages 111 to 175**.

OPERATING ENVIRONMENT AND OVERVIEW

The operating environment became increasingly turbulent during the financial year under review with the second half, in particular, being characterised by significant inflationary pressure and currency instability. The uncertainty felt across international commodity markets, a consequence of the ongoing conflict in Eastern Europe, also negatively affected local business sentiment, with supply-side disruptions giving rise to imported inflation across many commodity classes.

In response to the unfolding inflationary pressures, several monetary policy interventions, particularly in respect of local currency interest rates and money-supply management, were introduced at the end of the financial year under review, and despite the resultant short-term softening of consumer demand, these interventions have, for now, achieved the desired result of stabilising the local trading environment. The Board encourages the Authorities to "stay the course" and remove the remaining legal and practical distortions in the area of corporate taxation;- including addressing the confusing and unnecessarily punitive Tax regime which has the undesired impact of unfairly punishing formal businesses both in terms of transaction costs and effective taxation levels.

Notwithstanding the challenging trading conditions, the Group registered positive, and extremely pleasing, volume growth across all core businesses versus the comparative year. This was achieved on the back of a sustained focus on diversifying and expanding product portfolios, implementing affordable pricing policies, and employing efficient route-to- market strategies; all of which were further supported by ongoing investment into enhanced manufacturing capacity and capabilities.

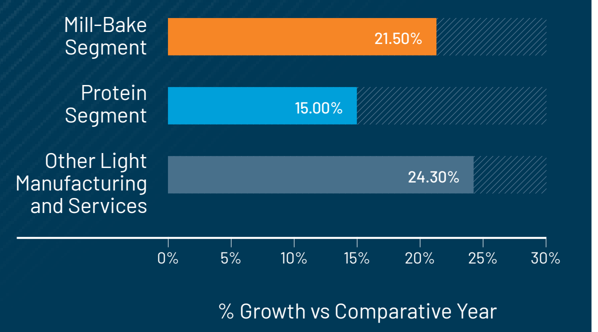
As previously reported, the erratic rainfall patterns experienced during the 2021 summer agricultural season impacted negatively on local production levels of key commodities such as maize and soya. Shortfalls in local production of these key raw materials will need to be made up with imported product in the financial year ahead; the Group has implemented appropriate strategies to manage both logistics and product input costs in this regard.

The current winter wheat plantings are indicated to be of record proportions, which should position the country favourably as regards sustainable flour supply, and a reduced import burden on the fiscus.

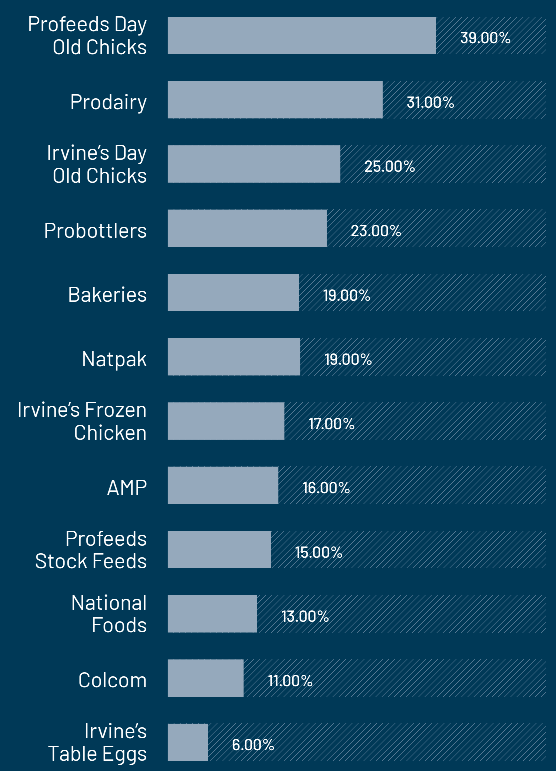
Irvine's Egg Collection Rake Unit

The Group registered positive, and extremely pleasing, volume growth across all core businesses versus the comparative year.

Average Volume Growth Achieved Between FY2021 and FY2022



Volume Growth Within Each Core Business : FY2022 vs FY2021



The Group's considerable contract growing schemes remain a critical focus area in securing raw material input, and in support of Government's ongoing endeavours to rebuild local agricultural capacity.

FINANCIAL PERFORMANCE

In terms of IFRS and ZSE regulatory directives, the Group is required to provide financial commentary on the Group's annual inflation-adjusted financial statements; users are once again advised to exercise caution in the interpretation and use of these Group annual inflation-adjusted financial statements as noted earlier in this Statement.

The Group recorded revenue of ZW$290.780bn during the financial year under review, representing a 49% increase on the comparative year **(Refer to Note 8)**. Revenue growth was underpinned by strong sales volumes across all core categories as the Group's business units achieved improved capacity utilisation, introduced new products, and expanded product offerings across existing categories; this combined with optimal pricing strategies and growing demand from the informal market drove the Group to achieve a pleasing result.

Inflation-induced distortions became increasingly prevalent during the latter part of the year, reflected in the profit percentages increasing significantly

The Group's improved sales volumes and product mix, coupled with a well-priced strategic raw material investment and enhanced production and overhead efficiencies, combined to deliver an operating profit of ZW$87.833bn for the year under review, representing a growth of 251% over the comparative year.

The net gains from the continued disposal of the Group's non-core business were recognised under financial income, **(Note 9.2)** whilst fair value adjustments on biological assets **(Note 19.4)** were also reflective of the inflationary distortions prevalent in the market during the year under review, with fair value adjustments on listed equities following a similar trend. **(Note 18.1)**.

The net interest charge for the year of ZW$7.579bn was 75% above that of the comparative year, and representative of elevated interest rates and higher ZW$-denominated loan values. **(Notes 11 and 29)**.

The Group's equity accounted earnings of ZW$8.167bn continued to contribute positively to the overall Group results and showed growth of 43% against the comparative year. **(Note 16)**.

Chairman's Statement and Review of Operations (continued)

After accounting for a monetary loss of ZW$23.230bn, consolidated profit before tax for the year of ZW$70.272bn was recorded; this represented a growth of 250% against the comparative year.

The Group's Statement of Financial Position remained robust, with a strong asset base supported by fixed assets and inventory positions and minimal net gearing at year-end. The Group's free cash generation was good, following strong operational cash flows during the latter part of the year to support the ongoing expansion capital expenditure programme.

OPERATIONS REVIEW

MILL-BAKE

This reporting segment contains the Group's Bakery Division, National Foods, and the Group's non-controlling interest in Profeeds.

A pleasing growth in annual loaf volumes of 19% over the comparative year was recorded in the Bakery Division, on the back of improved loaf quality, and a renewed focus on the sales and distribution functions. The operation was re-structured in the final quarter of the financial year into its core components of manufacturing, sales, and distribution, and the Group is confident that this will further improve loaf quality, enhance production efficiencies, and allow for significantly improved market-reach.

Investment is well underway at a US$25mn, new world-class, fully automated manufacturing facility in Bulawayo, and this site is expected to be operational before the end of the 2022 calendar year, whilst further plant automation enhancements will follow in the Harare plant; additionally, a distribution vehicle re-fleeting programme is now also in progress.

At National Foods, volumes grew by 13% on an overall basis over the comparative year, driven by solid performances in the Stockfeeds, Down-Packed, Traded Goods, Snacks and Biscuit divisions.

Within the Flour Milling division, volume growth was muted against the comparative year, primarily as a result of constrained local wheat supply and cost-push pressure emanating from higher international wheat pricing.

The Group continues with its considerable local contract farming schemes, and in support of this, a new flour mill is currently being installed in Bulawayo, with final commissioning expected to occur early in the new calendar year. This investment will result in increased production capacity, enhanced product quality and a significant improvement in overall manufacturing efficiencies.

Volumes within the Maize Milling division closed largely in line with the comparative year, although there was some improved momentum toward the final quarter; demand in this division remains largely influenced by the preceding local maize harvest.

In the Stockfeeds division, volumes increased by 12% over the comparative year, bolstered by firm demand across the poultry sector, although improved pasture availability negatively affected some of the smaller beef feed categories. The operation continues to invest in various plant automations in pursuit of further manufacturing optimisation.

Volumes in the Down-Packed division, primarily constituting rice and salt, saw encouraging growth of 31% over the comparative year. Rice volume growth was driven by the informal sector, whilst Red Seal salt remained the brand of choice for consumers.

The Traded Goods division recorded volume growth of 34% versus the comparative year driven largely by the pasta category. This product is fully imported and, in response to growing local demand, board approval has been granted for an exciting new investment into a pasta manufacturing line which will see production being localised; it is expected that this project will commission late in 2023.

Volumes improved in the Snacks division, with a 24% increase recorded over the comparative year, on the back of the commissioning of increased production capacity during the year under review. Further production capacity enhancements will continue into the new financial year, whilst work to broaden the product portfolio continues, with the recent launch of the new "Sesame Snax" range under the increasingly popular "Allegros" brand.

In the Biscuit division, volumes were similar to those recorded in the comparative year, with demand being impacted by higher flour pricing in the latter part of the period under review. Investment into a new, state-of-the-art biscuit line has been approved, and this will provide considerable production capacity increases, a significant improvement in product quality and operating efficiencies, and will allow for an extension of the product portfolio; this plant is expected to be commissioned within the next twelve months.

Volumes in the Cereals division grew by 35% against the comparative year driven by the ever-popular "Pearlenta Nutri-Active" range of instant maize porridge; other exciting product additions introduced during the period included "Better Buy Soya Delights" as well as the "Smart Carbs" range of instant breakfast cereals, developed with the health- conscious consumer in mind. An additional production line has recently been commissioned; this line will provide both additional capacity and capability, and will allow for product extension into the full breakfast cereal range.

At **Profeeds**, stock feed volume performance closed 15% ahead of the comparative year, whilst sales of day-old chicks grew 39% over the same period, driven by sustained demand, particularly across the poultry sector.

Expansion of the manufacturing platform is currently underway through the establishment of a new plant in Bulawayo; this project will be completed during the course of the new financial year, and is expected to enhance production and distribution efficiencies to the Country's southern markets.

Probottlers recorded overall volume growth of 23% over the comparative year, this performance was driven mainly by the carbonated soft drink category operating under the "Fizzi" brand.

The fertiliser category, operating under the "Nutrimaster" brand, recorded excellent volume growth of 152% over the comparative year as the business executed on a firm order book ahead of the 2021 summer cropping season, and further supported via the recent 2022 winter wheat plantings. Initiatives continue in the business to further enhance manufacturing capacity and capability, whilst a number of innovative complementary products will also be added to the product range.

The popular "Profarmer" retail network has now grown to 47 outlets countrywide, and recorded firm volume growth across its core range of products during the year under review.

As previously reported, in May 2020, the Competitions and Tariff Commission ("CTC") directed that the Group's non-controlling investment in Profeeds be disallowed, and that the Group disinvest from the business; additionally, it levied a fine against the Group in the amount of ZW$40.594m for late notification of the investment. The Group appealed to the Administrative Court against the CTC directives. In January 2022, the Administrative Court overturned the CTC's directive for the Group to disinvest from Profeeds, and it further directed that the fine be withdrawn and replaced with a caution. The CTC has since appealed the judgement to the Supreme Court.

PROTEIN

This reporting segment comprises the results of Colcom, Irvine's and Associated Meat Packers ("AMP"), which includes the "Texas Meats", "Texas Chicken" and "Texas Dairy" branded store networks.

The **Colcom Division**, comprising Triple C and Colcom Foods, recorded an 11% growth in volumes over the comparative year, driven by strong performances in all core fresh and processed product categories. Performance at Triple C continued to be outstanding following ongoing investment into improved genetics, diets and animal housing infrastructure; annual animal production presented the highest achieved so far in the history of the operation.

The Colcom Shop at Coventry Road was refurbished during the year under review, providing customers with an improved retail experience, access to the complete product range, and an increased offering in butchery pork cuts. Investments in new and upgraded equipment in the forthcoming year, combined with improvements in product manufacturing flow design will further enhance efficiencies and increase capacity in the processing facility.

Irvine's recorded volume growth across all three core categories. In the table egg category, a 6% growth over the comparative year represented record production within this category. Frozen poultry demand remained firm, and volumes increased 17% versus the comparative year. Demand across the day-old chick market also improved, and volumes closed 25% ahead of the comparative year.

The medium-term facilities upgrade programme which covers all three core products continues, and will enable further capacity increases in the coming year, whilst the related equipment technology upgrades will continue to drive the individual operations to achieve lowest cost of production.

Chairman's Statement and Review of Operations (continued)

At **AMP**, sustained protein demand combined with further expansion of the product portfolio and improved market-reach, drove overall volume growth of 16% over the comparative year.

Notwithstanding constrained raw material supplies at times, the beef category experienced a pleasing recovery, with volumes closing 21% ahead of the comparative year. The chicken category achieved volume growth of 10% against the comparative year; another solid result.

Expansion of the "Texas" retail network continued, with the opening of the third flagship "Texas Meat Market" situated at Harare's Westgate shopping centre during the financial year under review. A further seven other "Texas" stores were opened throughout the period under review to bring the total retail footprint to 53 stores by year-end.

OTHER LIGHT MANUFACTURING AND SERVICES

This reporting segment comprises Natpak, Prodairy, Probottlers and the Group's non-controlling interests in Probrands.

Natpak recorded pleasing aggregate volume growth of 19% over the comparative financial year.

Volumes within the Rigids division closed 46% ahead of the comparative year, driven by the recent investment into increased production capacity and an extension of the product range.

The Flexibles division delivered volumes 12% ahead of the comparative year, while the Corrugated division, having diversified its production capabilities, also delivered volumes ahead of the comparative year. Notwithstanding subdued maize meal demand across the market, the Sacks division operated near capacity for much of the financial year under review.

The business continues to investigate opportunities in additional, and adjacent packaging categories, with further expansion investment planned for the coming year.

Prodairy continued its positive growth trajectory, as volumes closed 31% ahead of the comparative year, with strong performances across all of the major product categories. Most notably, the Milk category delivered volume growth of 28% ahead of the comparative year, supported by Dairy Blend under the "Revive" brand increasing volumes by 40% over the same period. The popular "Life" branded butter and cream products continue to experience firm demand with aggregate volumes in the category increasing 38% over the comparative year.

The business introduced exciting new 1 litre and 500ml product formats to the market during the year under review, allowing for further product diversification and more efficient targeting of multiple market segments.

Raw milk supplies improved during the year under review as significant investment continued through the Mafuro Farming operation into the growing milking herd, and this was complemented by further expansion of the contract producer base.

Probottlers recorded overall volume growth of 23% over the comparative year, this performance was driven mainly by the carbonated soft drink category operating under the "Fizzi" brand, following investment during the financial year under review into a new dedicated 500ml bottling line. The established cordial category, operating under the "Bally House" brand, also continued to experience favourable volume growth during the period.

At **Probrands**, overall volumes closed marginally behind the comparative year, although this was largely a result of the operation placing more focus on lower volume, higher-margin specialised categories. The business continues its focus on creating innovative household and condiment products.

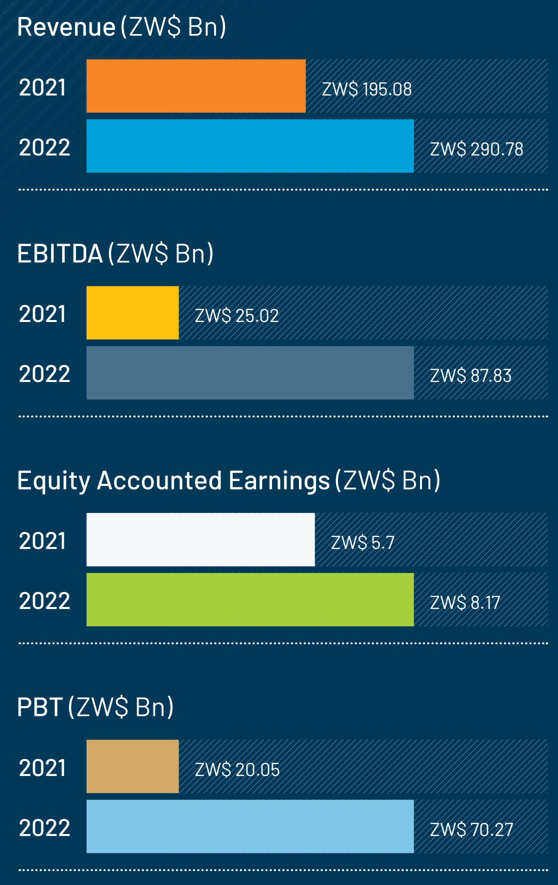
PROSPECTS

The Group has delivered an extremely positive set of results for the financial year under review. The performance achieved has been driven by a continued focus on broadening product ranges, significant investment into modern manufacturing processes and technologies, extending production capabilities, and ensuring product and pricing relevance across the market spectrum.

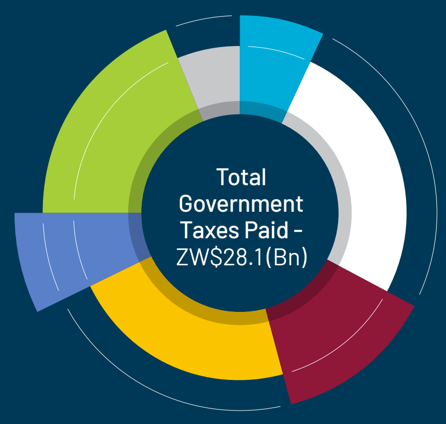
The complexities in the trading and economic environment have required management to continually innovate, by creating simplistic management reporting tools and techniques that can be applied in understanding and measuring real business performance. Significant emphasis has also been placed on identifying and analysing the core functional business models within each operation, with the aim of achieving operational excellence and deeper accountability across the entire Group; this initiative will remain a key focus area in the period ahead.

The Group embarked on an ambitious US$70m investment programme in 2021, and with this initiative having reached completion during the year, a further US$56mn of additional investment is planned for the forthcoming financial year. As highlighted earlier in this Statement, the 2023 financial year will see a considerable number of these projects being commissioned across the Group, enabling production capacity increases, adding new product categories, significantly improving product quality and further enhancing production efficiencies; all enabled via the introduction of world-class technologies and plant automations.

Given its size and the nature of the manufacturing cycle, the Group is reliant on both shareholders' equity and debt funding which it deploys, collectively, in the considerable working capital pipelines it needs to establish in order to ensure consistent supply of product to the market, and to ensure that its vast capital maintenance and expansion projects can be executed on. The recent monetary policy interventions have resulted in local debt funding becoming unviable from a business model perspective, and having a pervasive impact on the Group's cost of capital. As a result, the Group has taken firm action to re-arrange its debt facilities as well as revise its working capital strategies in order to adapt to current market conditions; this will remain a key area of focus in the short to medium term.



Over 10 000 Employees



Corporate Tax - Associates	7.00%
Corporate Tax - Subsidiary	26.00%
Intermediate Money Transfer	13.00%
Value Added Tax (VAT)	22.00%
Import Duty	7.00%
PAYE	19.00%
Other Taxes	6.00%

Careful consideration of monetary policy interventions in respect of money supply and currency stability, along with practical fiscal taxation policy, remain key determinants in fostering the necessary market confidence conducive for growth. The Group remains hopeful that consistent, pro-business measures and policies will be employed, which in turn will encourage further expansion investment into local manufacturing initiatives, reduce the country's reliance on imported goods in the long-term, and result in increased local job creation.

The prevailing economic conditions remain complex and challenging; however, the Group retains its positive outlook as regards macro growth prospects and a medium-term recovery for the economy. Our management teams will continue to adapt and optimise business trading models, with focus being directed to balancing pricing and volume objectives, achieving appropriate levels of margin return, ensuring that overheads are contained, creating bespoke working capital solutions relevant to current market conditions, and, most importantly, ensuring maximum free cash generation.

Management will look to capitalise on the tremendous learnings and gains experienced and achieved over the past year and we remain positive that the excellent growth trajectory achieved will be sustained into the coming year.

FINAL DIVIDEND

The Board is pleased to declare a final dividend of US$1.56 cents per share payable in respect of all ordinary shares of the Company. This final dividend will be payable to all the shareholders of the Company registered at the close of business on 11th November 2022.

The payment of this final dividend will take place on or around 25th of November 2022. The shares of the Company will be traded cum-dividend on the Zimbabwe Stock Exchange up to the market day of 8th November 2022 and ex-dividend from 9th November 2022.

The Board has also declared a final dividend totalling US$453 588 to Innscor Africa Employee Share Trust (Private) Limited.The Innscor Africa Employee Share Trust supports all qualifying beneficiaries with dividend flow and access to various loan schemes.

APPRECIATION

I wish to record my appreciation to the Executive Directors, Management and Staff for their effort during the year under review. I also wish to thank the Non-Executive Directors for their wise counsel and the Group's customers, suppliers and other stakeholders for their continued support and loyalty.

A.B.C. CHINAKE
Independent, Non-Executive Chairman
28 October 2022

02

Group Contract Farming Initiatives

PHI FARMING

Group Contract Farming Initiatives

Strategic Approach

Continued strategic investment into and empowerment of Zimbabwe's agricultural sector is a critical success factor to ensure the future sustainable growth of our milling, baking and protein businesses which are reliant on the local agriculture sector.

Key Statistics

- The Group is the largest single buyer of maize in the country
- The Government's target is that a business should fund 40% of its grain requirements
- Target to grow at least 50% of the Group's grain requirements in maize, soya, wheat and sorghum

Paperhole Investments (PHI) Commodities Crop Schemes

Following the liberalisation of the marketing of wheat and maize in 2009 by the Government of Zimbabwe, a new era of opportunity was ushered wherein PHI could purchase and participate at the primary source.

Inevitably in order to bridge the local production gap as well as reduce the import bill, PHI commenced contract farming schemes in the summer of 2010/2011 cropping season.

The schemes entailed signing up potential farmers under a tripartite agreement with a seed house. The ultimate goal was to capacitate farmers to improve hectarage under plantation as well as yields. Hectarage farming under plantation has registered a tenfold growth, starting at 1 000 hectares (ha) of maize and soya bean at inception in 2010 to 11 000 hectares of a variety of crops for the 2021/2022 season. Planning is already well advanced to increase the summer plantings of these two key crops from the 11 000 hectares grown in the summer of 2021/2022, to 20 000 hectares in the summer of 2022/2023. Crops under the scheme have also widened to include wheat, popcorns, sugar beans and table potatoes. PHI has also set aside hectarage for specialised production of seed maize.

In line with government policy under the National Development Strategy 1 and more specifically, the Agriculture and Food Systems Strategy, PHI also aims to increase production from both the Contract Farming and Corporate Farming divisions. Strategic crops such as maize, seed soya beans and soya beans, will be key focus area with a target minimum hectarage of 40 000 hectares over the next three years.

Group Contract Farming Initiatives

PHI is also targeting to increase the winter wheat plantings to 20 000 hectares over the same period thus satisfying the ultimate objective of the Group to produce at least 50% of its row crop needs.

In 2021 PHI financed 4 900 hectares of commercial wheat contract farming and increased this to 13 200 hectares in 2022. Total wheat tonnage for delivery to National Foods Flour Mill in September to December 2022 is 78 000 tonnes or nearly 40% of the total national crop production.

Contract Farming Schemes

Since the inception of the Contract Farming scheme, PHI has recorded recognizable milestones in both hectarage under plantation and yield improvement. In the 2021/2022 summer season PHI financed farmers to grow 3 500 hectares of fully irrigated maize, with an average yield of 8 tonnes per hectare, 2 800 hectares of rain-fed maize with an average expected yield of 5.5 tonnes per hectare, producing in total 44 000 tonnes of maize. PHI also financed 300 hectares of seed maize, 80 hectares of popcorn, 38 hectares of potatoes, 3 700 hectares of soya beans and 400 hectares of seed and commercial sugar beans.

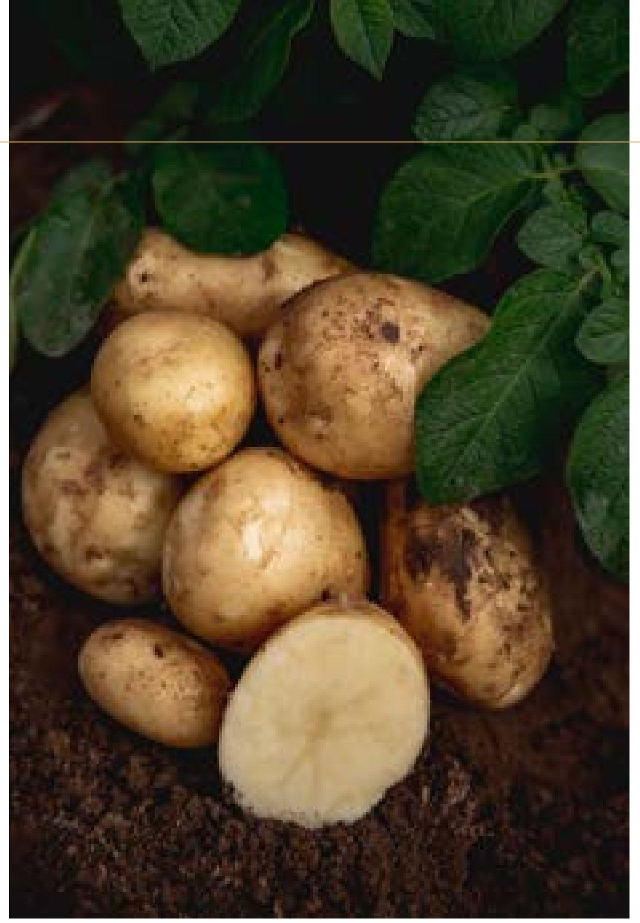
Impact to the community

PHI compliments government efforts of empowering and tooling the small-scale farming sector. Our various projects boost the livelihoods of communities and assists in poverty alleviation and the reduction of social ills. The projects also facilitate skills transfer and capacitation.

Some of the districts who have benefited from the PHI contract structures include the small-scale maize scheme supports over 200 families in Chiweshe District.

Corporate Farming

Under the Corporate Farming Division, PHI's first season of Corporate Farming was in 2016, when it partnered with two young farmers and three land reform beneficiaries under a joint venture agreement in the Doma District. The joint venture started off on 570 hectares of maize. The joint venture partners benefit from the investment in irrigation equipment, equipment and machinery as well as being able to learn from and understudy the professional management on each farm. The first of these joint venture agreements is now six years old and has been renewed by mutual agreement.



PHI has now expanded its farming operations on to six separate farms, with over 2 300 hectares of land under pivot. The farms are cropped at least twice annually, producing maize, seed maize, soya beans, wheat, and table and seed potatoes. The entire hectarage is in joint venture partnerships with beneficiaries of government's Land Reform Programme. For the current season, the division is expected to produce 8 000 tonnes of commercial maize, 1 200 tonnes of commercial soya beans in addition to substantial tonnage of seed soya beans.

Additional hectarage has already been secured for the summer of 2022/2023 adding a further 900 hectares to this Division.

Potato Handling and Storage

The division is expected to plant 1 300ha of potatoes, producing 65 000 tonnes of quality table potatoes. To support the planting, PHI was instrumental in the formation of a specialised entity to handle and store potatoes. The grading unit, under Sabithorn, mechanically grades and packs up to 180 tonnes of potatoes a day, which are stored in specialised cold rooms with capacity of up to 4 000 tonnes of potatoes. This ensures quality product supply all year round.

Group Contract Farming Initiatives

Livestock

To compliment the row crop operations, PHI started a Livestock Division in 2019. The Division operates from a Joint Venture farm in the Shamva District, adjacent to a rented abattoir and aims to slaughter up to 300 animals per week.

The Division is building up its own breeding herd of Mashona cattle to ensure a supply of quality animals each year to fatten on an established permanent pasture and in its own fattening pens. It has a team of experienced cattle buyers who buy communal and resettlement cattle and arrange transport for the cattle to the abattoir. The abattoir encourages private producers to also deliver their cattle to the abattoir for sale or toll slaughter.

PHI operates two Cattle Business Centres, with the local communities in the Dotito and Mayo Districts, where cattle are aggregated for transport to the abattoir.

PHI is working with the local community and the BEST Project partners to develop these Cattle Business Centres so that local farmers can pen feed their cattle there, purchase hay bales, cattle and stock feeds and vet products.

Fertiliser and Crop Chemicals

Because fertiliser and agricultural crop chemicals are an important input into farming, PHI established a world class fertiliser blending plant in Harare – Nutrimaster. Nutrimaster also manages the procurement of nitrogen fertiliser and has the registration for a number of key crop chemicals.

Key Business Highlights

- Increased hectarage from 1 000ha to 11 000ha for variety of crops planted
- Target to increase to approximately 20 000ha for 2022/2023 season
- Targeted minimum hectarage over the next 3 years is 40 000ha
- Joint Venture partnerships with beneficiaries of the Government's Land Reform Programme with over 250 contract farmers expanding to a remarkable 2 300 ha of farming under pivot irrigation from 570 ha
- PHI Farming operations apply conservation agriculture with mulch techniques over a 3-year cycle are already showing signs of benefiting the prospective yield per ha
- Prioritises conservation agricultural over conventional agriculture techniques
- Developed a very high-quality seed industry in the country
- The Blueberry Project produces export quality blueberries with the farms being Global GAP Compliant with regular audits being done
- 80% of the workforce of the Blueberry Project are women
- Proudly developed together with Agritex a solid system producing credible data for use by the authorities
- Small-scale maize supports over 200 families in the Chiweshe District

PROfeeds
The Performance Feed

Group Contract Farming Initiatives

Strategic Approach

Profeeds support both Broiler and Layer Out-Grower schemes which includes the supply of feed, veterinary products, vaccines and cleaning chemicals as well as veterinarians and nutritional experts to oversee and monitor out grower flock performance.

The Layer scheme consists of four farmers, and thanks to these Out-Grower schemes, point-of-lay (POLs) birds have become more affordable to purchase, lowering the barriers to entry into small-scale egg production. The Profeeds layer scheme has enabled the business to offer POLs through its retail network. Under this scheme, as many as 25 000 layer chicks are placed every month and grow up to 18 weeks after which they are distributed and sold through Profarmer and Profeeds shops. Profeeds and Profarmer customers buy as few as five POLs to about 1 000 birds per person which they use for their own egg consumption but mostly are bought to produce and sell eggs. These customers are trained and given technical support throughout the laying cycle too.

Profeeds Broiler and Layer Out-Grower Schemes

Key Highlights

- Over 110% increase in Profeeds Layer Out-Grower Scheme sales since inception to 25 000 POLs per month
- Barriers to entry into small-scale egg production have been lowered thanks to these Out-Grower schemes
- Profeeds Technical Team, including our in-house veterinarian visit these Out-Growers to monitor flock performance

Profeeds supports two major and some minor broiler out-grower schemes providing financial support on feed supplied to these out-growers as well as technical assistance. Across all broiler schemes we have sold 5 775 100 MT of Broiler Feed over the last financial year which equates to feeding 4 125 071 birds placed within these schemes.

Number of Contracted Layer Out-Growers	Initial POL sold through retail at the beginning of FY2022	Current POL sold through retail	Total feed produced for the out-grower scheme per month	Average POL bought per customer
4	10 000 to 12 000	22 000 to 25 000	400MT	25 to 50

Layer Out-Grower John Sekeso

03

Significant Business Units Investments and Corporate Social Responsibility Initiatives

Significant Business Units Investments and Corporate Social Responsibility Initiatives

This section provides a summary of key investments commissioned or started during the year as well as focus on Corporate Social Responsibility (CSR), Human Capital and key Awards/Achievements earned by our Companies.

Zimbabwe U18 Rugby player (Junior Sables) - Tawananyasha Bwanya from Kyle College in Masvingo playing at the South Africa Academy Week

Strategic Approach

> The Group is passionate about its Corporate Social Responsibility and offers financial support to a number of community development projects in its key areas of interest: youth empowerment, animal welfare and sustainable practices.

During 2022, Innscor Africa Limited (IAL) supported initiatives which focused on sport, arts and the environment, ensuring fair and equal representation.

Innscor Africa Limited (continued)

During 2022, IAL looked within the organisation to improve the skills of employees in the accountancy department by offering them the opportunity to attain the prestigious Chartered Accountant (CA) qualifications, by securing accreditation as a CA training centre. This initiative is critical, not only in securing the organisation's long-term skills base, but also in empowering employees to achieve their maximum potential and meet their career goals.

Investment in Sports and Recreation

IAL/Baker's Inn Future League (BIFL)

IAL relaunched the "Futures League", a league aimed at growing the game of cricket by fostering talent across three age groups: Colts, U14 and U17. The league runs for eleven weeks and culminates in an exciting, spectator-friendly "Finals Day".

The Colts is a new age group, geared towards the youngest players in the sport and offering them the opportunity to build up the fundamental skills of cricket while ensuring a fun and friendly atmosphere for players and spectators alike. Skills development and coaching are undertaken through indoor cricket matches and ball sports designed to enhance all-round skills and foster good sportsmanship and a positive environment. Several players from disadvantaged backgrounds are actively involved in the league, receiving intensive coaching and exposure to the game at a grass roots level and, thus, ensuring the longevity of the national game. The academy continues to grow this initiative and seek opportunities to support less privileged communities.

The other two age groups consist of three teams from the Alistair Campbell High-Performance Programme as well as three development academy teams: Rocview Academy from Glen View, Ramah Academy from Chitungwiza and Origens Academy from Hopley. This affords at least 90 development cricketers the opportunity to play against quality opposition every weekend, learning and receiving guidance and support from current 1st class and retired international cricketers.

While, historically, cricket has been a male-dominated sport, it has been gratifying to see both girls and boys participating in both age groups, with Kelis Ndolu, a U16 Lady Chevrons player, also playing in the league.

Another exciting facet of the league is live scoring, with every game scored in real-time on the Zimbabwe Cricket app, which features both IAL and Baker's Inn as sponsors. IAL looks forward to further enhancing the development of talented, young cricket players in the country through this exciting partnership.

Innscor Africa Limited (continued)

Investment in Sports and Recreation (continued)

The Zimbabwe U18 National rugby team

The Zimbabwe U18 rugby team (the Junior Sables), participation in the Coca-Cola U18 Craven Week. The team comprises 22 pupils chosen from different schools across the country.

The team participated in the prestigious Acadamy Week Rugby Festival, established in 1964 and held alongside the Coca-Cola U18 Craven Week held annually in South Africa. Grey College, a renowned boys' school in Bloemfontein, Free State, with a rich and proud rugby history, hosted the 2022 Acadamy Week and attracted a large and enthusiastic number of players and spectators to the event. The tournament is held in high regard and presents a fantastic opportunity for Zimbabwean players to showcase their talents and further their rugby careers through potential recruitment into the junior tiers of the prestigious South African rugby unions.

The rigorous selection process starts at the schools level, followed by the provincial level, before bringing selected players together at a central, provincial tournament for the final selection of the national side. The provincial and national selection is overseen by a panel of experienced selectors with equal provincial representation, ensuring the player base encompasses equal and fair provincial representation, with independent and Government school player participation.

The squad consisted of players from diverse backgrounds, several of whom were from underprivileged communities, and highlighted the importance of the sport's role in empowering youth and discovering the vast potential of young players across the country.

IAL played a significant role in offering support and ensuring that players were not limited by financial constraints in achieving excellence on a stage as prestigious as Acadamy Week. Towards this end, IAL provided financial assistance to six players to travel to South Africa, as well as sponsorship of the touring squad's match day and off-field kits.

The Junior Sables put on an exceptional performance, with two out of three wins and a notable 20-19 win over the international U18 touring side from Namibia.

Investment in Animal Welfare

The Blue Cross Adventure Challenge

In 2019 the Group undertook to support the Blue Cross 500km Endurance Challenge, with 2022 the fourth consecutive year of support for the prestigious event.

Our contributions have raised the profile of this event, primarily focused on supporting animal welfare initiatives throughout the country. The 27th consecutive Blue Cross event in Zimbabwe took place in August 2022. Regarded as a unique athletic adventure, the event takes participants from the lowest altitude in Zimbabwe to the peak of Nyangani, along dirt tracks and trails and passing through some of the more remote areas of our beautiful eastern districts. The event is firmly rooted in promoting charitable contributions towards animal welfare initiatives, as well as promoting community cohesion and awareness in ensuring the sustainability of these critical organisations.

Financial support was directed toward The Society for Prevention of Cruelty to Animals ("SPCA"), established in 1911 and, as such, the oldest animal welfare organisation in Zimbabwe. The SPCA comprises rehoming kennels and clinical infrastructure and, manned by passionate staff, provides care and a safe sanctuary for animals in and around Harare.

Innscor Africa Limited (continued)

The participating team endevours to educate the populace on animal care to prevent ill treatment and animanl cruelty, proudly enforcing the ethos that no animal is turned away from its doors. The organisation acts as the official municipal pound but lacks governmental or municipal funding. As a result, the SPCA fully relies on charitable donations through concerned corporate entities and individuals, as well as through fundraising initiatives, highlighting the importance and relevance of events such as the Blue Cross.

IAL is grateful for the commitment and passion with which these organisations are managed. The Group views the work undertaken by the SPCA and related animal welfare organisations of paramount importance, and endeavours to provide ongoing support to the overall betterment of our communities and animals. IAL will continue to play a pivotal role in ensuring that the SPCA receive the necessary resources to execute their mandate.

Innscor Africa Limited (continued)

Investment in Arts and Culture Support

National Institute of Allied Arts (NIAA) – Visual and Arts Festival

The National Institute of Allied Arts (NIAA) is a highly renowned institute that has been active in Zimbabwe for more than 100 years.

The Institute holds four annual festivals: Vocal and Instrumental (Eisteddfod), Speech and Drama and Literary and Visual Arts. Students around the country, from Grade 0 to Form 6, participate by submitting artwork on a theme selected by the Festival committee. IAL offered sponsorship support to the Visual and Arts Festival to assist in keeping entry fees at levels that ensured participation by a wide group of candidates, a sponsorship which began in 2012. We are proud to be associated with NIAA and its work, which recognises candidates who excel in visual arts, and remain passionate about helping to provide the opportunity for incredibly talented young artists to showcase their work. An exhibition of the best artwork is held at a selected venues and is open to the public for viewing.

All festivals were affected by the Covid pandemic in 2020, however NIAA did not let this derail the festival, making it "virtual" by displaying the selected artwork on the NIAA social media platforms and giving the candidates the exposure they deserved. The 2022 Festival has reverted to "in person", allowing the adjudicators to physically grade the contributions and publicly display the selected artwork.

Investment in Arts and Culture Support

Training Outside Public Practice Programme (TOPP)

The Chartered Accountant (CA) qualification is highly regarded worldwide and the Group is well placed to train Chartered Accountants due to the nature of its business, its wealth of knowledge and the ability to provide mentorship and guidance through the incumbent CAs across the Group. 58 employees in the Group's Finance Departments are at various stages of training as Chartered Accountants, which is a testament to the potential talent pool within the Group and the ambition for growth shown by our valued employees.

The TOPP platform allows for training in an organisation with a focus on commerce and industry or public practice. This requires prior approval and registration through the Institute of Chartered Accountants of Zimbabwe ("ICAZ"). IAL successfully attained ICAZ accreditation in May 2022 and has since undertaken to promote the programme, offering well-rounded theoretical and practical knowledge. Trainee Accountants will gain an appreciation of the operating environment at an industry level and will be well-equipped to perform various roles and activities.

Investment in Our Environment

Friends of the Environment ("FOTE")

IAL continued to support the non-government organisation, Friends of the Environment (FOTE), with the commemoration of the National Tree Planting Day (NTPD) held on December 4, 2021.

IAL was a major sponsor of the 2021 "Harare to Chivhu 140km Walkathon" held from December 1 to 3, 2021, whose objectives being to raise awareness of environmental challenges such as deforestation, global warming and climate change. An emphasis was placed on planting trees along the route, supported by several other tree planting ceremonies held across the country during the rainy season. FOTE planted 920 000 trees during the year and, since its inception in 2010, has, as a collective commitment with various organisations, planted 36 million trees.

IAL will continue to play a proud role supporting FOTE in its promotion of sustainable practices, minimising deforestation and replenishing and preserving our critical natural resources for future generations.

Investment in Our Employees Health

Group's Investment into COVID-19 Hospital Facility

In response to the COVID-19 pandemic, the Group invested approximately US$1.2 million into a high-care medical centre, providing awareness campaigns, provision of medication, counselling services and access to basic health care and hospitalisation in order to safeguard the health of its employees and their dependents during the pandemic. With the severity of COVID-19 on the decline and the pandemic moving towards an endemic, the Group continues to equip its health facilities to service its employees and their dependents.

NATIONAL FOODS LTD

Strategic Approach

National Foods' commitment is to feed and nourish the nation on the back of strong brands which have become household names, while at the same time maintaining a critical focus on livestock productivity and welfare via our Stockfeeds division.

National Foods Limited (continued)

Key Highlights

- Over 50 institutions benefit from the National Foods Corporate Social Responsibility Strategy
- Continued product innovation capabilities employed of all its products through the value chain to the market
- New state of art flour mill being commissioned in Bulawayo
- New breakfast cereal plant under construction
- Upgrade to Harare Stockfeeds plant to enhance further efficiencies and product quality

Innovations

As regards innovative new products, our current thrust is to build on our core of consumer staples and deliver a range of products which are tailored to meet consumer demands at affordable prices. We have begun this journey by moving up the value chain from maize meal and flour, to products such as snacks and breakfast cereals. Furthermore, in the upcoming year, the biscuit portfolio will be broadened, and we will also be installing a pasta plant in Harare. Our consumers can look forward to further additions to the Allegros snacks, Pearlenta Nutri-Active cereals, Iris biscuits and pasta offerings over the course of the next year as the various new plants come online.

In terms of existing categories, a new state of the art flour mill is currently being installed at National Foods Bulawayo, a development designed to increase product quality and energy efficiency. Significant investment is also being made into upgrading our Harare Stockfeeds plant, with anticipated benefits on efficiencies and product quality.

Although Red Seal and Gloria are our oldest and most iconic brands, over the years Pearlenta, Mahatma and Better Buy have also risen in prominence to become household names. Our popular snacks and biscuits ranges, namely Zapnax, King and Iris, have also become firm market favourites.

National Foods Stockfeeds is the largest and most trusted partner in the Zimbabwean animal feed market, supplying a wide range of livestock feeds. In addition, NFL has built a strong portfolio of dog food under Red Seal, Bow Wow, Kenergy and the recently launched Animax Superior brands. These are in high demand among dog owners and breeders nationwide.

During FY2022 National Foods launched the following innovations:

Pearlenta Multi Grain

Red Seal Instant Porridge

Zap Nax Fruit and Chutney

National Foods Limited (continued)

During FY2022 National Foods launched the following innovations:

Quality is at the heart of everything we do at National Foods, and we are constantly innovating to meet consumers' ever-changing needs.

Pearlenta Smart Carbs Sorghum Meal, Pearl Millet and Finger Millet

Pearlenta Smart Carbs all day instant porridge

Organica Plant Based Meal

Allegros Sesame Snax

National Foods Limited (continued)

Animax Premium Dog Food

Better Buy Instant Noodles Beef and Chicken Flavour

Better Buy 2.5kg, 400g Spaghetti

Mama Africa Corn Soya Blend

Red Seal Jam Apricot, Chopped and Peeled Tomatoes, Tomato and Onion Mix, Tomato Puree

National Foods Limited (continued)

Community Social Responsibility (CSR)

National Foods undertakes a broad-based CSR program, supporting underprivileged and vulnerable members of the community with a particular emphasis on children, women, the elderly, as well as animal welfare and conservation initiatives.

Around 50 institutions are provided with regular monthly support, largely in the form of donations of product. Responsible, focused and sustainable corporate citizenry has always been a measure of a thriving business and, in this regard, National Foods is no exception.

The company is passionate about giving back to the communities in which it operates while ensuring that its staff are not left behind.

National Foods had its supplier confirmation certificate for the UN World Food Programme (WFP) renewed after a WFP audit was conducted. National Foods produces a corn-soya blend that is specifically manufactured for the NGOs, including the WFP, who are involved with the national feeding program in rural areas and schools across Zimbabwe.

National Foods Limited (continued)

Community Social Investment

During 2022 National Foods provided invaluable support to three groups of beneficiaries through monthly food donations, which included the following:

	SUPPORT GIVEN	BENEFICIARIES
Investments in Vulnerable Groups	• Monthly donations of maize meal, sugar beans, salt, rice, flour and popcorn to vulnerable communities.	• 26 orphanages and children's homes, including Runyararo Children's Home, Kambuzuma Orphanage, Felly Orphanage & Mother of Peace Community (Mutoko). • Support for nine special needs schools, including Zimcare Trust, Homefields Care Centre, Sharon Cohen Special School and Morgenster School for the Deaf in Masvingo. • Support for four retirement homes: Mucheke Old People's Home, Ruwa Trust Lodge, Flame Lily Retirement Home & Ekuphumuleni Old People's Home.
Culture & Arts Support	• Food donations to provide support to bring different people together to find common ground to build the community	• Support three centres for culture & arts: Shingirayi Trust, the Vocational Training Centre and Sunshine Zimbabwe Project for people with special needs.
Investments in Animal Welfare	• Donations of chicken feed, dog food, calf grower and game nuts to help improve animal welfare through directly providing care for animals in need and raising awareness of animal cruelty.	• Provide support for three centres: Zimbabwe National Society for the Prevention of Cruelty to Animals (ZNSPCA), Zambezi Society and the animals at the Homefields Care Centre.

National Foods Limited (continued)

Sustainability In Our Business

The business, led by the National Foods Board and Management team, continues to uphold its commitment to sustainability, in line with Zimbabwe Stock Exchange (ZSE) Listing Requirements. The sustainability of our operations is integrated within our business strategy and operational practices, underpinning our commitment to create value for our stakeholders.

Responsible practices and accountability have driven enterprise risk management and value creation, using the dynamic cyclical approach towards continued performance improvement in operations and reporting. Furthermore, with the Zimbabwe Stock Exchange (ZSE) moving to full regulation of sustainability reporting for all listed companies, we strive to be fully compliant and use the internationally accepted reporting framework, Zimbabwe standard ZWS ISO 26000:2010, the international ISO guidance standard adopted by Zimbabwe, to disclose our sustainability performance. This provides the framework to integrate Social Responsibility ("SR") into the values and practices of the company while communicating the commitment, performance and relevant information on SR, a key component of sustainability. ISO 26000 is used in conjunction with the GRI Standards, as recommended by the ZSE.

As SI 134 of 2019 ZSE Listing Requirements places the responsibility of sustainability on the Board (Section 399), in FY 2023, sustainability governance structures will be put in place with the appointment of an individual board member responsible for sustainability matters. Operational responsibility will cascade downwards to two more levels (the Sustainability Management Committee and Champions) with clear terms of reference.

National Foods Limited (continued)

Awards

As testament to our sustained involvement in the community and the markets we serve, National Foods this year received several awards.

The accolades received in F2021/2022 are as follows:

Presented by	Award
Marketers Association of Zimbabwe	Red Seal Roller Meal - Winner in the Grains Sector Pearlenta - 1st runner up in the Grains Sector National Foods Limited - 8th Position in the Business-to-Business Category
Super Brand Awards	Red Seal Roller Meal - 13th Position in the Business to Consumer Category Gloria - 17th Position in the Business to Consumer Category
Confederation of Zimbabwe Retailers	Best Supplier, Retailers and Wholesalers Choice, 2021
National Retailers and Wholesalers Awards	Most Consistent Supplier, Retailers and Wholesalers Choice, 2021 Top 100 Suppliers of the Year, 2021
Confederation of Zimbabwe Industries (CZI)	National Foods Ltd - Award for being the first company to introduce mixed grain product in the Zimbabwean economy
CSR Network of Zimbabwe	Excellence in Community Empowerment & Social Impact award
Zimbabwe Institute of Management - National Leadership and Management Excellence Awards	Winner for 2021 for Human Capacity Development
Zimbabwe Wheat Board	Outstanding Contribution to the Growth and Development of the Wheat Value Chain.
Buy Zimbabwe Awards	Best Company of the Year Award (Overall) Manufacturer of the Year Award (FMCG) Farmers Support Award (2nd Runner up) Chairmans Recognition Award
ZITF	Best stand in Agriculture and Irrigation Overall winner in all food categories

National Foods Limited (continued)

Our people

> Staff empowerment and growth, particularly for critical staff, remains a key focus area and one of the reasons we continue to drive learning and development for our employees.

As a team we strive to be purposeful, innovative, hardworking, competitive and results-driven, recognising and rewarding our teams when they achieve, and, as such, fostering loyalty and commitment to the Group by our most valuable asset: our people. This year, we joined 40 employees in celebrating the following milestones in terms of service years:

Number of Employees crossing each Milestone in 2022

	Male	Female	Total
15 years	3	1	4
20 years	7	2	9
25 years	14	–	14
30 years	3	–	3
35 years	8	–	8
40 years	2	–	2
Grand Total	37	3	40

Tinashe Dzapasi (finalist in the APC TOPP Programme)

[1]Oswell Mhenha (35 years), [2]Solomon Mundowa (35 years), [3]Rich Ndhlovu (30 years), [4]Gift Majede (30 years)

National Foods Limited (continued)

Kudzai Dehwe

BAKER'S INN

Better taste, more value

Strategic Approach

To deliver quality, affordable bread to the market on a daily basis, through the adoption of innovative, state-of-the-art technologies, a highly skilled and passionate workforce, the constant expansion of our distribution reach and the consistent pursuit of efficiency, growth and development.

Key Initiatives

- Implemented automotive bread manufacturing solutions at a cost of US$3.85 million, improving product and cost efficiencies and enabling us to continuously add new lines
- Increasing capabilities with an investment of US$22 million into a bakery operation in Belmont, Bulawayo
- A US$9.2 million investment in the Distribution Vehicle Fleet, servicing 205 routes nationwide and recording over 1.2 million kilometres per month
- Daily delivery of bread to 18 200 sales points around the country
- Over half a million loaves of bread donated to orphanages, schools, hospitals, prisons and retirement homes as part of a robust Corporate Social Responsibility strategy

Volume Growth

19.3%

The Northern Region, based out of our factory at Shepperton Road, Graniteside, and supported by satellite depots, accounts for two-thirds of the total sales volumes for the business.

Baker's Inn (continued)

Products

Distribution Reach

Baker's Inn Logistics is critical to ensuring the brand's strategic competitiveness in the long term. The business houses 220 vehicles strategically located across the sales network.

The fleet services over 18 200 sales points across 205 routes on a daily basis and travels 1.2 million kilometres per month.

Baker's Inn (continued)

Factory Operations

The business continues to invest in cutting-edge technologies and will see the final phase of the automation of the Shepperton Road bread lines in early 2023.

The total investment into the further automation of lines 3 and 4 equates to US$ 3.85 million.

During FY2022, the business embarked on a greenfield investment into a new bakery operation in Belmont Bulawayo.

This investment aligns with the company's strategy to enhance its bakery operations in the southern regions and improve market serviceability through increased production capacity. This is coupled with better loaf consistency and quality via modern automated production plants imported from Europe.

The total investment is US$ 22 million, which will significantly improve the production capacity and efficiency of the Bulawayo operation.

Development of the site has progressed well in FY2022 and is due to be commissioned by the end of Q2 in the forthcoming financial year.

Corporate Social Responsibility

Baker's Inn remains committed to its wide-ranging CSR initiatives to improve the communities in which it operates. Several small but impactful initiatives were undertaken during the year, including:

- Over half a million loaves of bread to orphanages, schools, hospitals, prisons and retirement homes
- Various donations of schoolbooks to primary and tertiary institutions
- Financial assistance for critical healthcare in infants and children

Baker's Inn aims to make a meaningful impact within the communities in which it operates. Given the vast geographical footprint in which the business operates, it is well situated to spread the provision of services and support right across the country.

Mlomotsha Secondary School – Textbook Donation

Baker's Inn (continued)

	SUPPORT GIVEN	BENEFICIARIES
Investments in Vulnerable Groups	• Weekly donations of bread loaves to vulnerable communities	• 4 580 loaves per week to Prisons • 3 620 loaves per week to Children's Homes and Orphanages • 1 220 loaves per week to Health Centres • 910 loaves per week to Centres for the Disabled • 790 loaves per week to Retirement Homes • 240 loaves per week to Churches • 20 loaves per week to other beneficiaries

Donation of critical supplies and Medical Assistance to the Mukusa Family

Long Service Awards

Baker's Inn continues to recognise dedicated employees who have over the years demonstrated loyalty to the business. The annual Long Service Awards celebrates employees who have been with Baker's Inn for 10+ years and rewards staff for being custodians of the high-performance culture which is our hallmark.

The annual awards, conducted in northern and southern regions, saw 87 employees receiving awards in FY2022. This initiative fosters a great sense of belonging within the organisation while, at the same time, providing a sense of mentorship and inspiration to junior-level staff.

Number of Employees crossing each Milestone in 2022

	Male	Female	Total
10 years	47	18	65
15 years	11	3	14
20 years	8	0	8
Grand Total	66	21	87

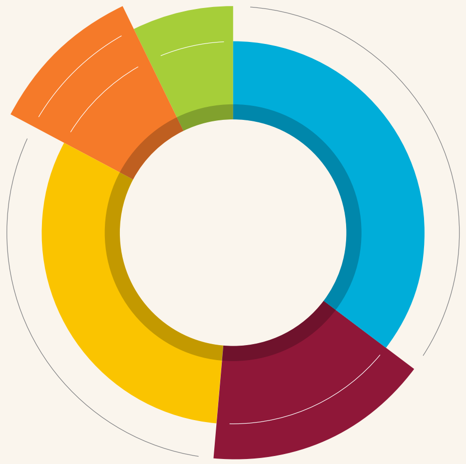
Southern Region Long Service Awards (10 years)
Standing in the back row from left to right:
Nancy Twala, Tapiwa Guyo, Tapiwa Mphahliwa, Gift Gukuta, Juma Mphande, Standford Mumbire, Peter Gukuta and Joseph Deremete

Baker's Inn (continued)

Long Service Awards (continued)

Northern Region Long Service Awards (standing with their 20 year certificates) Shingirai Pfunda, Tinashe Nyakatawa, Sikhonzile Matore, Masimba Jenara

Distribution of Employee Tenures With Baker's Inn



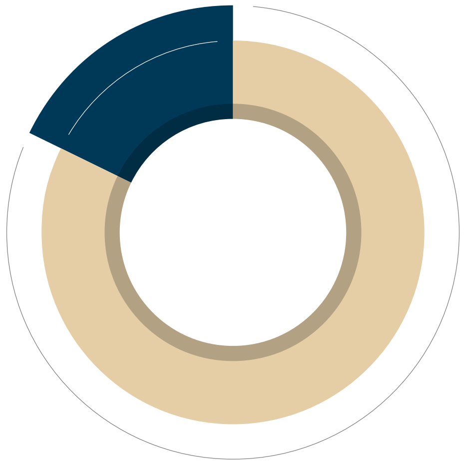
0 - 5 Years	35.00%
5 - 10 years	16.00%
10 - 15 Years	31.00%
15 - 20 Years	10.00%
20 Years +	7.00%

Our People

Baker's Inn employs 1 195 permanent staff spread across its factory and distribution operations.

Due to the physical nature of the work, the staff contingent is primarily made up of male staff; however, there is a strong emphasis on growing the proportion of female staff while, at the same time, ensuring equal employment opportunities:

Women Employment



Male	82.40%
Female	17.60%

Staff training remains critical in ensuring talent development as well as retention of skilled employees within the operation.

80% of the workforce received training across various operational, business, artisanal and personal development areas during the year.

Business Awards

Marketers Association of Zimbabwe (MAZ)
Superbrand Awards 2021

- FMCG Bakery Sector - 1st Runner Up
- Best Business to Consumer Brand of the Year 2021 - 5th position

PROfeeds The Performance Feed

aquafeeds

Strategic Approach

Profeeds is Zimbabwe's premier stock feed manufacturer, with a 15-year track record of empowering small-scale farmers.

With continued research and development, and regular state-of-the-art plant upgrades, modern technology and expertise, the company's stock feeding programmes are highly sought after by small scale and commercial growers alike.

Profeeds and Aquafeeds (continued)

Our vision is to be the best integrated agri-business in Zimbabwe. Via our nationwide retail network which encompasses 47 outlets and reaches several farming communities and agriculture hubs, we strive to empower, uplift, and instil a positive change in people's lives, through generating income options and offering solutions to all aspects of stock feed farming practices. As an extension of our vision and in addition to our highly-rated feed, Nutrimaster Fertiliser was established in 2020, providing farmers with growth opportunities to achieve efficient and higher yields on their harvests.

Our Profarmer concept retail stores service offers turn-key solutions to Zimbabwe's discerning small to medium scale farmers by providing Profeeds feed, day old chicks and market leading agriculture-brands, including Nutrimaster fertiliser, seed and equipment specifically targeted to our Zimbabwean farmers.

Profeeds has the Zimbabwean community at heart and our CSR focuses predominantly on two streams: firstly on community upliftment, whereby we host, visit and train customers in poultry management as well as offer community support through local CSR projects in areas serviced by our stores; secondly, on animal welfare, therapeutic centres and wildlife conservation programmes.

Key Highlights

- Continued equipment upgrade to improve on production efficiencies
- A new mill and water-cooling system commissioned during the year
- 10 newly branded sites opened during the year

Upgrades to plant machinery continued during this last financial year at Profeeds and Aquafeeds, focusing mainly on streamlining operations to increase efficiency and quality.

- A new pellet sifter for Profeeds Plant 1 has created greater efficiency increasing both tonnage per hour on various feed lines and product lines.
- Profeeds Plant 2 upgrade has allowed an increase of tonnage per shift.
- A new milling section has been purchased which will create extra volume and reduce costs for all the milling needed for Aquafeeds Plant 1, Profeeds Plant 2 and Profeeds Plant 3.
- A new hammermill has been purchased for Profeeds Plant 1, however commissioning will likely be in the next financial year.
- A new water-cooling system for the extruder at Aquafeeds Plant 1 has been installed.
- An oil coater has been installed to coat fish and dog feed.
- A new auger has been installed in the maize intake to speed up the offloading of trucks.


New Profeeds Store in Ruwa

New Packaging

Profeeds successfully launched new packaging for the following products in its stable:

Prodog 25kg – this is an additional bag size and is currently available on shelf.
Profeeds Survival Meal
Aquafeeds Crocodile feed – this is a commercial product and sold directly to Crocodile farms.

Profeeds and Aquafeeds(continued)

Retail

During the last financial year 12 store sites have been re-branded or opened up as new sites – changing from Profeeds to Profarmer.

New Store Openings During the Year:

Location	Date
Mutoko	July 2021
Mt Darwin	Aug 2021
Gwanda	Sept 2021
Beitbridge	Feb 2022
Chivhu	March 2022
Simon Mazarodze	April 2022
Glendale	May 2022
Ruwa	May 2022
Victoria Falls	May 2022
Murombedzi	June 2022

Energy and water saving initiatives –
The following stores have installed water tanks and solar systems to alleviate issues of water and electricity:

Rusape	Factory Shop
Factory shop	TSF
Mt Darwin	Mt Darwin
Ruwa	Ruwa
Centenary	Centenary
Banket	Gweru
Chegutu	Masvingo

Corporate Social Responsibility

By creating and sustaining long-term partnerships, Profeeds, through the Profarmer retail network, continues to focus on a corporate social responsibility programme which fulfils its two main areas of focus: uplifting communities while promoting animal welfare.

Animal Welfare

- **Imire Rhino & Wildlife Conservation**
  Profeeds sponsored 40MT of game pellets to Imire Rhino & Wildlife Conservation during the course of the last year. The programme benefits all animals on the conservancy but is aimed specifically at feeding the 12 resident rhino which, with Profeeds game pellets providing vital nutrition to maintain their consistent good health, are now thriving. The herd will contribute to the genetic diversity of the rhino population as a whole, and ultimately contribute to establishing vital populations of the endangered species across Zimbabwe.

- **Humani Ranch, Save Valley Conservancy – "Rocky"**
  The donation of feed to Rocky the Rhino, orphaned on Humani at the beginning of the COVID-19 Lockdown, this year totalled 1.3MT. Rocky is now two years old and flourishing on the feed which supplements his natural diet in the bush.

- **Veterinarians for Animal Welfare Zimbabwe (VAWZ)**
  Our Corporate sponsorship to VAWZ funds a series of sterilisation and vaccination campaigns and mobile veterinary services to various regions in Zimbabwe. These vaccinations inlcuded approximately 6 100 Rabies Vaccines and almost 200 '5-1' vaccinations and sterlisations.

Profeeds and Aquafeeds(continued)

Key Statistics

6 200 Rabies vaccines

200 Sterilisations & 5-1s

Animal Welfare (continued)

Area	Rabies Vaccines	Sterilisations & 5-1 vaccine	Other
Kariba (Chawara, Nyamhunga, Mahombekombe)	320	21 neuters 28 spays	Walk-in cases including wounds/ fractures/abscesses/ mange and more
Caledonia	74	25 neuters 34 Spays	Dipped/de-wormed, walk-in cases
Chimanimani Oct (Biriiiri, Nyanyadzi, Gudyanga)	767	60 neuters 35 Spays	Vit B jabs, parasite control, disease control walk-ins

Through the management of VAWZ, Profeeds donated 12 bags of beef finisher meal to the small herd of cattle at the University of Zimbabwe (UZ) Teaching Hospital. This proved to be a significant contribution to the under-funded feeding programme at the UZ Facility as it sustained the herd through to a better grazing period.

- **Zimbabwe Society for the Prevention of Cruelty to Animals (ZNSPCA)**
  For every bag of Prodog 8kg chunks sold, 50c (US$) is donated to the ZNSPCA as part of an ongoing corporate social responsibility commitment, an increase of over 40% over prior year.

Community Upliftment

Profeeds uses store openings and rebranding campaigns as a means of exploring innovative and inspiring programmes to uplift communities and provide sustainable futures, in line with the core brand values at the heart of the business. Below are the communities which benefited from our CSR donations:

- The "Mother of Peace Community" in Mutoko looks after children in foster care, supporting a staff body which operates on a voluntary basis. Profeeds partnered with various organisations to donate chicks, feed and disinfectants to Mother of Peace, contributing to its efforts to run a sustainable poultry project. The project has been progressing steadily since placement in July 2021, with batches of broilers placed consecutively and the birds sold to the Mutoko community.

- At the opening of the Mt Darwin store, Profeeds identified an organisation in the community known as "Child Future Africa Mt Darwin", a non-governmental organisation which has established an orphanage in the local community, providing shelter and education to 16 children between the ages of 1 and 17 years. The home strives for self-sustainability by creating and running various agro-based farming projects. Profeeds and Profarmer, together with our partners, Nutrimaster, Agricura and Cutting Edge, donated a total of 2 500 seedlings, 550kgs fertiliser and assorted chemicals, together with hosepipes and sprinklers towards the home's agricultural projects.

- With a bigger and better Profarmer Hub in Gwanda, our community upliftment benefited Gwanda Home for the Aged, where we partnered with Irvine's Zimbabwe to donate 100 chicks and feed to kickstart a poultry sustainability project. The project is going well, providing income through sales to the community as well as vital meat-based protein for the elderly housed there.

Profeeds and Aquafeeds (continued)

Community Upliftment (continued)

- With the re-vamp of our Profarmer Hub Chivhu, Profeeds reached out to Zimbabwe Prisons and Correctional Services (ZPCS) Chivhu, a prison working towards rehabilitating inmates for a successful reintegration into society. In an effort to assist inmates to earn an honest living on their release, the programme provides them with vocational training in farming, horticultural and building. We believe our donation of chicks and feed will go a long way towards not only providing chickens for consumption and for sale to the community, but also equipping inmates with poultry management skills to run their poultry project once they are released. Since the initial donation they have done three more placements and from August plan to place a batch of chicks every two weeks.

- In June 2022, Profeeds donated 250kg of Layers Mash to St Mary's Children's Home to assist the 38 Roadrunners that are on lay. The orphanage houses 19 children of which 16 are of school going age (nine girls, seven boys). They have an 880 electric incubator on site and sell the roadrunner chicks that are produced. The donation will help the consistency of the home's egg laying hens and egg bank which is currently at eight days.

	SUPPORT GIVEN	BENEFICIARIES
Investments in Vulnerable Groups	• Donation of batches of 100 day old chicks and feed to raise the chicks for three beneficiaries	• Mother of Peace Children's Home • Gwanda Home for the Aged • Zimbabwe Prisons & Correctional Services (Chivhu)
	• Donation of chicken feed	• St Mary's Children's Home
	• Donation of 2 500 seedlings and growing material supplies	• Child Future Africa Mt Darwin
	• Nutrimaster: Sponsor through the donation of fertiliser to support rural women farmers. Included golf day as fundraiser for the same cause	• "Moms are Geniuses" (MAGS) initiative supporting rural women farmers
Investment in Sporting Activities	• Investment in sporting activities through provision of sports kits • Co-sponsor of the Ruzawi Old Boys' Association fundraising event – Durban July • Providing 20 fishing rods for school fishing competition	• Otto Boxing Club • Melfort Soccer Club • Ruzawi Old Boys' Association
Investments in Animal Welfare	• Providing support for various wildlife charities through the donation of products and cash donations. • 6 161 doses of rabies vaccinations through VAWZ • Dog show prizes	• Healing with Horses, Zimbabwe National Society for the Prevention of Cruelty to Animals (ZNSPCA), Humani Ranch – Save Valley Conservancy, Imire Rhino & Wildlife Conservation, Tikki Hywood Trust, University of Zimbabwe Livestock Department, VAWZ

Profeeds and Aquafeeds (continued)

Business Awards

In December 2022, Profeeds won the Superbrand award in the Livestock Production and Agricultural Section for the third year in a row.

Human Capital

Investing in our People

Profeeds value and develop its human resources and fulfil its role as a "learning organisation", and continuously invests in its people. A total of twenty-three (23) middle and senior management staff were taken through Sabre's Ignite Productivity programme.

Long Service Awards

We have 53 employees receiving long service awards for between 10 and 20 years of service to the Group.

Number of Employees crossing each Milestone in 2022

	Male	Female	Total
10 years	38	1	39
15 years	10	–	10
20 years	–	4	4
Grand Total	48	5	53

Women's Day

- Profeeds marked International Woman's Day with an inaugural celebratory lunch for our female staff complement and we look forward to creating a tradition in the years ahead.

Headcount as at June 2022

Male	Female	Total
692	69	761

- Over the past four years Profeeds has employed 16 graduates per year from veterinary, animal science and crop science backgrounds. In the 2022 financial year, 10 graduate trainees have been enrolled.

nutrimaster

Strategic Approach

Founded on a partnership between Profeeds and PHI Commodities, Nutrimaster is a specialist fertiliser manufacturer offering fertiliser solutions and supplying specialised chemical products to the agricultural sector.

As the fertiliser provider to the Profarmer and Profeeds Retail nationwide network, as well as the preferred supplier for out-grower schemes in Zimbabwe, Nutrimaster boasts an extensive network of farmers. In addition to providing high quality fertiliser products, Nutrimaster also offers agronomy, laboratory and logistic support.

Nutrimaster is focused on GROWTH, highly pertinent not only because the company is in its early, developmental stages, but also due to the nature of the agriculture sector.

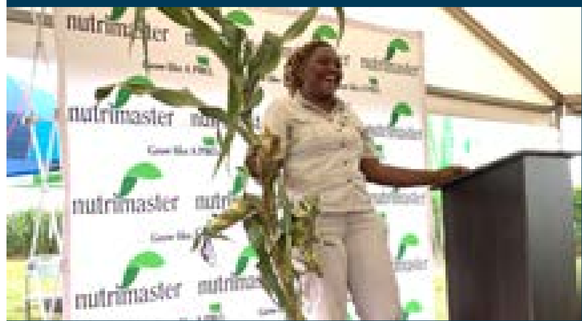
It has extended this strategy to its CSR, adopting a policy of promoting growth within communities through sport and education.

The company is passionate in its quest to educate farmers to grow crops efficiently and economically while optimising yields and, regularly holds farmer field days on established demonstration sites around the country. Through sport and recreation, Nutrimaster endeavours to develop partnerships with community farm schools for the benefit of small-scale farmers and, towards this end, has offered sponsorship support to several established events in the sporting arena, largely focusing on commercial farmers.

Nutrimaster supports various farmer unions, and is registered with the Zimbabwe Integrated Commercial Farmers Union as well as the Zimbabwe Farmers' Union. Nutrimaster is also a member of Croplife Zimbabwe.

Continued Improvement and Growth in Production

- Nutrimaster annual sales tonnage was a 255% increase from the last financial year.
- As part of its commitment to establish a greener future, Nutrimaster is part of the Monte Rosa Recycling Programme, a programme directly involved with reducing plastic pollution.
- Nutrimaster is now a registered partner and official distributor of three international crop protection products.
- Nutrimaster has registered 20 of its own agrochemical products (Optichem) which are now officially registered by the Ministry of Agriculture, Zimbabwe, enabling the company to offer farmers complete fertiliser and chemical solutions.



Elizabeth Mukozho at Gwebi Field Day

Nutrimaster (continued)

Corporate Social Responsibility (CSR)

Education

- **Field Work**

  This year Nutrimaster established 55 demonstration plots, comprising a total of 15 ha, across the country. The soils are tested at each site and based on the reports, farmers establish successful demonstration sites through the use of recommended fertilisers. Nutrimaster has also conducted several irrigation scheme field days for Agritex extension workers and farmers.

  Over the last year, a total of six field days were held on chosen demonstration plots to show the successful performing sites, with both small and large-scale commercial farmers selected from across the country to attend, the largest of which was National Field Day, established and held on site at Gwebi Agricultural College, with an area of 5 HA. The event, held in collaboration with students and staff from Gwebi College, was a resounding success. The remaining field days were held at the following sites:
  Mutoko
  Banket
  Masvingo, Mushandike Irrigation Schemes
  Shamva
  Mvurwi

In addition, Nutrimaster attended store opening initiatives by the Profeeds/Profarmer retail network where staff interacted with customers to assist in product knowledge as well as in offering after-sales support. Furthermore, with our partners at Profeeds, Nutrimaster has been represented at several Profarmer training workshops to promote the brand.

Sport & Recreation

HSF 2022 – Tri-discipline event (Horse Jumping/Clay Pigeon Shooting and Fishing)

Nutrimaster was the primary sponsor of HSF, an annual event which takes place towards the end of June. Teams participate in various outdoor disciplines, competing both individually and as a team for the duration of the weekend. This tournament is popular with our commercial farmer client base, many of whom participate in the various disciplines, as well our shareholders.

MAGS: Nutrimaster sponsored the "Moms are Geniuses" initiative by donating fertilisers to help support rural women farmers. The company also supported a golf day as a fundraiser for the same cause.

Melfort Football Club: Nutrimaster co-sponsors kit for the Melfort Football club, helping it in its quest to join big teams in the divisional and, ultimately, the Premier Soccer league.

IRVINE'S

Trust earned.

Strategic Approach

> Irvine's Zimbabwe empowers communities across the country through the supply of high-quality poultry products, as well as providing support and solutions to small-scale businesses, in line with government policy.

The company is geared to expand production through the construction and improvement of both breeders' and commercial layers' sites, augmenting its vision to supply the region with affordable and high-quality protein products.

Irvine's (continued)

New Developments

> Irvine's embarked on an expansion project of its production sites in the last financial year. The project involved construction and improvement of the breeders and commercial layers' sites.

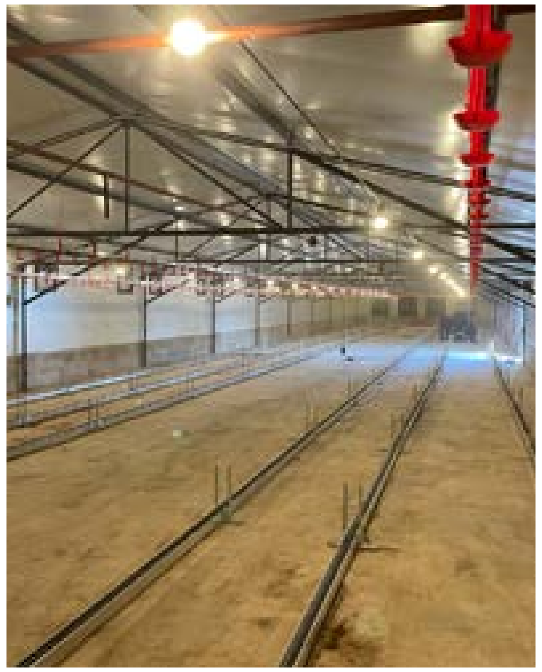
Breeders' site

- Irvine's has constructed and commissioned environmentally-controlled houses with automated feeding and drinking systems.
- The houses, which offer better bio-security and improved production will allow the company to export parent stock to earn much-needed foreign currency.

Commercial Layers' site

The company has constructed and commissioned new housing equipped with automatic drinking and feeding systems, automatic manure removal through conveyor belts, an automatic ventilation and cooling system, a roof with ceiling insulation and an LED lighting system to offer more efficient temperature control.

These improvements and upgrades will result in an increase in production, efficiency and quality.



Commercial Chicken-House Expansion

Values Relaunch

Values and team work are at the centre of the Irvine's company culture, a culture shared through our purpose and vision. It defines who we are and determines the way we interact and operate on a day-to-day basis. To keep this vision at the forefront of operations, the Irvine's leadership relaunched the company's values during the year at Derbyshire and at Harare South Farms. The relaunch was well received and there were follow-up departmental activities to keep the momentum going. In a bid to embed these values, the company recognises quarterly "values champions".

Irvine's (continued)

Safety Awareness Campaign

Two events were held during the past year to raise awareness in occupational health and safety, one at Derbyshire Farm and one at Harare South Farm. Five representatives from each department were chosen to participate at each event with the aim of cascading the information to their peers and departments.

Lois Ngonyamo, Quality Assurance Executive

In an address to participants, Mr Irvine stressed the crucial role of health and safety in the workplace, and why every team member should strive to execute their duties in as safe an environment and manner as possible. He encouraged all team members to be familiar with their Standard Operating Procedures (SOPs) at their various workstations, and to diligently follow them. The event was made more poignant by the presence of survivors of work-related accidents who gave their testimonials as a means of illustrating the importance of adhering to safety measures and encouraging other team members to learn from their experiences and appreciate the value of safety.

Mr Irvine, together with workers' committee members, marked the event by cutting the ribbon on an Occupational Health and Safety Policy statement. The statement is a sign of commitment from both parties: management and team members. Team leaders were issued with policy statements to display at work stations within their departments.

Human Capital

Irvine's current staff complement is 1 939, of which 618 (32%) are women. Staff complement increased by 6% against the backdrop of increased production across the categories.

Irvine's (continued)

Long Service Awards

Recognising and celebrating employees who have worked for the company for a substantial length of time through Long Service Awards has been an Irvine's Zimbabwe's tradition since 1999.

The main aim of the award is to demonstrate the company's appreciation for employee loyalty and dedication, with the hope that team members may feel valued.

Number of Employees crossing each Milestone in 2022

	Male	Female	Total
10 years	109	19	128
20 years	10	2	12
30 years	3	–	3
40 years	1	–	1
Grand Total	123	21	144

Richard Masadure (10 years)

Pardon Sekai (10 years)

Blessing Masuka (10 years)

Jimmy Kusaya (10 years)

Tonderai Masimbiti (10 years)

Miyelani Gumbo (10 years)

Wilfred Mapfuise (10 years)

Irvine's (continued)

Corporate Social Responsibility

Community is the watchword of the Irvine's CSR strategy, and the company has made a difference in a number of communities through its various sustainability programmes which support education and vulnerable children, as well as offer backup and training to communal farmers, youth and women.

Key Highlights

- 12 poultry demonstration houses in the country's 10 provinces with a capacity of 2 500 broilers per house
- Irvine's provides training in poultry production and farming methods producing almost 95% success rates
- Contributing towards empowerment of farmers with 100% broiler chickens slaughtered being grown by contract farmers
- Irvine's makes huge investments in employee housing with 705 five-roomed housing units catering to almost 2 500 workers

The company has been at the forefront of economically empowering local communities in line with its business objective of changing lives by producing affordable protein.

Irvine's Zimbabwe provided 12 poultry demonstration houses in each of the country's 10 provinces which are fully equipped and have a capacity of 2 500 broilers per house. Irvine's provided the first batch of chicks and the necessary feed free of charge; beneficiaries then sold these chickens and used the proceeds to purchase the next batch.

These facilities are also used to train participants in poultry production, with training extended to radio programmes.

The company has also put in place free training on best poultry farming methods for rural farmers who are achieving upwards of 95% success rates, equalling commercial growers in the region.

Irvine's prides itself on contributing towards the local empowerment of farmers in Zimbabwe with 100% of the broiler chickens processed at its abattoir being grown by contract farmers.

Management is also acutely aware of the Irvine's community, and towards this end has made a huge investment in employee housing, building 704 five-roomed houses with full amenities clustered at Derbyshire, Carnock and Lanark Village communities to accommodate and cater for over 2 500 workers. The staff housing has access to a recreational centre, two modern clinics and two schools manned by qualified professionals from the health and education sector. In addition, 29 houses with full amenities have been built for management, 17 on Derbyshire and 12 on Lanark Farm.

Community Involvement

Irvine's runs a clinic and primary school for its employees and their families at its two farms providing health and education facilities within reach. The two clinics treated 9 584 staff over the year as well as 2 134 employees' family members.

Irvine's works with a women's cooperative providing income generating projects.

In partnership with Global Fund, two new projects are underway where housing for 10 000 birds is being constructed – one in the Nyadire area, west of Mutoko, 140km east of Harare and the other in the Mutasa District north of Mutare in eastern Zimbabwe. These houses will be equipped and rear birds for the benefit of the communities.

	SUPPORT GIVEN	BENEFICIARIES
Investments in Vulnerable Groups	• Supporting Retirement Homes, Children's Homes and Centres for Children with special needs through regular donations of chicken meat and eggs	• Athol Evans Retirement Home, Fairways Home, Harare Senior Citizens Club, Waterfalls Trust, Beezer Organisation • Harare Children's Home, Emerald Hill Children's Home, St Joseph House for Boys, Jairos Jiri Foundation (Waterfalls & Southerton), Danhiko Project Msasa
Investments in Animal Welfare	• Donation of pet food	• Zimbabwe Republic Police (ZRP) Waterfalls Dog section and Zimbabwe National Society for the Prevention of Cruelty to Animals (ZNSPCA)

Awards

IZIM received several awards in corporate social responsibility and marketing initiatives.

- **CSR Network Zimbabwe** – Excellence in Community Empowerment & Social Impact
- **Zimbabwe CEO's Network** – Social and Human Capital award (For implementing innovative business solutions to tackle the most important societal challenges of our times)
- **Marketers Association of Zimbabwe:** Superbrand 2021 Winner in the FMCG Meat Sector
- **Zimtrade Exporters awards** – 1st Runner up Agricultural inputs

Strategic Approach

At Colcom we remain focused on providing our customers with quality, competitively-priced fresh pork and processed meat products, a strategic approach supported by vertical integration from our best-in-class farms and solid manufacturing practices.

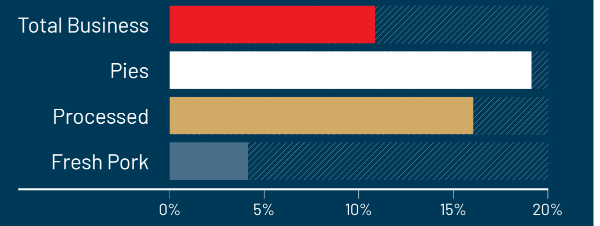
Our continued focus on growing the market for pork consumption ensures job security for our employees and provides a multitude of business opportunities within the community, creating an affinity between Colcom and its stakeholders.

In FY 2022 Colcom achieved an 11.4% volume growth. The pies category grew by 19.8% followed by the processed lines at 16.7%, whilst fresh pork volumes increased by 3.8%

Volumes, Total Business 2022 vs 2021

2022
2021

Growth by Product Category 2022 vs 2021



Colcom (continued)

Key Consumer Initiatives

Colcom Cash & Carry at Coventry Road has for many years been the go-to outlet for consumers looking for the best range of pork products; in the second quarter of 2022 the business underwent a complete refurbishment, and now boasts a modern refrigerated product display and an expanded butchery section.

Increased space availability in the Colcom Shop butchery allowed us to increase our fresh pork offering, as well as an opportunity to showcase pork with the intention of increasing consumption per capita.

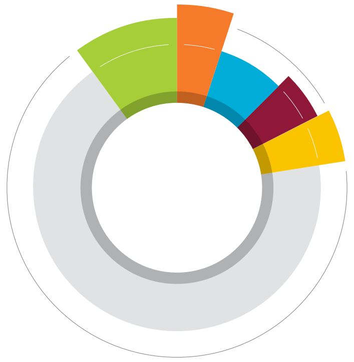
Colcom (continued)

Our Brands

An independent Brand Audit conducted in 2022, identified Colcom as the market leader in terms of Brand Affinity amongst players within the meat-processing sector in Zimbabwe. Colcom is viewed as a trusted and aspirational brand which shares common values with its consumers and, as a result, retains loyalty.

Human Capital

Long Service Awards
No of Employees Colcom



Number of Employees crossing each Milestone in 2022

	Male	Female	Total
10 years	2	2	4
15 years	26	1	27
20 years	2	–	2
25 years	–	2	2
40 years	3	–	3
45 years	2	–	2
Grand Total	35	5	40

Donnel Manyuchi, Leo Mawadza, Michael Ramjee, Zondai Snake, Martin Makwezva

Colcom Foods employs 1 431 people, with 40 Colcom employees achieving Long Service Awards in 2022. Of these, 90% have served the company for more than 15 years. Notably, three members of staff have been Colcom employees for over 40 years, while two members of staff have completed 45 years of service.

Training at Colcom forms an integral part of employee upskilling, with 697 employees receiving formalised, on-the job training and attending strategic training programmes in the 2022 financial year.

Triple C Pigs

The Colcom pig production division, Triple C Pigs, saw a 12% increase in the total number of pigs (9% increase in kgs) delivered against the previous financial year. Total herd growth for the year under review was 3%.

Triple C Pigs is currently operating five production farms with the latest one, a weaner/grower unit in Arcturus, having been developed in the last financial year. This latest production unit was developed to accommodate additional weaners produced by the improved genetics of the breeding herd and accommodates 5 000 pigs with a weekly average delivery to Colcom of 300 animals.

Triple C piggeries, which are spread across various rural communities, place particular emphasis on uplifting the areas in which they operate; this is achieved by ensuring that staff is recruited from within the community. In addition, on-farm medical clinics provide a free service to all employees and their families and, taking care of the future generation, all farms provide 201 school-going children with daily transport to and from school, as well as pay school fees for 347 children, financial support to members of staff with regard to school fees, covering both junior and senior school education.

Colcom (continued)

Corporate Social Responsibility

As a food manufacturer, providing nutrition to vulnerable members of our community remains our sphere of focus in CSR, and we are committed to providing 1 270 meals a week to selected charitable organisations.

Colcom also plays its part in wildlife conservation by donating annually to the Tikki Hywood Foundation, a non-profit, wildlife-orientated organisation which strives to bring recognition, awareness and sustainable conservation to lesser-known endangered species, such as the Pangolin. Through the partnership with Spar, Colcom Foods ran the national Plant a Tree campaign.

	SUPPORT GIVEN	BENEFICIARIES
Investments in Vulnerable Groups	• Regular food donations	• Orphanages - Rose of Sharon, Chinyaradzo's Children Home, Vimbainesu Children's Home, Homefields Care Centre and St Christopher • Disability Support - Emerald Hill Children's Home, St Joseph, Jairos Jiri Association and St Marceline • Retirement Home Support – Athol Evans and Shearly Cripps • Vulnerable groups - St Marceline
Investments in Animal Welfare	• Donations for wildlife	• Providing cash donation for the pangolin charity Tikki Hayward Trust

Business Awards

In 2022 Colcom took part in the Marketing Association of Zimbabwe (MAZ) Superbrands awards and was voted a 1st runner up in the FMCG Meat Sector.

Strategic Approach

Associated Meat Packers Group (AMP) is committed to providing the best quality protein at the most affordable price through its outlets.

AMP aims to continually grow and improve its innovative product range, tailoring it to its customers' everyday needs.

AMP Group (continued)

Key Statistics

• Retail Branches	46
• Employees	651
• Driving women inclusion in the workplace in management	9%
• Promoting and supporting inclusive agriculture supply chains	116 small and large-scale farmers
• Creating opportunities for youth through internships/attachments	7

AMP Retail Developments

AMP opened nine new stores during the financial year under review, seven of which were Texas Chicken branches, one a Texas Meats branch and the last a Texas Meat Market branch.

The Group continues to roll out new stores in under-served communities in an effort to provide more households with access to affordable protein, in line with the company's aim of increasing access to nutrition levels within communities. As a result of its commitment to growing its footprint nationally, residents in Marondera, Glen Norah B, Mufakose, St Mary's, Chinhoyi, Budiriro, Domboshawa, Chiredzi, and Westgate can now enjoy improved convenience and access to the very best in protein at affordable prices.

Total Number of Stores:

Texas Meat	Texas Chicken	Texas Dairy	Texas Meat Market	Total Stores
21	20	2	3	46

Retail Expansion - Texas Meat Market Westgate

AMP Group (continued)

AMP Retiree and Long Service Awards

Number of Employees crossing each Milestone in 2022

	Male	Female	Total
10 years	3	–	3
20 years	1	–	1
25 years	1	–	1
30 years	2	–	2
Grand Total	7	–	7

Rwenhamo Gunda (13 years)

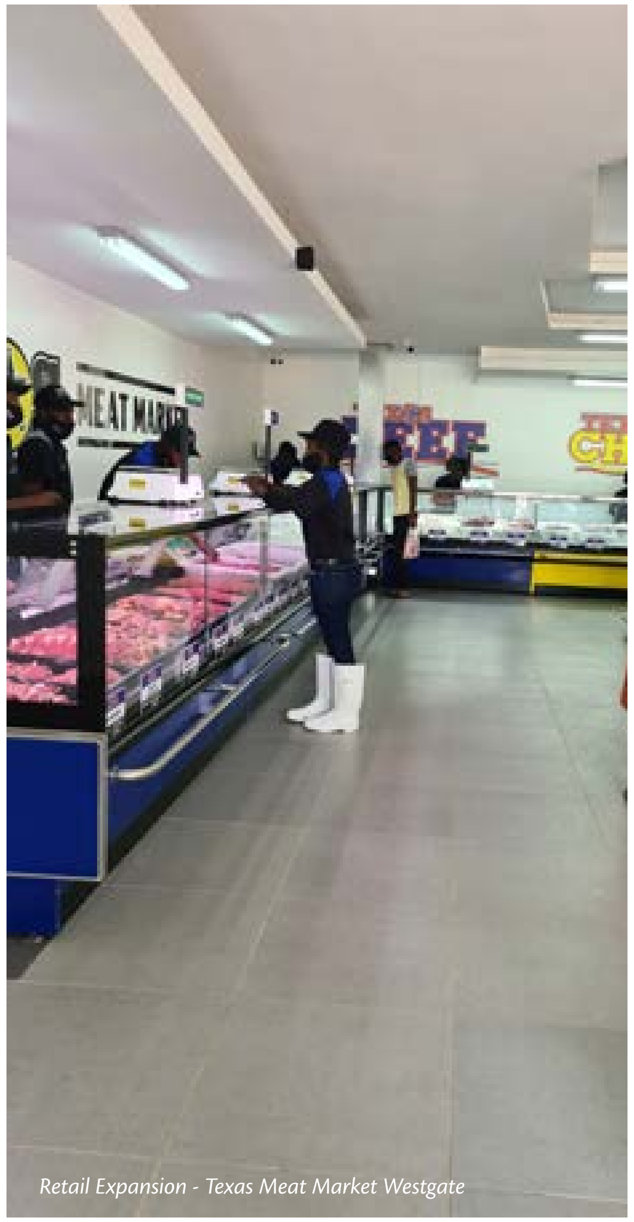
Corporate Social Responsibility

The AMP Group continues to support community development, most notably under the pillars of Arts and Culture, Nutrition and Animal Welfare, its longest standing support being for the Chinyaradzo Children's Home, The Friend Animal Foundation, Society for the Protection of Animals Harare (HSPCA) and Tikki Hywood Foundation which held fast in 2022.

- The business supported the St John's School Pipe Band annual golf day to help raise funds for the upkeep of the band, as well as making monthly contributions to help the school nurture young talent.
- Chinyaradzo Children's Home received meat during the year to ensure that vulnerable children received healthy, balanced diets for their physical and cognitive wellbeing.
- Society for the Protection of Animals Harare (HSPCA), Tikki Hywood Foundation.
- The Friend Animal Foundation received meat used to feed the animals within the conservation programmes.

Business & Industry Awards

Awards
Marketers Association of Zimbabwe: Superbrand Award – 2nd Runner Up FMCG Meat Sector
FSSC 22000 Certification


Retail Expansion - Texas Meat Market Westgate

AMP Group (continued)

Community Involvement

The Zimnyama Abattoir, a subsidiary of AMP Meats, is working with its local community in Chiweshe through providing education on avoidable diseases, tick infections and hygiene standards. The main aim of the training is to help the farmers achieve better grade for their beef.

	SUPPORT GIVEN	BENEFICIARIES
Investments in Vulnerable Groups	• Regular food donations	• Chinyaradzo Children's Home
Culture & Arts Support	• St John's Pipe Band to travel and compete at the World Championships in the UK in 2022	• St John's School Pipe Band
Investments in Sporting Activities	• Sponsorship of Sporting Events • Kit sponsorship for FORZA BHORA five-a-side Football League	• Elephant Hill's Golf Day • St John's Parents Golf Day • Old Johannian Football Squad
Investment in Animal Welfare	• Food donations to feed the animals within the conservation programmes	• The Friend Animal Foundation • Society for the Protection of Animals Harare (HSPCA) • Tikki Hywood Foundation

Retail Expansion - Texas Chicken Marondera

PRObottlers

Strategic Approach

> We strive to continually improve our product quality through innovative concepts and processes, while providing value to all our stakeholders, including customers, suppliers and employees.

During the period under review several initiatives were put in place to improve product quality, including ensuring the business had the right skill set to manage operations. We continue to improve service delivery to our customers by remaining close to the market and implementing effective route to market models, delivering full supplies of our brands on time.

Lucky Mupomhori

Probottlers (continued)

Key Statistics

- Sales Volume – 23% up
- Women in business – 40% up

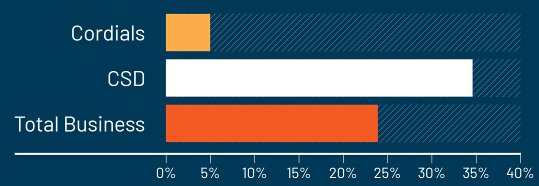
Safety in our operational processes has been crucial for sustainability, while training and development of our staff has been a key driving factor for safety in the workplace. The business has experienced tremendous growth during the year under review as each department has pushed forward to achieve our strategic goals.

Business Overview

Probottlers' volume continues to grow year on year with 23% growth recorded in the year under review. The cordials grew by 5%, the brands are gaining a foothold in the market as a result of strategic distribution partnership. Following the introduction of a new Fizzi line in April 2022, together with increased production capacity in cordials, CSD grew by 40% in the year under review.

Volumes 2022 Vs 2021

2022 Volume growth by Category



Business growth initiatives

Operational efficiencies
The volume growth for the year under review was supported by an improvement in the production line efficiency. The implementation of the Six Sigma management system, production line operator training and a "reliability centred" maintenance programme, resulted in a 25% increase in production line efficiencies. The following positive results were noted in operations:

- Increased efficiency – better stock holding on the full flavour range
- Commissioning of 500ML CSD plant increased the CSD Volumes by 25%

Distribution efficiencies
A new route to market channel – incorporating Cash on Delivery – was developed through Direct Sales using branded trucks, resulting in increased brand awareness and sales. Going forward we plan to upscale this model to further increase efficiencies.

Warehouse expansion
With increased output, the business invested in warehousing space to allow for proper storage of finished goods before distribution to the market.

Engaging our customers through social media
The year saw the entire portfolio embark on a big drive to engage with the consumer via social media. Engagement with consumers brought about positive reviews for our brands.

Awards
The exceptional work carried out by Probottlers was recognised by the Marketer Association of Zimbabwe when the organisation was awarded 1st Runner up in the FMCG Non-Alcoholic Sector for Superband 2021.

Winning through our people

As we work towards achieving gender equality, the business witnessed a 40 percent growth in the number of female employees during the period under review,

Probottlers (continued)

Corporate Social Responsibility

Educating and upskilling the nation, one child at a time

Probottlers has initiated a training programme for less privileged members of the community, selecting two students who have displayed academic excellence at Ordinary Level but who did not have the means to pursue higher education. The students have worked in various departments of Probottlers, identifying their particular areas of interest and skill, after which they will be sponsored by the company to study at various training colleges in Zimbabwe. This initiative is expected to run over the next five years as the business continues to give back to the community and educate the nation one child at a time.

All for a worthy cause

Probottlers is involved in a number of charity initiatives including donating to children's homes such as Rose of Sharon Home, Harare Children's Home, SOS children's home, Chinyaradzo and many others across the country. The donations range from skills transfer to products which put a smile on the faces of the recipients.

St Clairs' drive towards environmental sustainability

Through our St Clairs brand, Probottlers is involved in anti-poaching schemes through Victoria Falls and Bumi Hills Anti-Poaching Units. Zambezi Conservation Alliance and Save Valley Conservancy are also part of our CSR initiatives. The objective is to protect endangered species and preserve the diversity of wildlife and habitats which, if not monitored and managed, will be destroyed. Both organisations are actively involved in this work, driving conservation awareness and providing a range of support to the affected areas.

Quality Management

As we push forward to ensure our quality is continuously being improved, a number of initiatives have been put in place by our Quality Control, resulting in positive outcomes such as a reduction in returns from market.

Gift Jena

Caroline Simango

Probottlers (continued)

Community Social Investment

During 2022 Probottlers provided invaluable support to three groups of beneficiaries through product drink donations and other support, which included the following:

	SUPPORT GIVEN	BENEFICIARIES
Investments in Vulnerable Groups	• Providing soft drink donations to support various institutions who are dedicated to looking after vulnerable groups within society	• Rose of Sharon Home, Harare Children's Home, SOS Children's Home, Chinyaradzo Children's Home • Westreign Old Age Home and Flame Lily Old Age Home • National Blood Transfusion Services (NBTS)
Investments in Sporting Activities	• Supporting football and rugby clubs' upkeep and providing sporting equipment	• ProGroup Ruwa Football Club • Melfort Football Club • TAG Rugby Trust
Investments in Animal Welfare	• Providing wildlife conservation sponsorships in order to protect endangered species and preserve the diversity of wildlife habitat	• Victoria Falls Anti-Poaching Unit • Bumi Hills Anti-Poaching Unit • Zambezi Conservation Alliance • Save Valley Conservancy • Chiredzi Rangers Lowveld
	• Support fish conservation through sustainable fishing methods, e.g. catch & release	• Keepnet Fishery Conservation

Simbarashe Karombe

PRObrands

Strategic Approach

> Probrands is the market leader in packaging technology and design for key value items in the Fast-Moving Consumer Goods Market.

As our brand continues to grow in market reach and stature, so does our portfolio, offering products that are not only innovative but also designed to establish brand loyalty. Probrands continues to expand its product basket, bringing innovative, affordable and quality products to the local consumer.

Probrands (continued)

> In pushing the boundaries of innovation, December 2021 saw the introduction of a first for the local market Royal Instant Ice Cream.

Our Products

New Products

- Oats (instant and regular)
- Royal Instant Ice cream
- In our household cleaning category, we extended our Makleena range with two new varieties, lemon and lavender, to help grow our market reach

Factory Shop Opening

The Probrands Ruwa Factory shop opened its doors to the public in May 2022 with the strategic intent of increasing business in the area by offering a modern, one-stop shop for the group's products, while at the same time leveraging online orders and deliveries.

New Packaging

Probrands commissioned new packaging for the Dishwala brand, elevating it from a shrink sleeve to a more modern and eye-catching design.

Probrands (continued)

Corporate Social Responsibility

Probrands actively partners with the The MobiKitchen, one of the first mobile soup kitchens in the country, which provides nutritional support to vulnerable women and children in various communities.

Through this partnership, Probrands products have assisted in ensuring that over 10 000 children are nourished and fed in Harare alone.

With its CSR focus still firmly on the vulnerable in society, Probrands also has an active partnership with the Lynde Francis Trust which aims to offer support and income generating opportunities to women and youth. The Trust offers skills training in art and craft, information, encouragement and, where possible, resources in a bid to uplift underprivileged members of the community. Probrands' partnership with the Trust has meant that it can also provide nutrition to the community members it helps, resulting in over 3 000 individuals fed on a more regular basis.

Our People

Probrands workforce for the just ended financial year had 192 employees with 22% of the total workforce being women (an increase of 19 additional women being employed from prior year) as depicted in the table below:

Probrands Employees June 2022

Male	Female	Total	Increase	Female H/C %
149	43	192	19%	22%

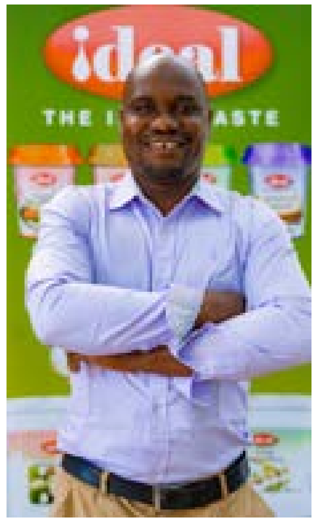

Sandra Benjamin

Probrands (continued)

	SUPPORT GIVEN	BENEFICIARIES
Investments in Vulnerable Groups	• Regular food donations for centres looking after vulnerable groups	• Retirement Homes: Save Our Aged People (SOAP Zimbabwe), Lynde Francis Trust, Flame Lily Old Age Home, Westreign Old Age Home • Girl Child Protection through Shamwariyemwanasikana (Exclusive Friend of the Girl Child) • The Mobi Soup Kitchen – Meals for Hope
Investments in Sporting Activities	• In support of improving the lives of children in Zimbabwe, using rugby as a development tool • Providing a monthly allowance for the local football club within Probrands' community • Support of school sporting events • Supporting cycling charity raising money for pensioners in Zimbabwe	• TAG Rugby Trust • Ruwa Football Club RUWA FC • St George's College • St John's College • The Old Legs Tour
Other Initiatives	• Through the payment of tuition fees, continuing to support two undergraduate students at the University of Zimbabwe through Probrands' corporate social responsibility (CSR) programme	• One student is studying Honours BSc degree in Aeronautical Engineering, while the other is studying for an Honours degree in Audit and Risk Management

Probrands (continued)


Petronella Mandidewa (11 years)


Godfrey Chiware (12 years)


Never Nyagunyu (17 years)


Lowshern Muhwandarikwa (11 years)

Long Service Awards

Probrands recognised its employees for their dedicated, long and loyal service to the Company.

Number of Employees crossing each Milestone in 2022

	Male	Female	Total
10 years	21	1	22
15 years	2	–	2
Grand Total	23	1	24

Probrands (continued)

From left to right: Paxmore Moyala, Tichaona Garanevako, Harrison Katunga, Never Chari and Brian Mangwende

PROdairy

Strategic Approach

Increasing production capacity and widening the scope of our product innovations, while maintaining sustainable practices, in order to meet the growing demand for Revive Dairy Blend and Maheu.

Key Statistics

- Significant investment into increasing production capacity on 500ml and 1 litre Dairy Blend and Maheu
- Using Eco-Friendly Packaging

Sustainability and Product Innovation

Prodairy takes a proactive, collaborative and pioneering approach to ensure as many cartons as possible are collected, sorted and recycled. Our long-term focus remains on innovation, driven by renewability and recyclability, which guarantees that we reduce our environmental impact and make use of sustainable food packaging. Our newly-commissioned packaging for the Revive brand is made from over 88% natural, renewable plant-based resources. The paper, cap, and plastic in this packaging are made entirely from responsibly managed forests and other controlled sources, helping to reduce CO_2 emissions and, as a result, our carbon footprint.

As an integral part of our environmental protection programme in waste management, we continue to engage Environmental Management Agency (EMA)-registered contractors who collect and manage our waste and recycling activities.

In the financial year under review, Prodairy partnered with our packaging supplier to launch the Edge 1L and 500ml packaging format. This packaging format is plant-based, made using materials from controlled forests, once again ensuring that we reduce our environmental impact.

Prodairy (continued)

Our Products

In March 2022, Prodairy introduced the Revive Dairy Blend 500ml carton, increasing the shelf life of this product, when unopened, from the usual three months to six months. This great initiative provides our customers with a product that is not only easy to use but requires little to no refrigeration, enabling us to extend our product distribution to areas outside of urban areas and allowing more Zimbabweans to enjoy the Revive brand.

Our People

The Prodairy workforce for the just-ended financial year comprised 434 employees, with 19% of the total workforce being women, as depicted in the table below:

Head Count June 2022

Male	Female	Total	Increase	Female H/C %
350	84	434	46%	19%

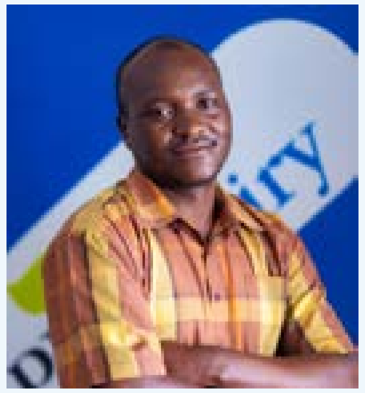
Number of Employees crossing each Milestone in 2022

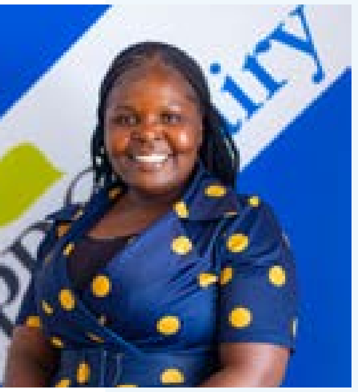
	Male	Female	Total
10 years	14	2	16
15 years	2	–	2
Grand Total	16	2	18

Prodairy (continued)

Long Service Awards


Calum Philp (16 years)


Livingstone Tsaha (12 years)


Revai Dzamatira (10 years)


Stacey Jackson (14 years)


Nqobani Mthethwa (16 years)


Patson Nyamhuri (10 years)

In appreciation of those who have been with the company for a number of years, long service awards were conducted on a small scale. We recognise the contributions of all staff members, and particularly celebrate those that have tirelessly helped us build the Prodairy brand over the years.

Corporate Social Responsibility

In an effort to drive community development, Prodairy, in conjunction with several partners, has championed a number of activities and supported public and private partnerships through non-profit organisations that help to address national challenges around child welfare, sports, arts and culture and national blood drives.

Key initiatives include the sponsoring of the Ruwa Football Club. This community involvement has not only provided consistent support to the young team by covering their seasonal budgetary requirements, equipment, and playing kits, but has also generated an increased sense of pride and excitement within the Ruwa community. The aim is to nurture young talent and create a sporting platform from which youth in the community can pursue their dreams.

Prodairy also takes pride in its investment in the next generation through the support of the Tag Rugby Trust, a sports trust which aims to empower and improve the lives of underprivileged children, using rugby as a vehicle. The support from Prodairy is in the form of cash, kits and beverages for consumption during matches.

Through our annual partnership with the National Blood Transfusion Services (NBTS), Prodairy facilitated and hosted quarterly blood camps at the Prodairy premises where employees donated blood, thus contributing to the National Blood Bank. This year, four blood camps were hosted with a target of 160 blood donors from NBTS; this target was not only met but greatly surpassed with a total of 218 donors.

This year we continued our partnership with Husqvarna and SPAR Zimbabwe who organised the Rainbow Run and Mud run respectively, with all proceeds going towards Childine and Kidzcan.

Prodairy (continued)

	SUPPORT GIVEN	BENEFICIARIES
Investments in Vulnerable Groups	• Food donations made to the centres looking after vulnerable groups within society	• Retirement Homes including Save Our Aged People (SOAP Zimbabwe), Beatrice Old People's Home, Ondine Francis Trust, Flame Lily Retirement Homes and Westreign Old Age Home • Girl Child Protection through Shamwariyemwanasikana (Exclusive Friend of the Girl Child) • Mobi Soup Kitchen – Meals for Hope • Waterfalls Islamic Society • Avenues Clinic • Meikles Foundation • Harare Rotary Club, Jail & Bail
Investments in Sporting Activities	• In support of improving the lives of children in Zimbabwe, using rugby as a development tool • Providing a monthly allowance for the local football club within Prodairy's community • Providing food donations for local football clubs	• TAG Rugby Trust • Ruwa Football Club RUWA FC • Ruwa Football Club RUWA FC • Melfort Football Club
Other Initiatives	• Facilitated and hosted quarterly blood camps for NBTS employees to contribute to the national blood bank by donating blood	• National Blood Transfusion Services (NBTS)


Nassim Kasisi

MAFURO Farming

Strategic Approach

Mafuro Farming, which operates on two farms within the Marondera area, is a supplier of raw milk to Prodairy's Ruwa-based processing plant. Mafuro aims to continue growing its herd and expanding production to fulfil the country's demand.

Mafuro Farming (continued)

The company runs on a pasture-based system, growing perennial pastures, legumes and cereals and thus producing most of its animal feed on-farm.

Having been incorporated in December 2017, the business started its operations in August 2018. The company's first dairy development was a partnership with the Government of Zimbabwe at Grasslands Research Institute, Marondera and, within six months of commencing operations, Mafuro Farming was producing and selling milk on a commercial scale. The company went on to expand its operations at a second state farm, also in Marondera.

Our People

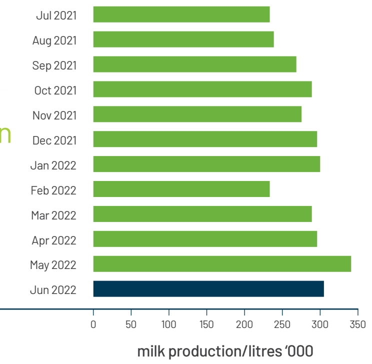
With a view to uplifting livelihoods in the areas surrounding its operations, Mafuro aims to recruit workers from the local community, with 57 percent of the workforce currently employed from the area.

Although still a young company, 13 members of staff who have been with the company since its inception, received awards as a recognition of their loyalty.

2022 Milk Production

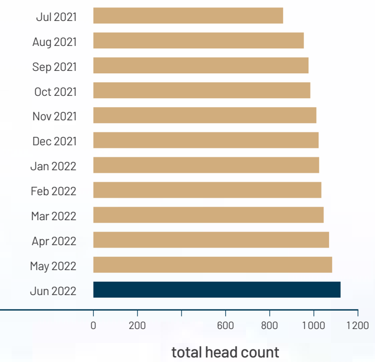
Over 3.5 million litres

of milk produced within the year under review



2022 Total Herd Count

The company's herd increased from 865 to over 1 000 cattle



Mafuro Farming (continued)

Innovations

The farm adopted the Inter Herd Plus computer programme, used by the Herd Health department to capture information on artificial inseminations services, lactations, heifers, and dams.

The farm adopted the Inter Herd Plus computer programme, used by the Herd Health department to capture information on artificial inseminations services, lactations, heifers, and dams.

This innovation provides the farm, and its veterinary services, with up-to-date data on the animals and has gone a long way towards increasing the general health and productivity of the herd.

Local Community Involvement

Pasture Field Day

In its on-going effort to uplift communities, Mafuro Farming hosted a Pasture Field Day in May 2022, its aim being to demonstrate the company's pasture-based system to small and large-scale dairy farmers. Believed to be the most sustainable and cost-effective model in dairy production currently available to farmers, the field day was attended by 450 people from Government ministries, the banking sector, the media, farmers' unions and associations and suppliers of farming equipment, inputs, and veterinary products, as well as small-scale, large- scale and prospective dairy farmers, local parliamentarians, chiefs and headmen.

Strategic Approach

To supply the agricultural, horticultural and manufacturing industries with cost effective and sustainable packaging solutions for a wide range of products such as fertiliser, stockfeed, seed, bread, sugar, beverages, tobacco, dairy and snacks.

Extrusion Lamination machine being operated by Luckson Mushandu

Natpak / Alpha Packaging (continued)

Our Products

Natpak has three key divisions and one subsidiary, these include: the Poly-woven Division manufacturing, polywoven sacks, poly-woven cloth, poly-woven fruit and vegetable pockets and baling twine; the Flexibles Division, for automated plastic packaging films/bread bags, shrink films, stretch wrap and black-sheeting; and the Rigids Division which manufactures PET preforms and extruding HDPE bottles, as well as HDPE closures.

Natpak's subsidiary, Alpha Packaging, manufactures RSC cartons, die cut boxes for the fast foods, horticultural, appliance and tobacco industries, as well as flour bags and egg trays.

In the year under review, Natpak recorded a manufacturing growth of

15%

Technology and innovations

In the year under review, Natpak introduced several technological innovations to increase efficiency and output across its divisions. Among these innovations is the new Leno pockets, increasing capability in Poly-woven sacks, the cap compression increasing capability in Natpak Rigids, new bread bag wicketting and printing capabilities in Natpak Flexibles and, at Alpha, a new egg tray capacity.

One of the most important aspects of Natpak business is its recycling division, the company striving to be the largest recycler in Zimbabwe, recycling approximately 2 500 tonnes of paper and plastic annually.

Towards this end the company is on an investment drive for greener packaging, as well as growing the recycling part of the business even further to reduce waste and contribute to a greener planet.

Our People

In the year under review, the business had a staff complement of 982 employees working at four sites in and around Zimbabwe, 127 of its staff being women.

During COVID-19, the company took the opportunity to up-skill staff and systems to ensure a more efficient operation, better suited to service its customers and the group as a whole.

Number of Employees crossing each Milestone in 2022

	Male	Female	Total
10 years	2	–	2
15 years	1	–	1
20 years	3	–	3
25 years	11	–	11
40 years	1	–	1
Grand Total	18	–	18

Long Service Award Benson Chaka (40 years)

Natpak / Alpha Packaging (continued)

Corporate Social Responsibility

Natpak and its subsidiary, Alpha Packaging, contributed to projects connected to community and sporting through the Tag Rugby Trust, Keepnet Trust, the employee soccer team and ZRP Southerton.

NATPAK	SUPPORT GIVEN	BENEFICIARIES
Investment in Sporting Activities	• In support of improving the lives of children in Zimbabwe, using rugby as a development tool • Foster employee wellness and boost morale through the support of employees' football team	• TAG Rugby Trust • Natpak Soccer Team
Investment in Animal Welfare	• Support conservation through sustainable fishing	• Keepnet Trust
Investment in the Environment	• Support local community by assisting with picking up litter with the aim of recycling the plastic	• Monthly National Clean-up Campaign
Other	• Increase employee morale and wellness	• Christmas food hampers for all Natpak staff • Employee Wellness Day attended by 98 Natpak staff
	• Support local crime prevention and policing through regular stationery supplies and Christmas food hampers	• Zimbabwe Republic Police (ZRP) Southerton
	• Provide additional support through food hampers to cushion economic hardships	• Alpha Packaging employees

04

Governance

Empowerment of the Group's Employees

The Group employs over 10 600 employees of which 4 100 are full-time employees who are eligible beneficiaries of the Innscor Africa Employee Share Trust ("the Trust).

The Trust was set-up to empower employees and to develop a sense of belonging amongst them.

In 2014, the Trust was issued with 1 000 Non-Voting Class 'A' ordinary shares in Innscor Africa Limited. These shares provide the Trust, at the discretion of the Innscor Board, entitle the Trust up to 5% of any dividend declared and paid to ordinary Shareholders of Innscor Africa Limited.

The Trust also holds an option to subscribe for 30 million Innscor Africa Limited shares at the volume weighted average price of Innscor Africa Limited Shares over a 60-trading day period, which expires in December 2024.

During the 2022 financial year, the Trust received a total ZW$268.22mn in dividend from Innscor and out of this, qualifying employees received ZW$131 053 000 dividend during 2022 (ZW$53 828 500 in 2021.) In September 2022, the Board declared a total of US$453 588 to Innscor Africa Employee Share Trust Company (Private) Limited and it is expected that qualifying employees will receive US$100 each towards the 2022 final dividend.

The table below shows dividend earned by qualifying employees during the financial year.

Dividends Paid	Dividend Paid to each Beneficiary	Number of Employees	Total Dividend Paid ZW$
November 2021	13 000	3 761	48 893 000
March 2022	20 000	4 108	82 160 000
Total paid in 2022	**33 000**		**131 053 000**

In addition to dividends paid above to qualifying employees, the Trust also provides short-term and long-term loans to employees towards the personal needs of these employees.

Corporate Governance

Group Governance & Management Approach

Balancing the interests of all stakeholders continues to be a significant focus of the Group. As such the Group continues to monitor and evaluate best practices critical for long-term business sustainability.

Critical to our corporate governance values is ensuring that we observe principles and ethical practices benchmarked on international best practices.

We continue to monitor and align codes of corporate practices and conduct with local and international corporate governance codes such as the National Code of Corporate Governance in Zimbabwe (ZIMCODE) which the Board has adopted as the primary code of Corporate Governance for the Innscor Group. We continue to explore aligning with the OECD Principles of Corporate Governance.

In 2019, the revised Zimbabwe Stock Exchange Listing Requirements (ZSE) (Statutory Instrument 134/2019) and the new Companies and Other Business Entities Act (COBE) (Chapter 24:31) ("the Act") came into operation in Zimbabwe and the Group has analysed these thoroughly in order to ensure compliance with the requirements of the ZSE Listing requirements and COBE.

Our management philosophy is vested on the need to conduct the affairs of the Group with transparency, integrity, accountability and in accordance with generally accepted corporate practices, in the interests of our stakeholders and shareholders. This enables our shareholders and stakeholders to derive assurance that, in sustaining and adding value to Innscor Africa Limited's financial, natural, intellectual, manufactured, relational and human capital investment, the Group is being managed ethically, according to prudently determined parameters and in compliance with best international practices.

Corporate Governance (continued)

Mechanisms for Communication with Shareholders
We provide various platforms for our stakeholders to communicate with the Board of Directors and senior management. Such platforms include the Annual General Meeting, analysts briefing, investors meetings, notices to shareholders and stakeholders, press announcements of interim and year-end results, trading updates, investor briefings, annual reporting to shareholders and exercise of shareholders' voting rights through proxy forms. Our website contains a vast array of updated operational, sustainability and financial information which can be easily accessed by all.

Board and Management Ethics
The principles of observing sound ethical practices, values and conduct is ultimately the Board and Management's responsibility. Declarations of interest and any conflict arising in carrying out the effective roles and responsibilities are a requirement of all Innscor Africa Limited Directors and Management. Such declarations are included in the business of all Board meetings held during the year by the Company.

Declaration of Directors
During the year under review, no Directors had any material interests which could cause significant conflict of interest with the Group's objectives. The beneficial interests of Directors and their families in the shares of Innscor Africa Limited are presented in **note 24.4.**

Share Dealings
Directors, management and all Group staff are not permitted to deal directly or indirectly in the shares of the Group or companies during:

- The period from the end of the interim or annual reporting periods to the announcement of the interim and annual results.
- Any period when they are aware of any negotiations or details which may affect the share price, or,
- Any period when they are in possession of information, the effects of which may affect the share price.
- Any share dealings by Directors and management in listed shares of the Group are declared to the ZSE.

Professional Advice
The Group's policy where justifiable, entitles Directors to seek independent professional advice at the Group's expense in the furtherance of their duties or advancement of the Group's business objectives.

Board Structure and Responsibilities
The Group continues to align the Board composition with the COBE and with the ZSE Listing Requirements and in line with governance policy and international best practices of corporate governance. At the commencement of FY 2022 our Board of Directors consisted of 2 Executive Directors, 3 Independent Non-executive Directors and 2 Non-Independent Non-Executive Directors, a composition and number which is in accordance with the requirements of COBE, that a public company should have a minimum of 7 Directors.

The Chairman and Non-Executive Directors bring a significant amount of experience and intuition to guide an active and ambitious executive management team.

The Board meets quarterly to monitor the performance of the Group and its management and to deliberate on the strategic direction of its operations. Short biographies of each of the Directors are disclosed on **page 104 and 105**.

The Group operates a decentralised structure reporting to the Group Board of Directors. Each individual business has a formal Board of Directors, with clearly defined responsibilities and objectives, for the day-to-day running of its operations. A comprehensive management reporting system ensures that each business is brought to account on a monthly basis on operational, governance, sustainability and financial matters.

Summarised on **page 102** is the Board Structure and the members of the various board Committees and the responsibilities of each Committee.

Directors' Remuneration
Remuneration packages for the Group's Executive Directors and other Directors and Senior Executives are determined by the Group's Remuneration Committee. These packages include a guaranteed salary as well as a performance-related incentive linked to the achievement of pre-set targets which takes into account the needs of the Group and Shareholders from time to time. The Group also operates a long-term retention scheme designed to retain employees in the medium to long-term, to focus their attention on longer-term strategic goals and ensure sustained growth of the Group. Details regarding the "2016 Innscor Africa Limited Share Option Scheme" are contained in **note 24.3.**

As at 30th June 2022, there were no loans from the Group to any Director.

Corporate Governance (continued)

Committee	Members	Summary of Committee Roles & Responsibilities
Audit & Risk	T.N. Sibanda (Chairman) M.J. Fowler D.K. Shinya (Mrs)	The Audit & Risk Committee assists the Board in the fulfilment of its duties. The Audit & Risk Committee deals, inter alia, with compliance, internal control and risk management. The Committee comprises two independent, Non-Executive Directors and one Non-Independent, Non-Executive Director. An Independent Non-Executive Director chairs the Committee. The Committee meets at least three times a year with the Group's external and internal auditors to consider compliance with financial reporting requirements, monitor the appropriateness of accounting policies and the effectiveness of the systems of internal control and consider the findings of the internal and external auditors. Both the internal and external auditors have unrestricted access to the Audit & Risk Committee to ensure independence and the objectivity of their findings and scope of their work.
Remuneration	A.B.C. Chinake (Chairman) M.J. Fowler T.N. Sibanda	The Remuneration Committee comprises an independent, Non-Executive Chairman, an Independent Non-Executive Director and a Non-Independent, Non-Executive Director who determine, on behalf of the Board and the shareholders, the individual remuneration packages for the Executive Directors and other executive management. The Group's Remuneration policy is to provide packages that attract, retain and motivate high quality individuals who contribute to the sustainable growth and success of each of the businesses in which the Group operates. Packages primarily include basic salaries, performance related bonuses and long-term, share-based incentives.
Nominations	A.B.C. Chinake (Chairman) M.J. Fowler T.N. Sibanda	The Nominations Committee comprises an Independent, Non-Executive Chairman, an Independent Non-Executive Director and a Non-Independent, Non-Executive Director who consider the composition of the Board and its Committees and makes appropriate recommendations to the Board regarding the retirement, appointment and replacement of Directors.
Executive	J.P. Schonken (Chairman) G. Gwainda M.J.R. Lashbrook A.D. Lorimer (Company Secretary) N. Mazango R. Nyamuziwa C. Tumazos A. Warren-Codrington	The Executive Committee is responsible for formulating, directing and implementing strategic decisions. The Committee meets regularly. The Committee is composed of two Group Executive Directors, CEO's from three of its largest operating business units, the Group Treasurer, the Group Company Secretary and a Senior Executive.
Finance & Investment	G. Gwainda (Chairman) J.P. Schonken L. Magara R. Nyamuziwa A.D. Lorimer (Company Secretary) A. Warren-Codrington	The Finance and Investment Committee is mandated by the Board to set, approve and monitor overall borrowing limits for the Group and for the individual companies within the Group. The Committee is responsible for approving financial institutions that the Group can transact with and limits of such transactions. The Committee also sets, approves and monitors the overall capital expenditure investment within the Group and specifically analyses any expansion capital expenditure and potential business acquisition or disposal. The Committee is composed of two Group Executive Directors and the Group Treasurer, Group Company Secretary and two senior Executive managers. The Committee meets on a regular basis to consider banking facilities, borrowing positions, borrowing limits, counter party limits, capital expenditure, investment opportunities and such other business as may be directed by the Board.

Corporate Governance (continued)

Attendance of Directors and Executives at Meetings during the 2022 Financial Year (1st July 2021 to 30th June 2022)

Director/ Executive	Year of Appointment	Main Board (4 Meetings)	Audit& Risk (3 Meetings)	Remuneration (2 Meetings)	Nominations (2 Meetings)	Executive (8 Meetings)	Finance & Investment (8 Meetings)
Mr. A.B.C. Chinake	2015	4	N/A	2	2	N/A	N/A
Mr. M.J. Fowler	1994	4	3	2	2	N/A	N/A
Mr. G. Gwainda	2015	4	3	2	2	8	8
Mr. Z. Koudounaris	1996	4	N/A	N/A	N/A	N/A	N/A
Mr. J.P. Schonken	2007	4	3	2	2	8	8
Mr. T.N. Sibanda	2005	4	3	2	2	N/A	N/A
Mrs. D.K. Shinya	2021	3	3	N/A	N/A	N/A	N/A
Mr. A.D. Lorimer	N/A	4	3	N/A	1	7	6
Mr. M.J.R. Lashbrook	N/A	N/A	N/A	N/A	N/A	7	N/A
Mr. R. Nyamuziwa	N/A	N/A	N/A	N/A	N/A	7	7
Mr. N. Mazango	N/A	N/A	N/A	N/A	N/A	6	N/A
Mr. C. Tumazos	N/A	N/A	N/A	N/A	N/A	7	N/A
Ms. L. Magara	N/A	N/A	N/A	N/A	N/A	N/A	7
Mr. A. Warren-Codrington	N/A	N/A	N/A	N/A	N/A	7	7

Board of Directors

Addington Chinake

Independent Non-Executive Chairman *(Appointed January 2015)*

Addington is a legal practitioner by profession, with more than twenty-six years of experience in legal services in Zimbabwe. He has extensive experience in all manner of legal practice in Zimbabwe. Over the past twenty years, his area of specialisation has been corporate and commercial law including mining law, competition law, mergers and acquisitions, Leveraged Buy Outs (LBO's) and capital raising. Addington has been involved in a number of significant FDI transactions and a number of other multi-million-dollar acquisitions and disposals by foreign companies of equity on Zimbabwe Stock Exchange listed entities, financial institutions and major Greenfield mining projects. He continues to act for and/ or advise a number of Fortune 100 public companies with investments in Zimbabwe and the Region and remains a Top Ranked Commercial Lawyer in Zimbabwe by Chambers and Partners. Addington has sat on the boards of a other publicly listed companies and is the current Chairman of Simbisa Brands Limited. He is a member of the Innscor Group's Remuneration and Nominations Committees.

Julian Schonken

Chief Executive Officer *(Appointed Director October 2007 and Group CEO September 2016)*

Julian, who is Zimbabwean, completed his tertiary education at Rhodes University in South Africa, where he attained a Bachelor of Commerce degree. In 1999 and shortly after completing his articles of clerkship and qualifying as a Chartered Accountant (Zimbabwe) with Deloitte, Julian joined Innscor and has held a number of financial and managerial positions during his 23 years with the Group. In October 2007, Julian was appointed to the main Board of Innscor as Group Financial Director; in January 2015 Julian accepted appointment as Executive Director for the Light Manufacturing Division of Innscor and in September 2016, was appointed as Group Chief Executive Officer. Julian currently chairs the Group's Executive Committee and is a member of its Finance and Investment Committee; he also sits on the boards and committees of a number of Innscor's operating business units.

Godfrey Gwainda

Group Financial Director *(Appointed January 2015)*

Godfrey is a Chartered Accountant with over twenty years of experience in accounting and finance. Godfrey completed his articles of clerkship with KPMG and qualified as a Chartered Accountant (Zimbabwe) in 2000. In September 2001 he joined Innscor and has held a number of financial and managerial positions. In January 2015, Godfrey was appointed to the main Board of Innscor as Group Financial Director. Godfrey is a member of the Group's Executive Committee and chairs the Finance and Investment Committee. He also sits on the board of National Foods Holdings Limited. Godfrey holds an MBA from Henley Business School of the University of Reading.

Board of Directors (continued)

Michael Fowler

Non-Executive Director *(Appointed July 1994)*

Michael is a founder shareholder of Innscor and has held a number of managerial positions within the Group including a period during which he served as the Group Chief Executive Officer. Michael was a key driver behind the Group's investment into its now unbundled crocodile ranching and gold mining operations (Padenga Holdings Limited) where he has remained as an executive director since its unbundling and separate listing on the ZSE in 2010. Michael is a member of the Group's Remuneration, Nominations and Audit Committees.

Zinona (Zed) Koudounaris

Non-Executive Director *(Appointed April 1996)*

Zed completed his tertiary education at Rhodes University in South Africa where he attained a Bachelor of Commerce degree, majoring in Business and Computer Sciences. Zed is a founder shareholder of the Group and was the driving force behind the initial creation and success of the Group's core fast food brands. Zed has held a number of positions within the Group including Chief Executive Officer upon the Group's listing in 1998. Zed remains highly active in pursuing strategic growth opportunities for the Group and providing guidance to its management team. Zed also sits on the boards of Simbisa Brands Limited and Axia Corporation Limited.

Thembinkosi (Themba) Sibanda

Independent Non-Executive Director *(Appointed November 2005)*

Themba, is a Chartered Accountant by profession, with over thirty-eight years post- qualifying experience. He has continued to practice with the firm Schmulian and Sibanda Chartered Accountants (Zimbabwe) in Bulawayo. Over the past thirty-three years, he has served on the boards of several blue-chip companies on the Zimbabwe Stock Exchange ranging from banking, beverages, pipes, tyres and building material manufacturers, and he currently sits on the boards of several listed entities in Zimbabwe, including Edgars Stores Zimbabwe Limited, Padenga Holdings Limited, Axia Corporation Limited and PPC Zimbabwe Limited. He is currently the Chairman of the Group's Audit and Risk Committee and is also a member of the Remuneration and Nominations Committees.

Duduzile (Dudu) Shinya

Independent Non-Executive Director *(Appointed November 2021)*

Dudu is a Fellow Chartered Accountant of Zimbabwe, FCA(Z) and holds a Bachelor in Accounting Science Honours degree with the University of South Africa (UNISA) as well as a Masters' in Business Leadership from the UNISA Graduate School of Business Leadership.

Dudu has experience of accounting and financial leadership spanning over twenty years, including eleven years at PricewaterhouseCoopers (PwC), where she commenced her accountancy career.

Dudu is currently the Acting Chief Executive Officer of the Zimbabwe Investment and Development Agency (ZIDA) after joining ZIDA as its inaugural Chief Financial Officer in 2021. Previously she worked with the Takura Capital Group overseeing the finance roles at Medical Investments Limited (flagship brand, The Avenues Clinic), as well as Amalgamated Brands, the investment holding company for Cairns Holdings, Lobels' Bread, Cailogistics and Cailo Marketing Services. Prior to Takura Capital Group, she was the Finance Director at Schweppes Holdings Africa Limited. Dudu is a past-President of the Institute of Chartered Accountants of Zimbabwe (ICAZ). She has served over six years' as a Council member of ICAZ and in the Committee of ICAZ, such as the Audit and Finance Committee, Pathways Committee, We CAN Committee as well as on the Accounting Practices Committee. Dudu currently sits on the Zimbabwe International Trade Fair Board as well as the Hippo Valley Estates Limited Board. She is a member of the Public Accountants' and Auditors' Board (PAAB) Accounting Standards Committee. She has previously served on the Boards of CBZ Bank, Old Mutual, Schweppes Zimbabwe Limited and ZINWA as an Independent Non-Executive Director, as well as a previous member of the Strategy Committee of the International Federation of Women Accountants'.

Directorate and Management

Main Board Of Directors

Independent, Non-Executive Directors	Non-Independent, Non-Executive Directors	Executive Directors
Addington Chinake (Chairman)	Michael Fowler	Julian Schonken
Thembinkosi Sibanda	Zinona (Zed) Koudounaris	Godfrey Gwainda
Duduzile Shinya		

Audit & Risk Committee	Nominations Committee	Remuneration Committee	Executive Committee	Finance & Investment Committee
Thembinkosi Sibanda (Chairman)	Addington Chinake (Chairman)	Addington Chinake (Chairman)	Julian Schonken (Chairman)	Godfrey Gwainda (Chairman)
Michael Fowler	Thembinkosi Sibanda	Thembinkosi Sibanda	Godfrey Gwainda	Andrew Lorimer (Group Company Secretary)
Duduzile Shinya	Michael Fowler	Michael Fowler	Michael Lashbrook	Ledwin Magara
Andrew Lorimer (Group Company Secretary)			Andrew Lorimer (Group Company Secretary)	Raymond Nyamuziwa
			Ngoni Mazango	Julian Schonken
			Raymond Nyamuziwa	Alastair Warren-Codrington
			Constantine Tumazos	
			Alastair Warren-Codrington	

Group Executives

Julian Schonken	Group Chief Executive Officer
Godfrey Gwainda	Group Chief Financial Officer
Raymond Nyamuziwa	Group Treasurer
Andrew Lorimer	Group Company Secretary

Divisional Management

Corporate Services

Corporate & Treasury

Priti Da Silva	Group Services Executive
Alastair Warren-Codrington	Business Development Executive
Ledwin Magara	Group Finance Executive
Kudakwashe Trust Nyakatsare	Group Finance Manager
Ronald Gumbo	Group Tax Officer

Providence Human Capital

Dr Chipo Ndudzo (Phd)	Managing Director
David Mazvidza	Finance Director
Takudzwa Shoko	Finance & Admin Manager
Omega Mugumbate	Head Legal & Compliance
Ngoni Chamanga	Head Of Human Resources Affairs

Syntegra Solutions (Private) Limited

Craig Spong	Chief Executive Officer
Cuan Alcock	Managing Executive - Commercial & Project Delivery
Bruce Francis	Managing Executive - Applications
Killian Hwengwere	Managing Executive - Analytics
Chris Barikano	Managing Executive - Transformation
Obert Nziramasanga	Managing Executive - Managed Services

MyCash Financial Services

Mukai Mahachi	Managing Director (Acting)
Mukai Mahachi	Head of Finance
Angela Siwa	Head of Customer Service
Marcos Mupingo	Head of Risk & Compliance

Directorate and Management (continued)

Mill-Bake Segment

National Foods Holdings Limited

Michael Lashbrook	Managing Director
Lovejoy Nyandoro	Finance Director
Lawrence Kutinyu	Marketing Executive
Sharon Musodza	Sales Executive
James Stevens	Managing Executive - Flour
Swys Viviers	Managing Executive - Stockfeeds
Chipo Nheta	Managing Executive - Maize Milling
Alice Kambasha	Managing Executive - Snacks & Treats
Nigel Weller	Managing Executive - Traded Goods
William Kapfupi	Managing Executive - Cereals, Culinary & Baby Foods
Vikas Swami	Managing Executive - Downpack
Nqgabutho Moyo	Operations Executive - Flour
Tendai Maphosa	Commercial Executive - Stockfeeds

National Foods Logistics (Private) Limited

Bekilizwe Dube	Managing Executive
Nash Mashavave	Finance Executive

Baker's Inn Manufacturing

Ngoni Mazango	Chief Executive Officer
Gift Mabvudza	Operations Director
Mthulisi Nsingo	Finance Director
Constantine Cyprianos	Procurement Executive

Baker's Inn Sales & Distribution

Ngoni Mazango	Chief Executive Officer
Benjamin Mavros	Chief Operating Officer
Funda Madoda	Finance Director

Baker's Inn Logistics (Private) Limited

Samuel Makore	Managing Executive
Florence Murapa	Finance Manager
Rodgers Biningu	Human Resources Manager

Profeeds (Private) Limited

Sean Reid	Managing Director
Tidings Chimpondah	Executive Director - Retail
Herbert Ratisai	Finance Executive
John Mtelela	Human Resources Executive
Gerry McCollum	Managing Director - Aquafeeds

Nutrimaster (Private) Limited

Graeme Barr	Managing Director
Kind Kapfudza	Finance Manager

Protein Segment

Colcom

Constantine ("Dino") Tumazos	Group Chief Executive Officer
Mandy Murebwa	Group Financial Director
Norita Adams	Group Sales Director
Shaun Bedford	Group Operations Director
Zvitendo Matsika	Group Human Resources Executive
Ian Kennaird	Chief Executive - Triple C Pigs
Nyasha Zindoga	Group Finance Manager

Associated Meats Packers Group

Lester Jones	Group Chief Executive Officer
Tsitsi Kuodza	Group Finance Director
Jeffrey Grundy	Managing Executive - Associated Meat Packers
Robert Lee-Webb	Managing Executive - Texas Chicken
Brian Beattie	Managing Director - Zimnyama

Irvine's Zimbabwe (Private) Limited

David Irvine	Managing Director
Gerald Mabureza	Chief Finance Officer
Donovan Sucks	Chief Operating Officer
Anele Zunga	Commercial Executive
Wifred Mapfuise	Human Resources Executive
Rutendo Dzangai	Finance Manager

Directorate and Management (continued)

Other Light Manufacturing

Natpak (Private) Limited

Guy Martell	Managing Director
Believemore Dirorimwe	Finance Director
Tamuka Kunaka	Operations Director
Khohlwani Nyoni	Managing Executive - Polywoven Division
Kelvin Muchopa	Managing Executive - Flexibles Division
Richard Morgan	Managing Executive - Rigids Division

Alpha Packaging (Private) Limited

Michael Ferreira	Managing Director
Michael Dunn	Operations Director
Ivan Katsiri	Finance Manager

Probrands (Private) Limited

Calum Philip	Managing Director
Nqobani Mthethwa	Finance Director
Thomas Wallace	General Manager
Getrude Shumba	Route-To-Market Executive
Chiedza Makomva	Marketing Executive
Rory Fahy	Condiments Coordinator
James Manguwo	Finance Manager

Prodairy (Private) Limited

Calum Philip	Managing Director
Nqobani Mthethwa	Finance Director
Stacey Jackson	Operations Executive
Ishmael Mtema	Route-To-Market Executive
Chiedza Makomva	Marketing Executive
Rutendo Makunike	Warehouse & Distribution Executive

Other Light Manufacturing

Probottlers (Private) Limited

Christo Botha	Managing Director
Rory Harley	Operations Executive
Cloudius Zihura	Finance Manager
Sean Smith	Route-To-Market Executive

The Buffalo Brewing Company

Richard Mann	Managing Director
Tapiwa Zvarevashe	Finance Manager

Prodistribution (Private) Limited

Onward Nyabadza	Distribution Director
Evans Kaklamanis	Transport Manager
Evelyn Banga	Accountant

Sabi Thorn

Johan Van Der Riet	Managing Director
Kirsten Pistorius	Chief Operations Officer
Phyllis Chishapira	Finance Manager

Saxin

Andrew Dobson	Managing Director
Terrence Duncan	Chief Operations Officer

Risk Management

Group Strategic Approach

The Board is ultimately responsible for governance of risk management across the Group. The Board achieves this through the Audit & Risk and the Finance & Investment Committees as well as independent divisional or subsidiary boards.

The responsibilities of each of the committees are provided on **page 102**. Our approach to risk management is structured on Enterprise Risk, Finance and Internal Controls Risk as well as Environmental Risk.

Enterprise Risk Management

Management of Enterprise Risk is based on effective leadership provided by the Board through Executive, Audit & Risk and the Finance & Investment Committees. The Board reviews all material business and financial risks to provide sound decisions and targets for implementation. The Group uses the following instruments and approaches to risk management:

- Maintaining being certified for the International Management System Standards (MSS) of ISO 9001 (Quality Management), ISO 17025 (General requirements for the competence of testing and calibration laboratories) and FSSC 22000 (Food Safety System Certification)/ ISO 22000 (Food Safety Management) in some business units;
- Supplier and/or customer compliance audits;
- Safety, Health, Environment and Quality (SHEQ) policies;
- Providing effective leadership to ensure all forms of risks are identified, evaluated and monitored, and systems and processes are adapted accordingly to minimise any risks.

The Group continues to work with its companies to attain other Certification and Standards where appropriate.

Financial and Internal Control Risk

The Audit & Risk Committee plays a critical role in assisting the Board with managing internal control risk within the Group as is fully explained on **page 102** of this report.

Environmental Risk

Environmental responsibility is an important aspect of social responsibility. The Group gives high emphasis to the importance of environmental risk by being environmentally compliant. Based on a risk-based and sustainability perspective, the Group aims to avoid, reduce and mitigate environmental risks and impacts from its activities by undertaking regular environmental and occupational health & safety inspections. The results from the inspections are included in a positive feedback management cycle.

In order to be environmentally compliant, the Group adheres, among others, to the following Zimbabwean legislation:

- Accident Prevention (Workers Compensation Scheme) Notice – Statutory Instrument 68 (of 1990) Factories and Workers Act (Chapter 14:08)
- Environment Management Act – Chapter 20:27
- Environmental Management (Effluent & Solid Waste Disposal) Regulations, Statutory Instrument No. 6
- Environmental Management (Control of Hazardous Substances) (General) Regulations, 2018. Statutory Instrument 268 of 2018.
- Environmental Management (Environmental Impact Assessment & Ecosystems Regulations) Statutory Instrument No. 7 of 2007
- Labour Act (Chapter 20:01)
- NSSA Act of 1989, Chapter 17: 04 (Social Security Schemes for the provision of benefits to all employees)

Another aspect of environmental risk is the impact of climate change on the businesses. Examples are drought leading to decreased cropping, decreased ground water supplies to industries, increased temperatures and extreme events such as flooding. From a global perspective, any impact of climate change further afield can create uncertainty by affecting the Group's supply chain. Resilience to disruptions in our supply chain is therefore being given priority going forwards to mitigate any potential socio-economic impacts.

05

Sustainability in Our Value Chain

Sustainability Strategy and Governance

Group Strategic Approach

Sustainability continues to be firmly embedded into the Group's corporate strategy. We recognise that sustainability is a significant driver to how we manage operational risk and drive the strategic positioning of the Group for long-term business success.

By integrating sustainability in our operational decision making and business strategy, we are able to identify potential risks and opportunities. Our sustainability strategy is to ensure that we minimise negative impacts and related costs on the business and on our stakeholders, particularly those related to impacts on the environment and society, through ensuring that there is a good balance with economic success.

Our sustainability strategy is implemented by adhering to international best practice and standards held by the Group companies, which include the International Management System Standards (MSS) of ISO 9001 (Quality Management System), ISO 22000 (Food Safety Management System), ISO 14001: 2015 (Environmental Management System); ISO 45001: 2018 (Occupational Health & Safety Management System); ISO 17025 (Competence of testing and calibration laboratories); and FSSC 22000 (Food Safety Management) to manage environmental and social issues in many of the Group's companies.

In addition, the Group places great emphasis on compliance with local laws, regulations and requirements in the places we operate. Furthermore, the Group keeps track of protocols and commitments adopted or signed by the Government, which have a bearing on business sustainability such as the Sustainable Development Goals (SDGs) and Climate Change (CC).

Principles and Considerations

The Group's organisational governance is based on the principles of social responsibility which is incorporated into the Group's decision making and implementation processes. These principles include:

- accountability for our impacts on society, the economy and the environment;
- transparency for our decisions and activities that impact on society and the environment;
- ethical behaviour where our behaviour should be based on the values of honesty, equity and integrity;
- respect for stakeholder interests whereby the Group respects, considers and responds to the interests of its stakeholders;
- respect for the rule of law where the Group accepts that respect of the rule of law is mandatory;
- respect for the international norms of behaviour while adhering to the principle of respect for the rule of law;
- respect for human rights, both for their importance and their universality, promoting the rights set out in the International Bill of Human Rights;
- respect the welfare of animals, when affecting their lives and existence, including by providing decent conditions for keeping, breeding, producing, transporting and using animals.

Governance

Our sustainability management is structured into two levels, starting at the company level all the way to the Group. We have sustainability teams set up in all our companies, tasked with identification, evaluation and assisting in managing our sustainability impacts on economic, environmental and social issues. In addition, the teams are responsible for monitoring and evaluating systems from which data is collected to ensure quality and reliability.

Sustainability Strategy and Governance (continued)

Inclusivity and Responsiveness

The Group respects, considers and responds to the interests of its stakeholders. Although the Group's objectives may be limited to the interests of its owners, members and customers, other individuals or groups also have rights, claims or specific interests that we take into account.

We

- identify our stakeholders;
- recognise and have due regard for the interests as well as the legal rights of our stakeholders and respond to their expressed concerns;
- assess and take into account the relative ability of stakeholders to contact, engage with and influence the Group
- take into account the relation of our stakeholders' interests to the broader expectations of society and to sustainable development, as well as the nature of the stakeholders' relationship with the Group
- consider the views of stakeholders whose interests are likely to be affected by a decision or activity even if they have no formal role in the governance of the Group or are unaware of our interests.

The Group understands the relationship between the stakeholders' interests that are affected by the Group, on the one hand, and the expectations of society on the other. Although stakeholders are part of society, they may have an interest that is not consistent with the expectations of society nor have socially responsible behaviour.

Supply Chain

Our corporate strategy is to maintain a sustainable supply chain which thrives on shared values. Supply chain management is a critical component in our business value chain and sustains our brand name and image. Therefore, the Group provides systems which ensure that all suppliers are screened on their track record and consideration of sustainability issues such as their policies on the environment, social welfare, anti-corruption, statutory compliance and human rights. The Group ensures that most of our suppliers share our common values for sustainability in our value chain. Appropriate training and support is provided to ensure quality standards and expectations are met.

Sustainable Capital Management

The Group recognises that it is critical to apply integrated thinking in the manner in which we manage the capitals of our business. The Group considers natural, human, intellectual, financial, manufacturing and social relations as capital input into our business model. Therefore, sustainable management of this capital remains a critical aspect of our business strategy formulation and execution, for creating and sustaining business value for our shareholders and stakeholders in the short and long-term.

Our sustainability strategy is to ensure that we minimise negative impacts and related costs on the business and on our stakeholders, particularly those related to impacts on the environment.

Sustainability Achievements

Key Sustainability Successes within the Group

The following are the key sustainability successes of 2022 within the Group's businesses:

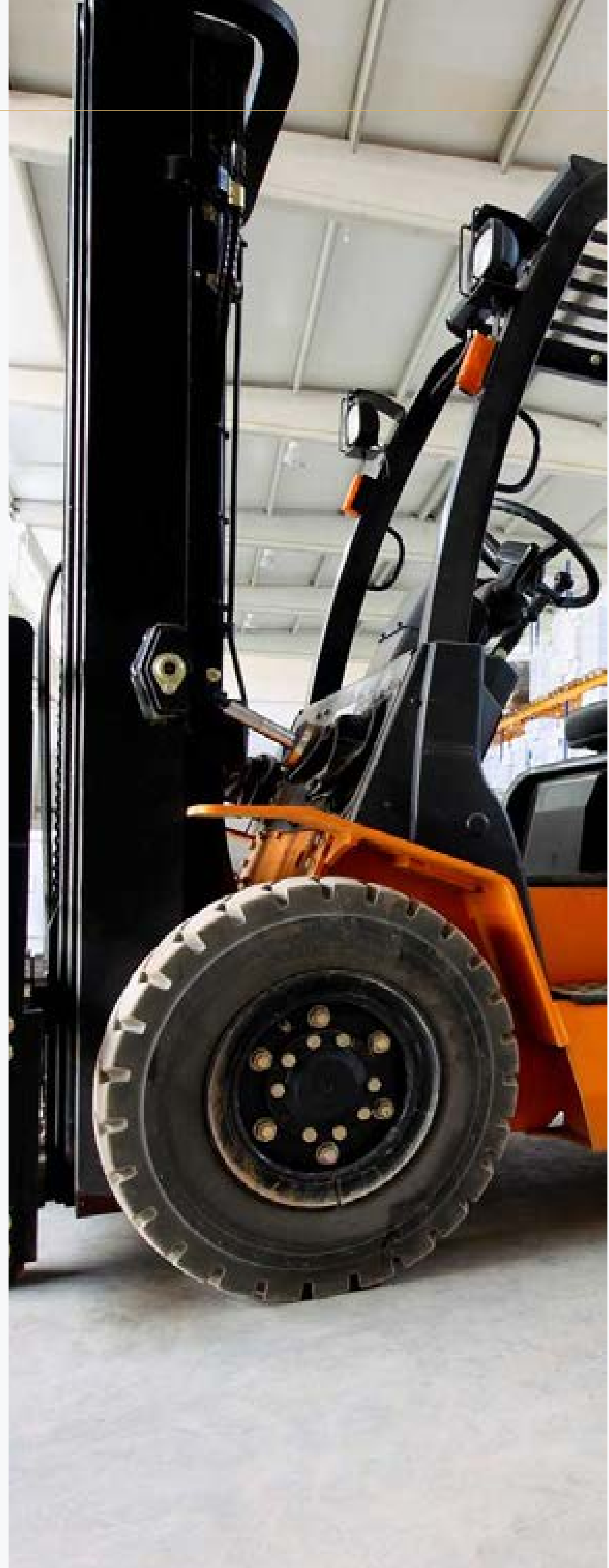
- **FSSC 22000 Food Safety Management Certification – National Foods**
  National Foods joined the Group's businesses certified for FSSC 22000 certification, which emphasised the Group's commitment to providing consumers with quality product from factories that meet global safety, hygiene and quality requirements. National Foods applied for this certification specifically for its baby food range and was accredited the certification in June 2022.

- **The Coca Cola Company Supplier Guiding Principles technical assessment – Natpak**
  In 2021 Natpak was successfully audited by The Coca Cola Company for compliance with its Coca Cola Supplier Guiding Principles and passed the technical assessment for conditional supplier status. Throughout 2022 Natpak was continuously audited with a review for unconditional supplier status due in August 2022.

- **Water Recycling Project – Irvine's**
  Irvine's has embarked on a water recycling project to mitigate against drought and to reduce the amount of water used during its operations. The project will be completed in five phases and is expected to be completed by 2025. Phase 1 is in progress and involved the procurement and installation of coarse and fine screens to filter water. Concurrently, changes in water usage procedures have been introduced which have also contributed towards reducing the total amount of water used.

- **Solar Energy**
  During the course of 2022, five businesses have joined AMP Meats and Alpha Packaging by installing solar power at their businesses:

a. **Profeeds** – solar power has been installed at seven out of forty-seven stores throughout the country to ensure continuous supply of electricity, and to save on energy.
b. **Colcom** – solar power used to support its IT server.
c. **Mafuro Farming** – solar power is used to run the office buildings.
d. **IAL Head Office** – solar power provides 50% of its electricity requirements.
e. **Providence Human Capital** – All offices and health facilities are running on solar. In partnership with a solar company, Providence has extended solar loan facilities to its employees.



- **Supplementary solar for refrigeration – AMP Meats**
  AMP Meats started the trials on solar powered refrigeration containers at the AMP Shop at the start of 2022 and has managed to produce a total of 5 764 kWh of electricity during 2022. AMP Meats is considering rolling this initiative throughout its 46 stores across the country.

- **Electric forklifts – Natpak**
  Natpak has started to change from using diesel to electric forklifts in its factories to improve the air quality in the work environment. Currently four out of its six forklifts are electric and the two remaining diesel forklifts are not used in the production areas.

- **New Packaging – Prodairy**
  In January 2022 Prodairy launched its new Tetra Edge packaging, which is made of 88% natural renewable plant based resources. This includes the screw cap and coating of its cartons, which have been certified by the international not for-profit, multi stakeholder governance group, Bonsucro, as they are made from byproducts from sustainable sugar cane production. The paper used in the Tetra Edge packaging is FSC (Forest Stewardship Council) certified, sourced from responsibly managed forests and other controlled sources.

ZERO WASTE

- **Zero waste philosophy – National Foods**
  National Foods' zero waste philosophy continued to be made possible as a result of its cyclonic boilers in Harare and Bulawayo, which recover energy by incinerating waste, such as used plastic sacks, at high temperature to produce the steam required for processing its stockfeed products. This is done in a manner that maintain air emissions within its current green band, as set in its emissions permit. During 2022, a total of 482 tonnes of non-recyclable waste was incinerated at the boilers.

  Profeeds started using National Foods' Harare cyclonic boiler by sending 30 tonnes of the 482 tonnes of suitable waste to the boiler, reducing its waste to landfill and National Foods' reliance on coal.

Brenda Kandiero - Head of Technical doing farm visits

Sustainability Achievements (continued)

Key Sustainability Successes within the Group (continued)

- **Recycling initiatives – Natpak & Alpha Packaging**
  Natpak and Alpha Packaging continued with their successful recycling initiatives. Natpak installed a pelletiser, vibrator and drier to improve the efficiency of its recycling plant and quality of the final products. Industrial plastic waste, both internal and external, is recycled into pellets. These are used internally for making black sheeting and also sold to other players in the industry. During 2022, 713 tonnes of recycled waste was recycled at the plant.

  Natpak also launched a new initiative whereby they collect plastics from their clients. During 2022, 17.2 tonnes of recyclable plastic was collected.

  Alpha Packaging continued to produce egg trays from 100% waste paper. A total of 743 tonnes of recycled paper was used in 2022.

- **Contract Grower Programme – Irvine's**
  Irvine's continued its outgrower programme with 26 independent farmers who supply its processing plant with birds for slaughter. 100% of the broiler chickens processed at Irvine's are grown by contract farmers.

- **Support for local farmers – Profeeds & Nutrimaster**
  Profeeds and Nutrimaster continued to provide an agri-solution for all its customers, who are mainly small-scale farmers, by providing training, agricultural and technical support advice to their customers as well as providing a one-stop shopping service in the areas they operate. This increased local economy transactions and ultimately encouraged local growth.

- **Women's Projects**
  The Group continued to support groups that empower women in their local communities.

- **Provision of healthcare – Providence Health**
  Providence Health through its fourteen clinics, continued to support the Group's employees and their dependents through the provision of healthcare services as well as assisting on the management of the COVID-19 pandemic as is further detailed on **page 169.**

- **Community Skills Development within the Group**
  The Group in total provided job training opportunities to 158 young people in the form of graduate traineeships, internships, attachments and/ or apprenticeships. Of the 158 students, 45% were women.

- **Licensed to administer COVID-19 vaccinations – Providence Health**
  Providence Health played a significant role in the national roll out of the COVID-19 vaccinations and boosters in Zimbabwe during 2022. Via its clinics as well as site visits to Group company premises, Providence Health was very much instrumental in the COVID-19 vaccination and booster campaign for the employees of the Group.

- **School Education – Irvine's & Colcom**
  Irvine's and Colcom continued to provide access to education for employees' families and local communities through the provision of primary education at schools located on their farms or by transporting the children to schools within its local area.

Sustainable Development Goals

The Sustainable Development Goals (SDGs) are 17 goals that all United Nations (UN) Member States have agreed to work towards achieving by the year 2030.

They set out a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity. They reaffirm the United Nations' international commitment to involve everyone to build a more sustainable, safer, more prosperous planet for the future of all humanity.

Within the Group, the following seven SDGs have been identified as goals, which align with the ten national priority SDGs adopted by the Government of Zimbabwe. The Group strives to fulfil the following SDGs through its actions:

SDG	Theme	Our Business Response(s)
3 GOOD HEALTH AND WELL BEING	Ensure healthy lives and promote well-being for all at all ages.	• All of our staff and many of our staff families are given access to medical facilities provided either by onsite Providence Health clinics or through alliance with providers of medical services. • Operations of our Group located in farming communities, provide assistance to families of staff members to have access to health care. • The Group continued to respond to the COVID-19 pandemic and medical health needs with an investment of more than US$1.2 million to keep its employees and the respective communities safe.
4 QUALITY EDUCATION	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.	• Through our internship programs, training sessions for small scale farmers, continual improvement training and courses for our staff the Group aims to improve not only our productivity and sustainability, but ensure those in our sphere of influence are positively impacted by our operations. • Operations of our Group located in farming communities, provide assistance where possible to ensure families of staff members have access to education. • The Group supports a number of schools across the country by providing learning material, food donations and sporting equipment.

Sustainable Development Goals (continued)

SDG	Theme	Our Business Response(s)
6 CLEAN WATER AND SANITATION	Ensure availability and sustainable management of water and sanitation for all.	• Reducing water usage is a key priority for the Group with businesses monitoring their water usage and implementing water savings schemes wherever possible. • Clean potable water provision is a priority at all our facilities with regular inspections to ensure the health of our workers and customers is not compromised. • Effluent monitoring and management is being performed to ensure our facilities do not contaminate clean water systems.
7 AFFORDABLE AND CLEAN ENERGY	Ensure access to affordable, reliable, sustainable and modern energy for all.	• Our policy is to minimise energy usage wherever possible. • Through detailed monitoring and reporting systems, the Group is developing energy savings strategies. • We aim to use the most energy efficient and newest technologies for our expansion projects with energy efficiency being a major contributing factor to our equipment selection.
8 DECENT WORK AND ECONOMIC GROWTH	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.	• With economic growth being key to our expansion and investment goals, we aim to improve not only the quality of life for those directly in the employment of the Group, but also through the implementation of procurement systems, improve the job quality, lifestyles and sustainability of our wider sphere of influence, also involving a progressive move to inclusive business.
15 LIFE ON LAND	Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.	• Through our contract farming schemes, out-grower programmes and training sessions run by our businesses, we aim to educate and positively influence farmers to protect biodiversity wherever possible, by protecting natural woodlands, wetlands, rivers and and providing farmers with the best in class advice on animal husbandry.
16 PEACE, JUSTICE AND STRONG INSTITUTIONS	Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.	• The Group's corporate governance policies and procedures are designed to ensure accountability at all levels within our Group.

Sustainability in Our Value Chain

STAKEHOLDER ENGAGEMENTS

Overview

Stakeholder engagement assists the Group address its social responsibility by providing an informed basis for its decisions.

The Group has a proactive and planned approach to stakeholder engagement based on our vision of creating and unlocking value for all our stakeholders. The Group's approach to stakeholder engagement is that each business is responsible for managing its stakeholders by developing a concrete relationship that is based on trust and transparency.

Principles

At Group level, all material issues and topics are assessed for their relevance and impacts on the Group's broad stakeholders, corporate strategy and national context in relation to economic, environmental and social aspects. We achieve sustainable business success, by creating partnerships with all our stakeholders. Maintaining sustainable stakeholder relationships based on shared values of honesty, inclusivity and responsiveness contribute to trust and strong relational capital for the Group. Our stakeholder engagement strategy integrates with our risk and business development management.

Categories of Our Stakeholders

The Group's stakeholder engagement framework categorises our stakeholders into internal and external:

- **Internal Stakeholders:**
  These are mostly employees and shareholders.
  The Group values employees as critical parts of its business model and strives to support their welfare and provide a conducive workplace. Our shareholders provide the financial capital for sustaining the business, hence we work to provide sustainable returns to their investment.

- **External Stakeholders:**
  These comprise mostly, Customers, Suppliers, Financial Institution, Communities, Regulators and Government, Non-Profit Organisations and Business Partners.
  The Group values its external stakeholders and is committed to providing the best possible products and services by ensuring that we continue to apply good quality, safety, social, environmental and health management practices across our business value chain.

Stakeholder Engagement Process

As part of the Group's Stakeholder Engagement Process, each business within the Group records the engagements it has with its key stakeholders. This provides an overview of the issues at hand, allowing a business to respond with mitigating actions to resolve any grievances. The Group engages on a regular basis with its key stakeholders to encourage a transparent relationship that is based on trust.

Sustainability in Our Value Chain (continued)

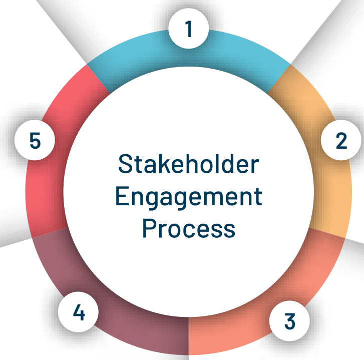
During the course of 2022, the following five key topics were identified as affecting the Group as an entity when engaging with its stakeholders:

Wages & Salaries

Due to the prevailing socio-economic environment, in-house negotiations through Workers Councils and collective bargaining meetings were held with National Employment Councils (NEC), trade unions and regulatory authorities. Collective Bargaining Agreements were reached.

Import of Raw Materials

Regulatory authorities took note of concerns expressed that reduce the viability of business operations such as the economic constraints on importing raw materials.



Staff Welfare

In-house staff welfare issues involving staff benefits and cost of living adjustments were deliberated upon. These were reviewed in consultations with employee representatives.

Economic Challenges

Meetings were held with regulatory authorities for the sharing of the impact of monetary policies and price controls. Regulatory authorities took note of concerns expressed.

Health & Safety

Health and safety risk assessments were conducted while staff also brought some concerns to the attention of management. All health and safety issues and concerns were addressed.

HUMAN RIGHTS

Overview

Human rights are inherent, inalienable and universal entitlements for every human that are interrelated, interdependent and indivisible and guaranteed by law.

The Group respects human rights and has the responsibility to ensure that human rights are respected across its sphere of influence.

Principles

The Group strives to fulfill the human rights expectations of all its stakeholders. We recognise the provisions of the Bill of Rights in the Constitution of Zimbabwe and are guided by the United Nations Guiding Principles on Business and Human Rights (UNGP).

The Group monitors potential human rights risks in its business conduct, practices and engagements with employees, customers and other stakeholders. All business units conduct human rights assessments to determine potential human rights risks for the purpose of providing commensurate management measures for their prevention, reduction and redress. During the reporting year, no material human rights violation issues were brought to the attention of management.

We acknowledge the necessity for a commitment to avoiding violations of rights in respect of:

- freedom of association and the right to collective bargaining;
- the elimination of compulsory labour;
- the abolition of child labour; and
- the elimination of discrimination in respect of employment and occupation.

Sustainability in Our Value Chain (continued)

HUMAN CAPITAL

Overview

The Group aims to attract and retain talented and passionate people for our businesses and support them in their skills and knowledge development.

Our businesses create a working environment which values our employees as partners in fulfilling the Group's mission, founded on mutual trust, respect and dedication to performance, quality, and respect for each other.

Principles

The Group is led by a highly motivated executive, management and support teams that help the Group achieve its corporate strategy and goals. To achieve this, the Group focuses on creating working conditions that inspire our employees to achieve set targets. Our businesses are strongly committed to labour and social standards that attract and retain excellent people and leaders whom we continue to develop through long life learning and support.

The Group provides employment opportunities through various forms that include short-term contracts, casual positions, fixed-term contracts and full time or permanent positions. These opportunities are managed through adherence to local and international labour regulations and legislations. Our employees are free to be members of a trade union of their choice.

In 2022, the Group employed a total of 10 629 staff of which 47% were in permanent employment and 53% as contract staff.

Employee Gender Ratios

The Group places much emphasis on employing women within its businesses increasing women represented to 21% of total workforce in 2022 from 19% in 2021.

Total Employees Gender Ratio

	Unit	2022	2021	2020	2019	2018
Male	Count	8 463	7 101	6 259	6 410	6 207
Female	Count	2 166	1 704	1 320	1 320	1 359
Total Employees		10 629	8 805	7 579	7 730	7 566
% Female		21%	19%	17%	17%	18%

Safety Health Environment and Quality Control Team from left to right:
Tapiwa Charosa, Tendai Zinyemba, Phephelapia Murehwa, Hlophani Mleya, Lucky Mupomhori, Nicky Dube and Caroline Simango

Sustainability in Our Value Chain (continued)

National Foods Long Service Awards from left to right
[1]Needmore Nyika (40 years), [2]Barnabas Tekeshe (41 years), [3]Rueben Meya (40 years), [4]Loyce Nyikadzawanda (41 years) and [5]Philemon Mugure (40 years)

Long Service Awards

The Group's philosophy of creating a working environment that values its employees as partners is reflected in the number of staff who have crossed the milestone of working for one of the businesses for 10 years or more during 2022.

432 members of staff reached the milestone of working for one of the businesses for more than 10 years. Commendably, seven members of staff crossed the amazing milestone of working for a business for more than 40 years (National Foods, Irvine's, Colcom and Natpak) while two members of staff at Colcom crossed the 45 years milestone. 13% of the awards were presented to women.

Number of Employees crossing each Milestone in 2022

	Male	Female	Total
More than 10 years	236	43	279
More than 15 years	56	5	61
More than 20 years	31	8	39
More than 25 years	26	2	28
More than 30 years	8	–	8
More than 35 years	8	–	8
More than 40 years	7	–	7
More than 45 years	2	–	2
Grand Total	374	58	432

Sustainability in Our Value Chain (continued)

Occupational Health & Safety

Overview

> The Group considers health and safety in our work place critical to all our businesses. Any incidences are treated seriously and receive the necessary attention.

Regular audits are conducted to ensure safety measures are in place at all times and appropriate training conducted to ensure that all employees are aware of health and safety issues. The Group's policy is to ensure incidences are kept as low as possible.

Number of injuries

	Unit	2022	2021	2020	2019	2018
Total Number of Injuries	Incidences	507	420	405	317	260

The Group sustained a total of 507 injuries during the reporting year, resulting in 1 762 days lost to injury (LTI) and approximating 14 096 working hours. The businesses continue to give reinforcement training on the standard operating procedures (SOPs) specifically aimed at reducing the number of injuries sustained in the workplace.

During the year, the various businesses provided their staff with safety training, which included the following topics:

- Occupational Health & Safety, e.g. ISO 45000
- Emergency preparedness and response
- Incident reporting and basic emergency procedures
- Fire prevention and firefighting procedure
- First aid
- Spills response
- Chemical usage safety
- High voltage switch
- Occupational health risk assessment
- Lifting techniques
- Machine operating
- In-house driver
- Laboratory testing
- Waste management

The Group's commitment to health, safety and welfare for all of its employees requires all businesses to ensure that they adopt and apply best practice at all times. During the year, the following training was provided by Providence Human Capital's Research, Training & Development department on employee wellness and training selected staff as First Aiders:

- COVID-19 awareness
- First aid training
- Breast cancer awareness
- Mental health care
- Nurse aid

Sustainability in Our Value Chain (continued)

Healthcare for Employees and their Dependents

Overview

> The Group looks after the health and welfare of its employees by providing primary healthcare for all either through on-site medical facilities or through cooperation with Providence Health who provide a corporate wellness program for the Group's employees and their dependents.

Five of the businesses in the Group have clinics or medical facilities on site, while the other businesses obtain healthcare support for the employees and their dependents through Providence Health Clinics in various cities and towns throughout Zimbabwe.

During 2022 the various medical facilities reported a total of 32 988 visits from employees and 11 516 visits from dependents, highlighting the value of these medical facilities for staff and their families. Due to the COVID-19 pandemic, there was a further lockdown at the start of the financial year that resulted in some of the clinics offering virtual consultations only. These numbers have not been included in this year's numbers of treatments given.

On the farms, however, the clinics at Irvine's and Triple C Pigs (Colcom Group) saw an increase of 49% in the number of clinic visits, as the pandemic heightened the requests for medical attention.

The table below presents the number of visits recorded at the various on-site medical facilities as well as at the Providence Health Clinics throughout Zimbabwe during 2022.

Total number of visits recorded at the on-site clinics

Individual Clinics	Total number of of clinic visits made by employees	Total number of of clinic visits made by dependents	Total 2022	Total 2021
National Foods	1 780	–	**1 780**	4 808
Irvine's	9 584	2 134	**11 718**	10 678
Colcom	3 523	5 471	**8 994**	3 257
AMP Meats	537	–	**537**	364
Natpak	865	–	**835**	1 415
TOTAL	16 289	7 605	23 894	20 522

Total number of visits recorded at the Providence Health Clinics

Providence Health Clinics	Total number of visits by Employees in FY 2022	Total number of visits by Dependents in FY 2022	Total 2022	Total 2021
PHC Clinic Harare	12 049	3 306	**15 355**	5 740
PHC Clinic Bulawayo	3 071	266	**3 337**	435
PHC Clinic Mutare	808	283	**1 091**	–
PHC Clinic Masvingo	263	20	**283**	–
PHC Clinic Gwanda	25	–	**25**	–
PHC Clinic Gweru	188	8	**196**	–
PHC Clinic Kadoma	46	15	**61**	–
PHC Clinic Kwekwe	249	13	**262**	–
TOTAL	16 699	3 911	20 610	6 175
GRAND TOTAL	32 988	11 516	44 504	26 697

Sustainability in Our Value Chain (continued)

Healthcare for Employees and their Dependents (continued)

COVID-19 Support

In 2022 Providence Health continued to provide the Group with invaluable support to be able to cope with the COVID-19 pandemic with the principal aim of keeping all employees, their dependents and customers safe.

Providence Health received a licence to administer COVID-19 vaccinations at Providence Health's clinics and were instrumental in the COVID-19 vaccination and booster campaign for both employees and dependents.

The Group recognised its COVID-19 Champions from Providence Health who played a significant role during the pandemic including putting their lives at risk to save and service the Group's employees and their dependents.

The Group COVID-19 Champions from left to right: Dr Absolom Dube, Dr Tapiwanashe Kusotera, Mrs Buhle Ndlovu-Maboyi, Dr Chipo Ndudzo, Sister Jane Vundla. Dr Paidamoyo Ndudzo-Gurupira and Nurse Mr Fungai Chihuri

Sustainability in Our Value Chain (continued)

Human Development and training in the workplace

Empowerment through learning is part of the Group's philosophy of empowering employees by providing opportunities to attend relevant training courses and programmes to advance their knowledge and skills.

Training and Development benefits our business value chain by ensuring that our operations maintain the highest standards and skills. Our life learning and development opportunities are available through internal and external training activities in an equitable manner.

On the job training was conducted on the following subjects:
- Quality control management system
- Product quality control
- Supply chain management
- Food safety management system, e.g. FSSC 22000 (Food Safety Management)
- Hazard Analysis and Critical Control Point (HACCP) in Food Safety Awareness
- SHEQ
- SADMA Milling Course
- ACCA
- Annual account & cycle planning
- Tax
- Pastel software
- Computer software, e.g. Microsoft Excel
- Workplace relationships
- Workplace performance
- Communication
- Customer care
- Handling customer complaints
- Project management
- Supervisory and management
- Time management
- Business appreciation
- Sales management
- Retirement counselling

Sustainability in Our Value Chain (continued)

The Environment

The Group's decisions and activities have an impact on the environment. The impacts arises from the Group's use of resources, location of the Group's activities, the generation of pollution and waste, and the impact of the Group's activities on natural habitats.

To reduce its environmental impacts, the Group adopted an integrated approach that takes into consideration the direct and indirect economic, social, health and environmental implications of its decisions and activities.

Principles

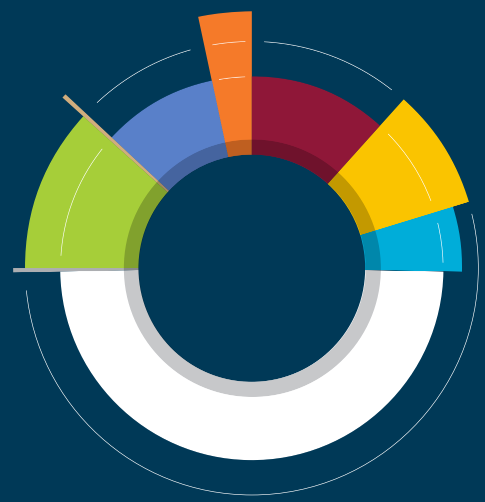
Environmental stewardship is a key responsibility of our management, which carries both financial and physical risks. The Group ensures that its operations comply with environmental laws, voluntary and international best practices and standards to avoid, minimise and mitigate negative impacts on the biodiversity, ecosystems and the climate. The Group calculates its carbon footprint in order to understand its current impact on climate change, allowing it to establish and to optimise the Group's use of resources while minimising its environmental impacts and reducing long term risks.

Waste Management

The Group is committed to reduce the amount of waste deposited at landfills and to increase the Group's commitment to the 4 R's, (Reduce, Re-use, Recycle and Recover), the zero-waste philosophy and Best Environmental Option (BEO) approach to managing waste with the safe and responsible disposal of residual waste.

During the year, the Group produced a total of 14 864 tonnes of waste, of which 11.76% was disposed at landfills, 49.37% of the Group's waste was suitable for use on farms with the majority being chicken manure which was used as organic fertiliser. 11.71% was plastics and 5.09% paper or cardboard waste that was recycled. During the reporting year 482 tonnes of waste was incinerated in the National Foods' cyclonic boiler; an increase of 50% on 2021.

Total Waste by Type (%)



Waste to Landfill	11.72%
Biological Waste rendered	8.60%
Paper and Cardboard	5.09%
Organic waste to farmers	49.37%
Scrap Metal	0.43%
Plastics	11.71%
Tetra Pak	0.29%
Coal Ash	9.65%
Waste to Boiler	3.14%

Recycled Waste

Natpak through its recently installed chipping machine crushes branded plastic waste to chips, which are bought by small enterprises for their plastic moulding machines.

The corrugated box manufacturer, Alpha Packaging, recycled waste cardboard and recycled paper to make mulch to produce egg trays, while Probrands recycled 7.8 tonnes of plastic and 7.2 tonnes of cardboard boxes in the past year through local enterprises. Irvine's produced 6 224 tonnes of chicken manure which farmers use as organic fertilisers while 1 319 tonnes of rendered biological waste was used in pet food.

For plastics, which are non-recyclable and are not halogenated, National Foods' cyclonic boilers are the best waste disposal solution turning waste into energy, within permitted air pollution parameters. During 2022 Profeeds sent 30 tonnes of waste to the cyclonic boilers further reducing the amount of waste into landfills.

Sustainable Resource Use

Energy Consumption – within the Group

Energy Type	Unit	2022	2021	2020	2019	2018
Electricity	MWh	133 637	98 099	80 210*	100 272	93 569
Coal used for heating	Tons	9 136	8 159	7 203*	5 895*	5 133*
Diesel used for Ovens & Boilers	Litres	5 573 098	6 810 447	6 070 305*	5 892 984*	5 620 494*
Diesel for Generators only	Litres	1 982 592	–	–	–	–
Total Diesel	Litres	7 555 690	6 810 447	6 070 305*	5 892 984*	5 620 494*

*Data was re-evaluated in conformity with standard measurements.

Energy Consumption – outside the Group

Energy Type	Unit	2022	2021	2020	2019	2018
Diesel	Litres	6 492 150	6 003 334	6 736 479	7 177 527	5 965 820
Petrol	Litres	339 000	1 178 488	849 662	524 646	596 011
Total	Litres	6 831 150	7 181 822	7 586 141	7 702 173	6 561 831

Sustainability in Our Value Chain (continued)

Sustainable Resource Use (continued)

Overview

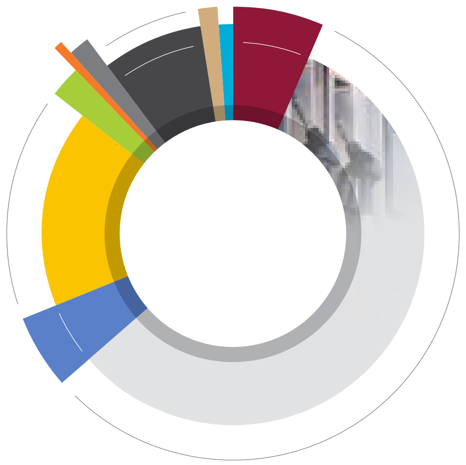
> Efficiency in the use of materials is key to the Group's objective to reduce our negative environmental impact as well as a driver for profitability.

By setting objectives with corresponding targets, each business is working towards optimising the use of natural resources with the aim to improve the efficiency of production processes and systems. The efficient use of resources translates to reduce cost of production as well as reduce negative impacts on the environment.

Total Electricity Usage by Business (%)

National Foods	40.52%
Baker's Inn	12.58%
Profeeds	3.03%
Irvine's	6.37%
Colcom	13.12%
AMP Meats	2.37%
Probottlers	1.57%
Probrands	0.22%
Prodairy	2.88%
Mafuro Farming	3.96%
Natpak	12.28%
Alpha Packaging	1.10%

Total Diesel Usage by Business (%) (excluding diesel used for generators)

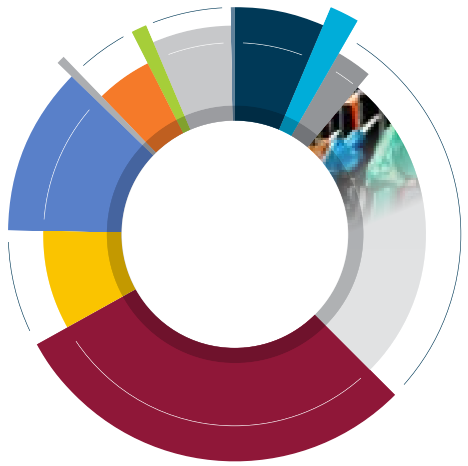


National Foods	6.49%
Baker's Inn	57.38%
Profeeds	5.19%
Irvine's	0.00%
Colcom	16.57%
AMP Meats	2.17%
Probottlers	0.81%
Probrands	1.33%
Prodairy	7.75%
Mafuro Farming	1.27%
Natpak	0.19%
Alpha Packaging	0.85%

Sustainability in Our Value Chain (continued)

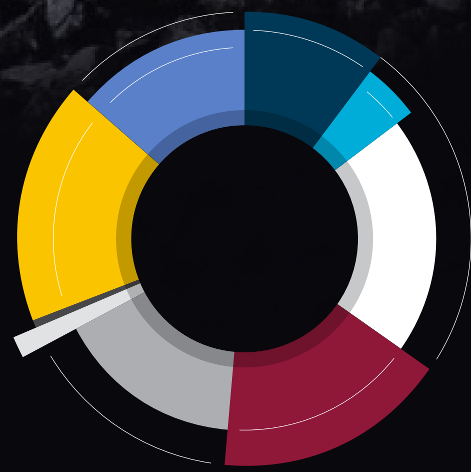
The Innscor Group of businesses recorded 1 982 593 liters of diesel used to run generators as a result of power outages.

Total Diesel Usage by Business to run Generators only (%)



National Foods	6.55%
Baker's Inn	1.89%
Profeeds	2.70%
Irvine's	26.36%
Colcom	29.62%
AMP Meats	8.24%
Probottlers	12.08%
Probrands	0.58%
Prodairy	4.73%
Mafuro Farming	1.09%
Natpak	5.94%
Alpha Packaging	0.22%

Total Coal Usage by Business (%)

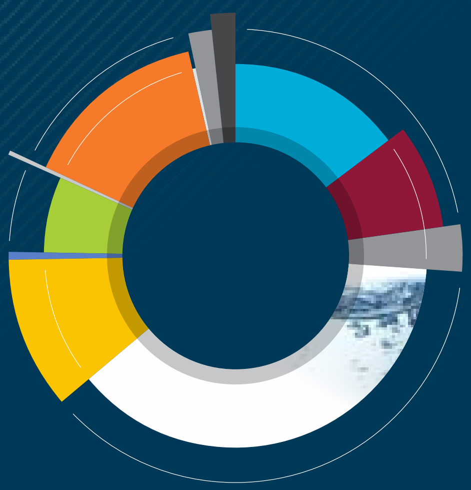


National Foods	10.44%
Baker's Inn	4.32%
Profeeds	20.02%
Irvine's	16.82%
Colcom	15.79%
AMP Meats	0.00%
Probottlers	1.25%
Probrands	0.68%
Prodairy	17.23%
Mafuro Farming	0.00%
Natpak	0.00%
Alpha Packaging	13.46%

Sustainability in Our Value Chain (continued)

Sustainable Resource Use (continued)

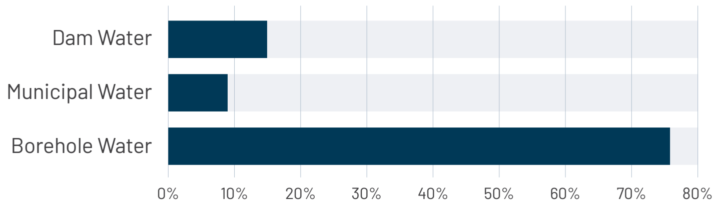
Total Water Usage by Business (%)



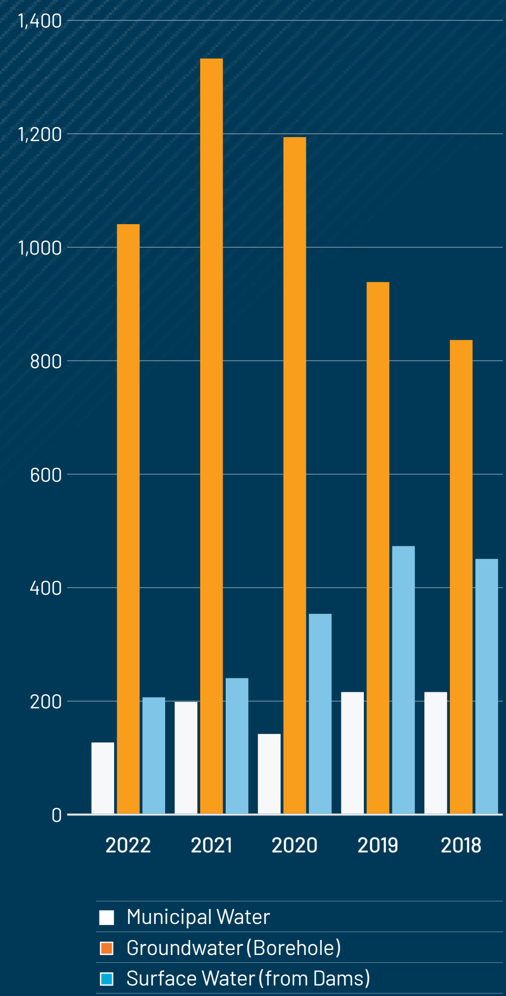
National Foods	14.84%
Baker's Inn	7.96%
Profeeds	3.55%
Irvine's	37.73%
Colcom	10.84%
AMP Meats	0.51%
Probottlers	6.37%
Probrands	0.20%
Prodairy	14.55%
Mafuro Farming	0.31%
Natpak	1.52%
Alpha Packaging	1.62%

The Group used in total 1 373 509 m³ sourced from municipal water and borehole water – as reflected in the Water Usage per Business chart below. Water being a finite and vulnerable natural resource, the Group is continuing to investigate ways to minimise our water footprint throughout the Group.

Total Water Source for the Group (%)



Group Water Consumption by Source (m^3)



As the graph above shows, the Group continues to rely heavily on borehole water, especially in the Harare area, with 76% of the Group's water being sourced from groundwater during 2022. Through the implementation of water saving measures, the Group has managed to reduce its water consumption by 22.5% compared to 2021 and by 18.8% compared to 2020.

Sustainability in Our Value Chain (continued)

Climate Change Mitigation and Adaptation

Overview

The effects of climate change have become a global concern for all businesses.

The Group recognises that its operations contribute to climate change in some way and it is therefore the Group's responsibility to ensure that its businesses respond proactively to calls for climate change protection and mitigation. On the other hand, changes in climate can in turn have an impact on the Group's businesses, particularly those that rely heavily on water and on agricultural inputs. This, potentially very important impact is recognised by the Group and is being taken into account in future business plans.

The Group anticipates that climate related changes affecting its businesses would include changes in weather patterns. The impact of climate change further afield can create uncertainty by affecting the Group's supply chain requiring that the Group adapt their supply chain strategies in order to mitigate potential disruptions.

Carbon Footprint

The Group recognises that its operations produce Greenhouse Gas emissions and reports on its carbon footprint across all its businesses. The Group continues to use the Department for Environment, Food and Rural Affairs (DEFRA) UK Government GHG (Greenhouse Gases) Conversion Factors. The information is presented as tonnes of carbon dioxide equivalent (tonnes CO_{2e}), to indicate the global warming potential (GWP) of GHGs, expressed in terms of the GWP of one unit of carbon dioxide (CO_2). The GWPs used in the calculations of CO_{2e} are based on the Intergovernmental Panel on Climate Change (IPCC) Fourth Assessment Report (AR4) over a 100-year period. Electricity carbon footprint factors are taken from those developed using IPCC factors by applying the Zimbabwean electrical grid parameters, including both renewable and non-renewable sources as found on http://emissionsfactors.com.

When reporting on GHGs, there are three scopes of emission included in the calculations:

Scope 1 Calculations including emissions from direct fuel use
Scope 2 Calculations including emissions from indirect sources – electricity
Scope 3 Calculations including indirect emissions not included in Scope 2, e.g. business travel, shipment of goods.

The Group's carbon footprint is presented below, calculated for Scope 1 and 2.

Scope 1: Direct Emissions

Scope 1 relates to direct emission arising from business activities within our control and ownership. DEFRA Greenhouse gas reporting: conversion factors 2022 were used for these calculations. The carbon footprint was calculated based on the fuel used for the production processes only. This includes the use of coal as well as diesel used to run ovens, boilers and generators.

Table: Scope 1: Direct Emissions

Emissions sources	Unit	2022	2021	2020	2019	2018
Fuels (Coal and Diesel for ovens, boilers & generators)*	tonnesCO_{2e}	42 455	38 105	33 752	30 119	27 546

* The historical data in the table above has also been recalculated using the DEFRA 2022 factors to allow the annual data be comparable with the 2022 data.

Sustainability in Our Value Chain (continued)

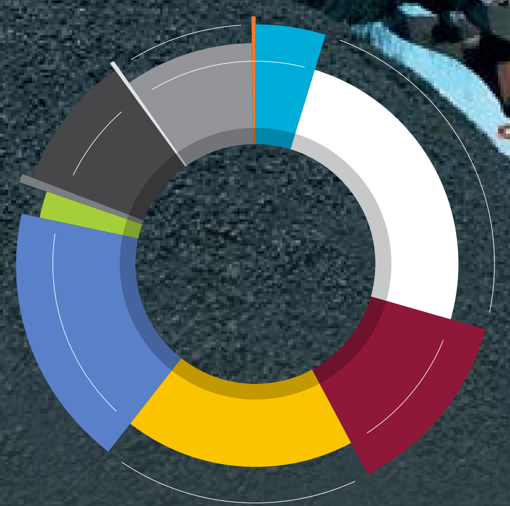
Scope 2: Indirect Emissions

Scope 2 relates to the emissions arising from the use of electricity generated by a third party or sources over which the Group has no control. The data below, including the historical data, has been calculated based on http://www.emissionsfactors.com's IPCC calculation value of 0.729770333127 kgCO_{2e}/kWh for Zimbabwe.

Table: Scope 2: indirect Emissions

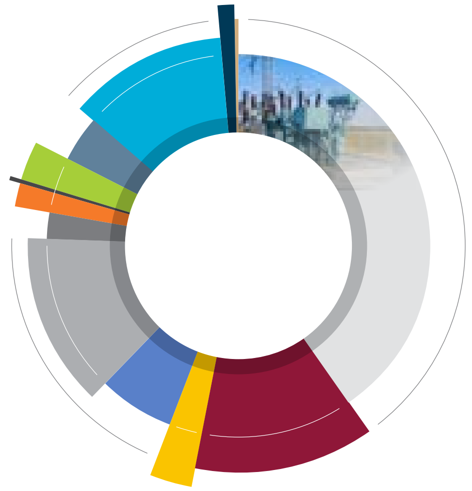
Emissions sources	Unit	2022	2021	2020	2019	2018
Electricity	tonnesCO_{2e}	97 540	71 590	58 535	73 176	68 284

Carbon Footprint for Scope 1 (Coal and Diesel for ovens, boilers & generators) by Business



National Foods	8.54%
Baker's Inn	22.81%
Profeeds	12.57%
Irvine's	12.05%
Colcom	17.80%
AMP Meats	1.81%
Probottlers	2.46%
Probrands	0.90%
Prodairy	12.28%
Mafuro Farming	0.59%
Natpak	0.82%
Alpha Packaging	7.31%
Head Office	0.08%

Carbon Footprint for Scope 2 (Electricity) by Business



National Foods	40.51%
Baker's Inn	12.58%
Profeeds	3.02%
Irvine's	6.37%
Colcom	13.12%
AMP Meats	2.37%
Probottlers	1.57%
Probrands	0.22%
Prodairy	2.88%
Mafuro Farming	3.96%
Natpak	12.28%
Alpha Packaging	1.10%
Head Office	0.02%

Sustainability in Our Value Chain (continued)

Animal Welfare

Overview

There is a growing and justifiable concern amongst many global consumers that animal, and animal-based products, are produced in accordance with minimum acceptable standards to protect both humans and animals.

Principles

The principles of animal welfare, known as the 'Five Freedoms of Animal Welfare' set by the UK Farm Animal Welfare Council, demand that animals are guaranteed the following:

- Freedom from thirst, hunger and malnutrition - by ready access to fresh water and a diet to maintain full health and vigor.
- Freedom from discomfort - by providing a suitable environment including shelter and a comfortable resting area.
- Freedom from pain, injury and disease - by prevention or rapid diagnosis and treatment.
- Freedom to express normal behavior - by providing sufficient space, proper facilities and company of the animal's own kind.
- Freedom from fear and distress - by ensuring conditions that avoid mental suffering.

The Group companies involved in animal production are Irvine's (chicken), Colcom (pigs), AMP Meats (cattle), Mafuro Farming (dairy cattle), PHI (cattle), as well as National Foods and Profeeds, who both produce animal feed. Irvine's and Colcom have stringent animal welfare programs in place.

Promoting Social Responsibility in the Value Chain

Overview

Fair operating practice is a core component of social responsibility. Fair operating practices relate to ethical conduct in the Group's dealings with other organisations, including the relationships between government agencies as well as between the Group and their partners, suppliers, contractors, customers, competitors, and the associations which Group companies are members. Behaving ethically is fundamental to establishing and sustaining legitimate and productive relationships between companies and through the promotion of social responsibility in the value chain, the Group is able to encourage other organisations to adopt similar policies.

Value chain management

The Group's strategy is to ensure that all raw materials and resource procurement is conducted in a professional and transparent manner, meeting prescribed standards and quality. Our objective is to ensure that the Group procures raw materials in a sustainable way that minimises business risk. The Group places responsibility on management to ensure sustainable supply chain management in all our businesses.

The Group's key raw materials are maize, wheat, wheat bran, soya meal and soya beans. The quantities required by the Group are significant and the table below highlights the volumes consumed each year in the production of our products.

Table: Key Raw Materials Used

Materials Used	Unit	2022	2021	2020	2019	2018
Maize & maize bran	Tons	261 036	291 656	319 957	393 849	271 581
Soya meal & bran	Tons	98 435	62 555	68 451	88 341	66 454
Wheat & wheat bran	Tons	232 285	240 082	227 147	366 204	362 298
Grand Total	Tons	591 756	594 293	615 555	848 394	700 333

The Group expects suppliers to operate in accordance with its values, adhering to national laws, international health and safety standards and ethics. We engage suppliers on our sustainability values through supplier briefings, meetings, audits and training. We provide appropriate training to ensure that suppliers meet expected quality and standards. In managing risk, our suppliers are introduced to international standards requirements and evaluation criteria so as to sustain our brands and reputation, as well as to improve their own systems.

Consumer Issues

Overview

The consumer is fundamental to the Group's business and their health and safety should not be compromised.

Protecting consumers' health and safety involves the provision of products and services that are safe and do not carry unacceptable risk of harm when used or consumed.

Principles

The Group ensures that its production facilities maintain the highest of standards that do not compromise on quality and safety of its consumers and employees. We take comprehensive preventative measures that ensure our production facilities meet the highest standards that allow responsible consumption of raw materials in our production processes. The Group adheres to the International Management System Standards (MSS) of ISO 9001 (Quality Management), ISO 17025 (Competence of Testing and Calibration Laboratories) ISO 22000 (Food Safety Management System), ISO 14001: 2015 (Environmental Management System); ISO 45000: 2018 (Occupational Health & Safety Management System and FSSC 22000 (Food Safety Management) to ensure quality and safety for our consumers and ensure the highest standards are applied in manufacturing and distribution of our products.

Fair Marketing

Fair marketing allows customers to compare products, avoid misunderstandings due to misinformation and enhances customer satisfaction. The Group continues to promote fair marketing by ensuring that all our products contain all necessary information on the product for our consumers.

Our businesses monitor and review the safety of our products through our quality control units from raw material procurement, production all the way to our customers. We do this through customer satisfaction surveys and engagements. Our businesses work continuously to ensure that our products pose no risk to our customers, consumers, employees and the environment and that they are, and are seen to be used responsibly and in the manner intended. Our companies retained or attained their ISO 9001, ISO17025, ISO 22000 and FSSC 22000 certification.

The Group continues to monitor any feedback from its customers, whether they were praises or complaints, and responds to any complaints received by rectifying the issues. Most of the businesses are using their websites, social media such as Facebook or toll free numbers to make it easier for customers to reach them to engage regarding any feedback. Generally our customers were satisfied with the quality of our products and our brands received significantly higher rankings in the market in terms of awareness and satisfaction ratings.

Sustainability in Our Value Chain (continued)

Community Involvement & Development

Overview

The Group views community involvement and development a significant value to its operations.

Community Skills Development

Education and culture are the foundations for social and economic development and part of a community's identity, on which the Group places considerable value.

The majority of the businesses within the Group give back to their communities by offering apprenticeships and/ or traineeships for young people to learn and develop skills in a working environment. The following table summarises the placements offered by each business within the Group during 2022.

The Group's strategy is to ensure that the Group supports and builds a relationship with the community in which it operates and recognises that it is a shareholder in the community, sharing common interests. The Group aims to provide economic opportunities in the value chain that help alleviate poverty and contribute towards better conditions of life for the community and individuals therein. This includes supporting the national economy through the Group's key contributions to the fiscal revenues. Our focus is on creating sustainable partnerships with communities in ways that bring long-term benefits and lead to community empowerment and economic independence.

Company	Graduate trainee	Intern / Attachment	Apprentice	Total	Percentage women
National Foods	12	–	6	18	42%
Baker's Inn	–	28	–	28	46%
Profeeds	10	–	–	10	40%
Irvine's	7	13	–	20	45%
Colcom	2	11	–	13	69%
AMP	1	6	–	7	71%
Probottlers	1	7	1	9	44%
Probrands	–	4	–	4	50%
Prodairy	8	17	–	25	52%
Mafuro Farming	–	2	–	2	0%
Natpak	4	5	6	15	27%
Alpha Packaging	–	5	2	7	17%
Total	**45**	**98**	**15**	**158**	**45%**

Sustainability in Our Value Chain (continued)

Social Investment

The Group sees community involvement and development through social investment as a significant value to its operations. The Group recognises vulnerable groups and communities within its sphere of influence that have limited capacity to realise their material needs. The Group therefore has on-going commitments for the provision of basic essentials for selected vulnerable groups. In addition to this, as part of our social responsibility program, the Group engages in inclusive business where the Group works with and empowers the disadvantaged and less privileged to become entrepreneurs involved in commercial enterprise. This is intended to reduce dependency, promote downstream industry and improve local economies.

Inclusive Business

A number of the businesses within the Group are working with local third party businesses and enterprises by increasing local procurement and outsourcing, thereby supporting local development through these economic partnerships.

During 2022 the Group has engaged in the following initiatives:

- Profeeds continued to help and empower small-scale farmers within rural communities throughout Zimbabwe by providing technical training programs on animal health and farming. Profeeds introduced "Meet the Expert" days at their stores where Profeeds technical specialists are available to answer any queries their customers might have. Nutrimaster also sponsored the "Moms are Geniuses" initiative by donating fertiliser to help support rural women farmers.
- Irvine's has partnered in the Command Livestock Agricultural Programme through the provision of 12 poultry demonstration houses, which have a capacity of 2 500 broilers each, complete with equipment, in each province of Zimbabwe. Irvine's prides itself in contributing towards the local empowerment of poultry farmers in Zimbabwe.
- As part of Irvine's out-grower programme, 26 independent farmers continued to supply its processing plant with birds for slaughter. 90% of the broiler chickens that are processed at Irvine's Zimbabwe are grown by Contract Farmers.
- The Zimnyama Abattoir, the beef abattoir for AMP Meats, is working with its local community by providing training to local cattle farmers by educating them on avoidable diseases, tick infections and hygiene standards. The aim of the training is to help the farmers achieve a higher grade of beef.
- Prodairy works with its local community based organisation Clean Marondera by supplying the organisation with rejected Tetra Pak boxes which they convert into Tetra Pak bags. As the supply of this raw material is consistent, producing and selling these bags has become a regular income for the organisation.
- A number of businesses work with third party enterprises who collect their waste, in particular plastics and paper for recycling. This recyclable waste becomes the raw material for their business enterprise.

Charitable Donations

As the majority of the businesses within the Group are food manufacturers, food donations are a vital commitment and give-back to its communities. The chart below represents the group of beneficiaries the various businesses donate to on a regular basis. Orphanages, Retirement Homes and Animal Welfare Centres are the top three beneficiary groups receiving food donations. As a Group, charitable donations to the total value of US$ 611 878 were made in 2022.

Beneficiary Groups receiving Donations from the Innscor Group of Businesses (%)

Children's Homes & Orphanages	18.80%
Retirement Homes	15.00%
Animal Welfare	15.00%
Centres for the Disabled	5.70%
Sporting Activities	13.20%
Law Enforcement	5.70%
Schools	5.70%
Churches	3.80%
The Environment	3.80%
National Blood Transfusion	3.80%
Hospitals	3.80%
Others	5.70%

Sustainability in Our Value Chain (continued)

Economic Performance

Value added Statements

	INFLATION-ADJUSTED				
	2022 ZWS'000	2021 ZWS'000	2020 ZWS'000	2019 ZWS'000	2018 ZWS'000
Economic Value Generation					
Value Generated*	161 938 737	71 873 670	59 525 315	43 273 709	23 363 568
Other income and interest	7 906 177	(2 796 699)	1 129 703	520 203	523 939
Equity Accounted Earnings	8 166 761	5 696 001	6 696 842	2 644 309	1 169 775
	178 011 675	74 772 972	67 351 860	46 438 221	25 057 281
Economic Value Distribution					
Other operating costs	(30 373 256)	(21 085 484)	(29 958 273)	(17 767 118)	(8 515 581)
Staff Costs and benefits	(47 650 332)	(27 713 211)	(8 654 694)	(10 123 640)	(7 476 744)
Impairment and related income/ (charges)	5 855 394	2 267 158	3 159 910	1 202 188	(358 416)
Depreciation and Amortisation	(3 806 854)	(3 327 510)	(3 154 031)	(4 156 293)	(1 649 601)
Providers of Capital	(8 533 750)	(4 763 541)	(3 006 776)	(912 708)	(816 548)
Provision for Taxes	(16 582 527)	(8 116 006)	(5 454 576)	(5 134 527)	(1 405 028)
Monetary (loss)/gain	(23 230 437)	(98 745)	1 359 444	1 016 028	–
Value Added	53 689 913	11 935 633	21 642 864	10 562 151	4 835 363

	HISTORICAL				
	2022 ZWS'000	2021 ZWS'000	2020 ZWS'000	2019 ZWS'000	2018 ZWS'000
Economic Value Generation					
Value Generated*	81 749 028	25 132 813	6 402 752	571 286	235 387
Other income and interest	11 119 663	1 240 465	1 063 529	51 747	5 279
Equity Accounted Earnings	4 650 806	1 880 571	858 414	49 418	11 785
	97 519 497	28 253 849	8 324 695	672 451	252 451
Economic Value Distribution					
Other operating costs	(17 623 293)	(8 024 537)	(1 593 289)	(179 003)	(85 794)
Staff costs and benefits	(27 647 869)	(6 335 162)	(1 472 183)	(141 381)	(75 328)
Impairment and related charges	9 150 755	645 211	397 287	(9 988)	(3 611)
Depreciation and Amortisation	(984 068)	(182 305)	(82 409)	(32 538)	(16 620)
Providers of capital	(4 729 791)	(1 415 318)	(237 453)	(13 402)	(8 227)
Provision of taxes	(9 717 938)	(2 451 245)	(920 064)	(57 303)	(14 156)
Value Added	45 967 293	10 490 493	4 416 584	238 837	48 715

Sustainability in Our Value Chain (continued)

Economic Performance (continued)

Payments to Government

	INFLATION-ADJUSTED				
	2022 ZWS'000	2021 ZWS'000	2020 ZWS'000	2019 ZWS'000	2018 ZWS'000
Corporate Tax - Associates	1 935 645	788 897	310 620	1 111 199	518 523
Corporate Tax - Subsidiary	7 247 722	5 365 407	3 553 361	1 500 307	816 548
Intermediate Money Transfer Tax (IMTT)	3 661 579	2 046 787	2 055 298	1 582 253	–
Value Added Tax (VAT)	6 162 140	864 996	1 905 229	(959 873)	521 052
Import Duty	2 053 683	1 908 355	658 932	690 455	537 886
Other Taxes	7 034 608	5 506 892	5 882 989	2 154 103	961 192
Total	28 095 377	16 481 334	14 366 429	6 078 444	3 355 201

	HISTORICAL				
	2022 ZWS'000	2021 ZWS'000	2020 ZWS'000	2019 ZWS'000	2018 ZWS'000
Corporate Tax - Associates	934 140	224 161	16 520	11 195	5 224
Corporate Tax - Subsidiaries	3 497 743	2 034 902	261 329	15 116	8 227
Intermediate Money Transfer Tax (IMTT)	1 767 074	581 583	109 308	15 941	–
Value Added Tax (VAT)	2 973 842	245 784	101 327	(9 671)	5 250
Import Duty	991 105	542 249	35 044	6 956	5 419
Other Taxes	3 394 894	1 564 754	312 879	21 702	9 684
Total	13 558 798	5 193 433	836 407	61 239	33 804

Sustainability in Our Value Chain (continued)

Economic Performance (continued)

The Group makes a significant financial contribution to the national economy through the payment of taxes.

The Group's total payments to the Zimbabwean Government for 2022 amounted to ZW$ 28.10 billion. Key contributions to the fiscal revenue in 2022 included payment of Corporate Tax for Subsidiaries (26%), Value Added Tax (VAT) payments (22%), and Pay As You Earn (PAYE) Tax (19%).

Corporate Tax - Associates	7%
Corporate Tax - Subsidiary	26%
Intermediate Money Transfer	13%
Value Added Tax (VAT)	22%
Import Duty	7%
PAYE	19%
Other Taxes	6%

Defined Contribution Pension Plan

The Group ensures that all qualifying employees are members of voluntary and statutory pension schemes managed through self-administered defined contribution pension schemes and the relevant statutory bodies. We manage the Innscor Africa Limited Pension Fund and the National Foods Pension Fund under the Group. Compulsory external schemes comprise the National Social Security Authority Scheme, Workers Compensation Insurance Fund and the Catering Industry Pension Fund.

The total contributions to the schemes for the year is presented below:

	INFLATION-ADJUSTED				
	2022 ZW$'000	2021 ZW$'000	2020 ZW$'000	2019 ZW$'000	2018 ZW$'000
Pension	810 487	368 734	210 794	468 931	425 674

	HISTORICAL				
	2022 ZW$'000	2021 ZW$'000	2020 ZW$'000	2019 ZW$'000	2018 ZW$'000
Pension	428 219	104 772	11 205	4 722	4 287

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Sustainability Within Our Businesses

Sustainability Within Our Businesses (continued)

National Foods Holdings Limited

National Foods is Zimbabwe's largest food manufacturer. The Company was established in 1920 and has manufacturing sites in Harare and Bulawayo from which it distributes its products throughout Zimbabwe.

National Foods produces a broad range of basic foods, including maize meal, flour, rice, salt, snacks, biscuits, pasta, sugar beans, baked beans, popcorn and a full range of animal feed. The Company's iconic brands include Red Seal, Pearlenta, Gloria, Mahatma, Better Buy, National Foods Stockfeeds, Iris, Zapnax, KING and most recently Allegros Popticorn. Gloria and Red Seal have existed for over 100 years.

Key Sustainability Highlights

- Zero waste philosophy with recovering energy by using waste incinerated in National Foods' cyclonic boilers to produce the steam required for processing. 482 tonnes of waste were incinerated in the boiler during 2022, assisting in reducing National Foods' reliance on coal.
- National Foods was accredited the Food Safety Management Certification (FSSC 22000) – specifically for its baby food production.
- Collaborating with the Diabetics Management Center, sugar-free products out of the Value Max Plant have been introduced.
- An energy efficient flour mill is being installed at National Foods Bulawayo, including upgrades to facilities for dust control.

Sustainability Within Our Businesses (continued)

Community Involvement

National Foods had its supplier confirmation certificate for the UN World Food Programme (WFP) renewed after a WFP audit was conducted. National Foods produces a corn-soya blend that is specifically manufactured for the NGOs, including the WFP, who are involved with the national feeding program in rural areas and schools across Zimbabwe.

Key annual environmental data for National Foods

		2022	2021
Overall electricity per tonne of product	kWh/tonne	85	57
Overall water per tonne of product	m^3/tonne	0.32	0.75
Specific Scope 1: Carbon Footprint	tonnes CO_{2e}/tonne product	0.0057	0.0035
Specific Scope 2: Carbon Footprint	tonnes CO_{2e}/tonne product	0.062	0.042

Note: Scope 1 carbon footprint for both 2021 and 2022 has been recalculated using the Department for Environment, Food and Rural Affairs (UK) (DEFRA) factors for 2022.

Sustainability Within Our Businesses (continued)

Baker's Inn

Baker's Inn specialises in freshly baked bread out of bakeries in Harare and Bulawayo, from which the division distributes its freshly baked loaves nationwide, using Baker's Inn Logistics trucks.

The bakery produces four types of loaves: Premium High Energy Brown, Premium Low GI Seed Loaf, Premium Soft White and Premium Whole Grain Loaf.

Key Sustainability Highlights

- The Bulawayo Bread factory is being redone. The new factory equipment is energy and raw material efficient therefore contributing positively to the environment.
- Baker's Inn employs 1 527 staff at its Harare and Bulawayo bakeries, providing economic stability to them and their families.

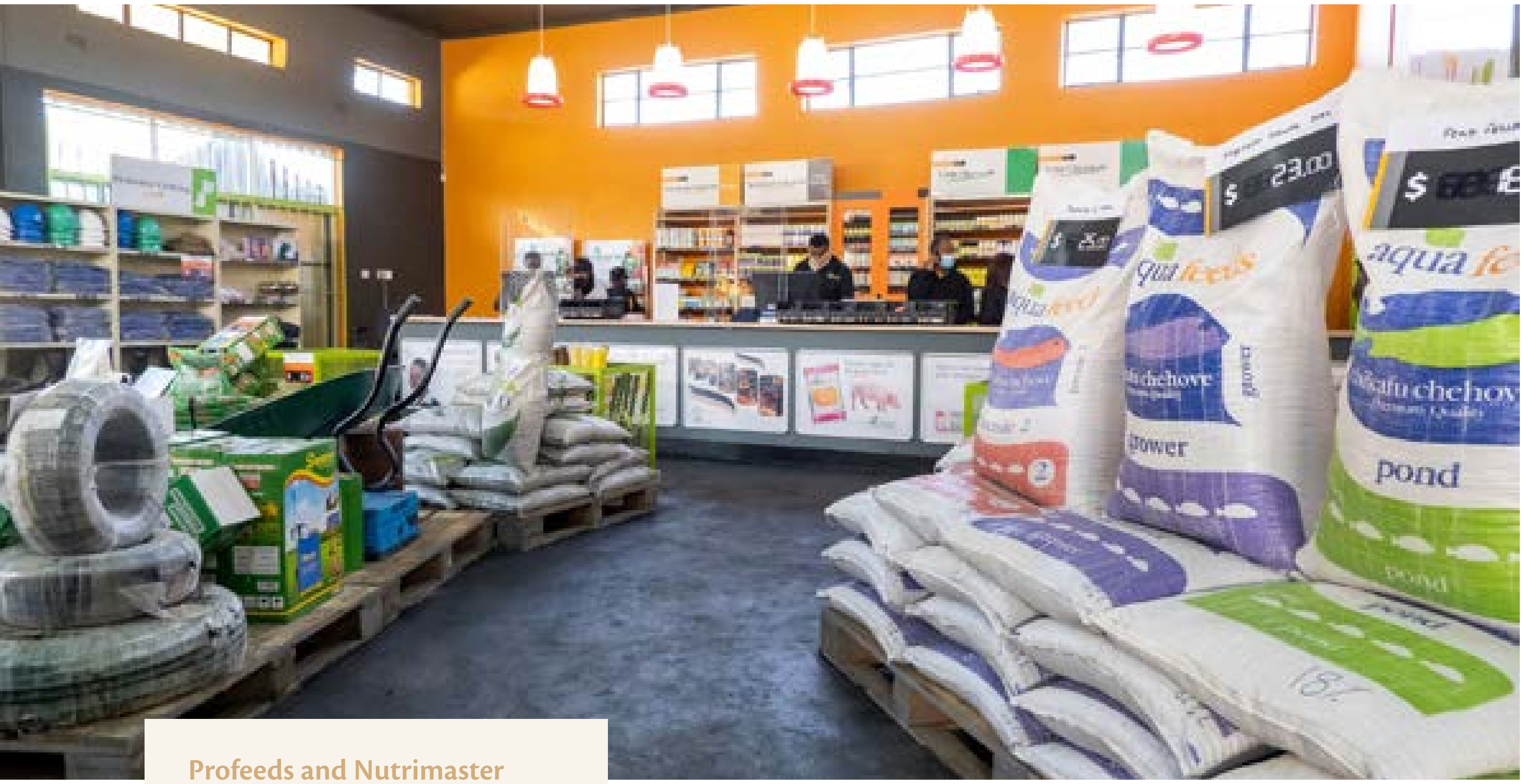
Sustainability Within Our Businesses (continued)

Key annual environmental data for Baker's Inn

		Bulawayo		Harare	
		2022	2021	2022	2021
Overall electricity per loaf	kWh/loaf	0.12	0.13	0.055	0.057
Overall water per loaf	m^3/loaf	0.00083	0.00082	0.00027	0.00028
Specific Scope 1: Carbon Footprint	tonnes CO_2e/ 10 000 loaves	0.51	0.72	0.73	0.70
Specific Scope 2: Carbon Footprint	tonnes CO_2e/ 10 000 loaves	0.89	0.97	0.40	0.42

Note: Scope 1 carbon footprint for both 2021 and 2022 has been recalculated using the Department for Environment, Food and Rural Affairs (UK) (DEFRA) factors for 2022.

Sustainability Within Our Businesses (continued)



Profeeds and Nutrimaster

Profeeds is a leading Zimbabwean stock feed manufacturer who produces feed for poultry (both broilers and layers), cattle, pig, goat, rabbit, horse, fish feed as well as dog food.

The company distributes its feed through 47 retail stores nationwide. The shops provide a complete agri-solution for Zimbabwe farmers for stock feed, veterinary products, farming equipment, farming implements, seed, fertiliser and other agri inputs as well as provide training on product use.

Nutrimaster uses latest technology to ensure effective blending of fertilisers whilst integrating all aspects of social responsibility into the design of the plant. Strategies to implement training and correct use of the product to both small-scale and commercial farmers to improve their agricultural yields are a key objective.

Key Sustainability Highlights

- Profeeds upgraded its production facility in 2022 by installing a new and efficient pelleting machine. A second boiler was also successfully installed to enable smooth planned maintenance without interference on production flow. A new and efficient hammer mill is being installed which will improve production efficiency and reduce occupational dust exposure.
- A new water-cooling system for the extruder at Aquafeeds was installed.
- Profeeds has developed and successfully implemented a waste management plan whereby all major waste streams generated are separated and recycled or reused.
- Profeeds installed supplementary solar power at shops around the country to reduce pressure on the national grid.

Sustainability Within Our Businesses (continued)

Key Sustainability Highlights (continued)

- Profeeds installed Power Factor Correction (PFC) measures to significantly improve performance and maintenance of plant facilities. These improvements include:
  - Prolonging the life of electrical equipment
  - Increasing effective capacity of the local electricity network, with the potential to defer future investment in electrical infrastructure
  - Reducing unscheduled production downtime and associated losses and maintenance costs
  - Improving product quality and decreasing product reject rates
  - Reducing energy losses as equipment will run at lower temperatures
  - Avoiding voltage drops over long cables and reducing efficiency losses in ZESA supply transformers
  - Reducing poor power factor, which causes losses of transformers and other devices and machines, leading to inefficiency and unwanted heat gains that, in turn, result in premature equipment failure and production losses. Businesses with poor power factor also incur a 'poor power factor penalty' from ZESA, otherwise known as a reactive power charge

Community Involvement

- Profeeds and Nutrimaster continued to provide technical training on animal health to small scale farmers to empower and help communities on cleaning and disinfection, to its client base of small-scale farmers as well as commercial growers.
- Profeeds introduced 'Meet the Expert' days where Profeeds technical specialists sit in one of its shops and customers come with their various topics for discussions.
- Nutrimaster sponsored the "Moms are Geniuses" initiative by donating fertiliser to help support rural women farmers.

Key annual environmental data for Profeeds

		2022	2021
Overall electricity per tonne of product	kWh/tonne	29.96	33.92
Overall water per tonne of product	m^3/tonne	0.36	0.25
Specific Scope 1: Carbon Footprint	tonnes CO_{2e}/tonne product	0.040	0.040
Specific Scope 2: Carbon Footprint	tonnes CO_{2e}/tonne product	0.022	0.025

Note: Scope 1 carbon footprint for both 2021 and 2022 has been recalculated using the Department for Environment, Food and Rural Affairs (UK) (DEFRA) factors for 2022.

Sustainability Within Our Businesses (continued)

Irvine's

Irvine's is Zimbabwe's leading poultry producer producing broiler day old chicks table eggs and processed chicken.

The chicken processing plant, the egg grading plant as well as the feed mill are all located at the Irvine's Derbyshire Farm.

Key Sustainability Highlights

Water Recycling Project

- Irvine's embarked on a water recycling project to mitigate against drought and also reduce the amount of water used. The project will be completed in 5 phases and is expected to be completed by 2025.

Livestock Development Programme

- Irvine's provided 12 poultry demonstration houses, complete with equipment, the first batch of chicks and the necessary feed. The intention is for the beneficiaries to then sell these chickens and use the proceeds to purchase the next batch. The on-site training for poultry producers has also been extended to radio programs.

Small Scale Poultry Farmers

- The company implemented free training in rural areas on best poultry farming methods and these farmers achieved results of 95% success rate, which equates to a commercial grower in the region. Irvine's prides itself in contributing towards the local empowerment of poultry farmers in Zimbabwe.

Sustainability Within Our Businesses (continued)

Key Sustainability Highlights (continued)

Contract Grower Program

- As part of its out-grower programme, Irvine's has 26 independent farmers who supply 100% of chickens processed at Irvine's processing plant.

Animal Welfare

- Irvine's gives animal welfare high priority by following best practice standards. All team members are trained using Irvine's comprehensive animal welfare manual to ensure that animals are handled correctly at all times.

Key annual environmental data for Irvine's

		Protein	Day Old Chicks
		2022	2022
Overall electricity per tonne of product	kWh/tonne	256.8	
Overall electricity per chick	kWh/chick		0.065
Overall water per tonne of product	m^3/tonne	22.2	
Overall water per chick	m^3/chick		0.0007
Specific Scope 1: Carbon Footprint	tonnesCO_{2e}/tonne product	0.22	
	tonnesCO_{2e}/10 000 chicks		0.06
Specific Scope 2: Carbon Footprint	tonnesCO_{2e}/tonne product	0.19	
	TonnesCO_{2e}/10 000 chicks		0.45

Sustainability Within Our Businesses (continued)

Colcom

Colcom is Zimbabwe's leading pork producer with an abattoir and factory at the Colcom Complex on Coventry Road in Harare.

Triple C Pigs is headquartered in Norton at Grasmere Farm and operate four other farms situated in various locations around the country that raise pigs for Colcom.

Key Sustainability Highlights

- During 2022 Colcom installed two new filler machines which improve the efficiency of the production process.
- Solar power was installed to run the IT server to reduce pressure on the national grid.
- Colcom waste management plan, emphasizes a commitment to the 4 R's (Reduce, Re-use, Recycle and Recover), the zero-waste philosophy and Best Environmental Option (BEO) approach to managing waste.

Sustainability Within Our Businesses (continued)

Key annual environmental data for Colcom Group

		2022	2021
Overall electricity per tonne of product	kWh/tonne	1 035	911
Overall water per tonne of product	m^3/tonne	8.78	10.70
Specific Scope 1: Carbon Footprint	tonneCO_{2e}/tonne product	0.45	0.26
Specific Scope 2: Carbon Footprint	tonneCO_{2e}/tonne product	0.76	0.49

Note: Scope 1 carbon footprint for both 2021 and 2022 has been recalculated using the Department for Environment, Food and Rural Affairs (UK) (DEFRA) factors for 2022.

Sustainability Within Our Businesses (continued)

AMP Meats

AMP Meats is a holding company, which focuses on the retail and wholesale of meat products, through retail outlets branded Texas Meats, Texas Meat Market, Texas Chicken, Texas Dairy, plus an online presence as Butcher Box.

Through Butcher Box, the Company also sells fish and seafood, using various local suppliers. All products are packaged at AMP Meats at its Workington factory from where they are distributed.

Key Sustainability Highlights

- AMP Meats installed solar at its AMP Factory Shop at the Workington factory, during 2022, supplementing the electricity needed to run the refrigeration. 5 764 kWh of electricity was produced, therefore reducing national grid requirements.
- AMP Meats maintained its FSSC 22000 (Food Safety Management) certification, cementing AMP Meats' commitment to providing customers and consumers with quality meat that is processed from a factory that meets global safety, hygiene and quality requirements.
- AMP Meats invested in an automated burger pattie-forming machine which will produce burger patties more efficiently and reduce the workplace injuries, in particular chronic repetitive motion injuries.

Sustainability Within Our Businesses (continued)

Key annual environmental data for AMP Meats

		2022	
		Zimnyama	AMP
Overall electricity per tonne of product	kWh/tonne	143	501
Overall water per tonne of product	m^3/tonne	–	1.19
Specific Scope 1: Carbon Footprint	tonneCO_{2e}/tonne product	0.03	0.12
Specific Scope 2: Carbon Footprint	tonneCO_{2e}/tonne product	0.10	0.37

Sustainability Within Our Businesses (continued)

Probottlers

Probottlers produces carbonated soft drinks (CSD) and cordials at its factory located in Ruwa outside Harare.

The Company was launched in 2013 under the Bally House Crush and Cordial range, and also produces a CSD under the "Fizzi" brand as well as mixers under the St Clairs range.

Key Sustainability Highlights

- Improved production efficiency through the installation of new machinery and batching process, while repurposing of current pumps & heat exchangers.
- Through research and development the pallet stacking methodology was improved, which ensures the safety of its staff working with the pallets.

Sustainability Within Our Businesses (continued)

Key annual environmental data for Probottlers

		2022	2021
Overall electricity per kiloliter of product	kWh/kL product	41.69	43.14
Overall water per kiloliter of product	m^3/kL product	1.74	1.43
Specific Scope 1: Carbon Footprint	tonneCO_{2e}/kL product	0.020	0.017
Specific Scope 2: Carbon Footprint	tonneCO_{2e}/kL product	0.030	0.032

Note: Scope 1 carbon footprint for both 2021 and 2022 has been recalculated using the Department for Environment, Food and Rural Affairs (UK) (DEFRA) factors for 2022.

Sustainability Within Our Businesses (continued)

Probrands

Probrands is a leader in the fast-moving consumer goods (FMCG) industry in Zimbabwe and has a diverse range of products.

Probrands packs rice, salt, sugar beans, popcorn, pulses and manufactures candles, Ideal mayonnaise, peanut butter, tomato sauce and dressing as well as manufacturing the Royal brand of baking products.

Key Sustainability Highlights

- Probrands is working towards attaining ISO 22000: 2018 Food Safety Management System Certification and anticipates being certified in December 2022.

Sustainability Within Our Businesses (continued)

Key annual environmental data for Probrands

		2022	2021
Overall electricity per tonne of product	kWh/tonne	18.1	17.6
Overall water per tonne of product	m^3/tonne	0.17	0.42
Specific Scope 1: Carbon Footprint	tonneCO_{2e}/tonne product	0.023	0.013
Specific Scope 2: Carbon Footprint	tonneCO_{2e}/tonne product	0.0132	0.0129

Note: Scope 1 carbon footprint for both 2021 and 2022 has been recalculated using the Department for Environment, Food and Rural Affairs (UK) (DEFRA) factors for 2022.

Sustainability Within Our Businesses (continued)

Sustainability Within Our Businesses (continued)

Prodairy

Prodairy produces dairy products which include long life milk, cultured milk, dairy blend, 'maheu' under brand names such as Life, Masi and Revive.

26 dairy farms, including Mafuro Farming, supply Prodairy with milk. The company has a supplier code of good conduct and carries out audits to ensure that the farms produce top quality milk.

Key Sustainability Highlights

- Through the investment in a new machinery, Prodairy introduced a new Tetra Edge packaging in January 2022. The new packaging is made of 88% natural renewable plant based resources. This includes the screw cap and coating of its cartons which have been certified by the international not for-profit, multi stakeholder governance group, Bonsucro, as they are made from byproducts from sustainable sugar cane production. The paper used in the Tetra Edge packaging is FSC (Forest Stewardship Council) certified, sourced from responsibly managed forests and other controlled sources.
- The Tetra Pak machinery was delivered in wood packaging. The wood was used to build canteen chairs, garden yard tables and storm drain covers.

Community Involvement

- Prodairy works with the local NGO – Clean Marondera – and provides them Tetra Pak boxes that the NGO uses to produce carry bags, which provide a regular income for the NGO.

Key annual environmental data for Prodairy

		2022	2021
Overall electricity per kiloliter of product	kWh/kL product	70.33	71.31
Overall water per kiloliter of product	m^3/kL product	3.65	3.42
Specific Scope 1: Carbon Footprint	tonneCO_{2e}/kL product	0.095	0.087
Specific Scope 2: Carbon Footprint	tonneCO_{2e}/kL product	0.051	0.052

Note: Scope 1 carbon footprint for both 2021 and 2022 has been recalculated using the Department for Environment, Food and Rural Affairs (UK) (DEFRA) factors for 2022.

Sustainability Within Our Businesses (continued)

Mafuro Farming

Mafuro Farming is the only large scale, commercial, free range pasture dairy in Zimbabwe. It is located south east of Marondera, 95km east of Harare and is a very young business, starting its operations in 2017.

Milk produced per cattle on the free range concept exceeds current levels of milk per cow from pen fed animals.

Key Sustainability Highlights

- Mafuro Farming is introducing plantain into its dairy herd's pasture feed as it has a high tolerance to summer heat. It is highly palatable to the animals with high mineral content, establishes rapidly and is pest tolerant.
- Rhodes grass has been introduced primarily as a forage grass of moderate to high quality to be used for grazing and making hay bales.
- 100% of the effluent is recycled and used as fertiliser on the pastures.
- Solar has been installed to run the office buildings.

Sustainability Within Our Businesses (continued)

Community Involvement

Pasture Field Day

- Mafuro Farming hosted a Pasture Field Day in May 2022 that was attended by 450 people.
- The aim of the field day was to impart an understanding of Mafuro Farming's pasture-based system to existing small and large-scale dairy farmers and prospective dairy farmers as it is one of the most sustainable and cost-effective models in dairy production.

Employment from the local communities

- 57% of Mafuro Farming's staff are employed from the local communities.

Key annual environmental data for Mafuro Farming

		2022
Overall electricity per kiloliter of product	kWh/kL product	1 499
Overall water per kiloliter of product	m^3/kL product	1.19
Specific Scope 1: Carbon Footprint	tonneCO_{2e}/kL product	0.07
Specific Scope 2: Carbon Footprint	tonneCO_{2e}/kL product	1.09

Sustainability Within Our Businesses (continued)

Natpak

Natpak is one of Zimbabwe's leading packaging manufacturers, who uses state of the art technology and equipment in their manufacturing processes at three factories in Harare.

Natpak produces various sizes of Polyethylene terephthalate (PET) pre-forms, High Density Polythene (HDPE) bottles and closures for the packaging of beverage, dairy and chemical products are produced at the Rigids division factory. Woven sacks, used for example, for maize meal, stock feed, grain, seed or fertiliser packaging, are produced at the Sacks factory.

The Flexibles factory focuses on producing primary food packaging such as bread bags, FFS sheeting used in sugar, rice, salt, milk, etc. and pouches used in poultry packaging as well as secondary packaging such as shrink and stretch wrap film, baler bags and black sheeting.

Key Sustainability Highlights

- All three divisions have been certified to BRCGS for Packaging Materials. BRCGS is Global Food safety Initiative (GFSI) benchmarked certification which gives customers assurance on product safety, quality, authenticity and legality.
- The Company passed the Coca Cola Supplier Guiding Principles for technical assessment for unconditional supplier status.
- Natpak remained certified to International Management System Standards (MSS) of ISO 22000 (Food Safety Management System) following a surveillance audit in December 2021.
- A new compression molding closure machine was installed with an output efficiency up to 8 times more than the older machines and greater energy efficiency. The new closure is a lighter weight with a 14% saving on material.

Sustainability Within Our Businesses (continued)

Waste Management

- Natpak has become a member of the Zimbabwe Recyclers Association partnering with fellow recyclers.
- Natpak implemented and strengthened its waste management system. The recycling plant has improved output capacity and has upgraded its recycling plant by installing a pelletiser, vibrator and drier to improve the efficiency of the plant and quality of the final products. Industrial plastic waste, both internal and external, is recycled into pellets. These are for use internally in the making of black sheeting and also sold to other players in the industry.
- The Polywoven division strengthened its waste handling systems by installing a baling machine. This ensures waste is compactly packed for ease of transportation to the recycling plant and reduces manual handling for employees.
- The collection of pre-consumer plastic waste from customers for recycling has commenced.
- The internal recycling programme for the collection of empty water bottles and sale to recyclers such as Petrecozim was introduced. All three divisions have a policy of zero plastic waste in the bins.

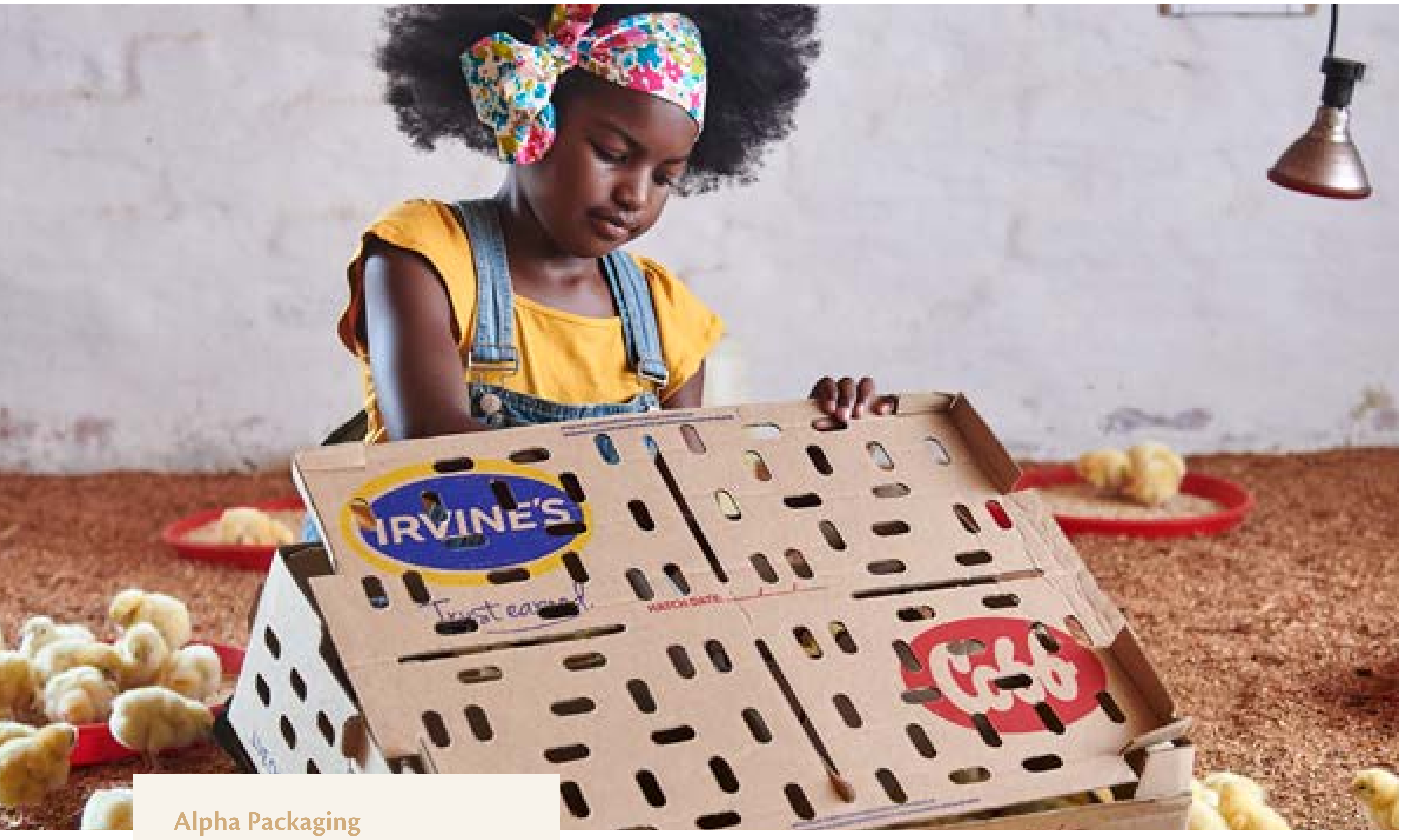
Key annual environmental data for Natpak

		2022	2021
Overall electricity per tonne of product	kWh/tonne	1 215	966
Overall water per tonne of product	m^3/tonne	1.55	0.03
Specific Scope 1: Carbon Footprint	tonneCO_{2e}/tonne product	0.0260	0.0092
Specific Scope 2: Carbon Footprint	tonneCO_{2e}/tonne product	0.89	0.71

Note: Scope 1 carbon footprint for both 2021 and 2022 has been recalculated using the Department for Environment, Food and Rural Affairs (UK) (DEFRA) factors for 2022.

High Density Polyethylene (HDPE) bottle blowing machine

Sustainability Within Our Businesses (continued)



Alpha Packaging

Alpha Packaging is one of the leading corrugated box and egg tray manufacturer in Zimbabwe, with the ability to export its products to the rest of the Southern African Development Community (SADC) region.

The product range includes corrugated boxes, tobacco cartons, egg trays and paper bags. Any off-cuts from the main production process are recycled and used to produce the egg trays. The company also recycles waste from third parties used in the production of the egg trays.

Key Sustainability Highlights

- Zero waste philosophy, all non-recyclable waste is returned to the manufacturer in South Africa, while recyclable wastes are used for egg tray production.
- The production of egg trays is so successful, the company has built a second egg tray plant.
- During 2022, 743 tonnes of recycled paper was used for its egg tray production.
- Solar power has been installed for the offices, reducing reliance on diesel run generators during power outages.

Sustainability Within Our Businesses (continued)

Key annual environmental data for Alpha Packaging

		2022	2021
Overall electricity per tonne of product	kWh/tonne	184.22	177.07
Overall water per tonne of product	m^3/tonne	2.79	2.05
Specific Scope 1: Carbon Footprint	tonneCO_{2e}/tonne product	0.39	0.46
Specific Scope 2: Carbon Footprint	tonneCO_{2e}/tonne product	0.1344	0.1292

Note: Scope 1 carbon footprint for both 2021 and 2022 has been recalculated using the Department for Environment, Food and Rural Affairs (UK) (DEFRA) factors for 2022.

Sustainability Within Our Businesses (continued)

Providence Human Capital

Providence Human Capital focuses on people solutions, with a goal to be the most trusted and respected corporate services management firm, recognised by its people and clients for delivering excellence.

Providence provides outsourced Payroll Services, Employee Benefits, Employee Wellness and Staffing Solutions.

Key Sustainability Highlights

- Organising events which provide psycho-social support and foster a spirit of togetherness for the employees of the Group, e.g. Providence Cancer Awareness, Annual Innscor Sports Day, which focuses on health & wellness providing a participatory approach when employees are involved in competitive sport and games, and Human Resource seminars to which stakeholders such as NSSA, ZIMRA, NEC and pension administrators are invited, providing employees the chance to ask questions directly. Providence is hoping to hold its Annual Innscor Sports Day in early FY 2023.
- Providing support for female employees within the Innscor Group through its Girls Network which includes monthly meetings. Due to COVID-19 lockdown restrictions, there were no meetings held during 2022, but Providence is planning to restart these meetings in early FY 2023.
- To ensure instant access to medical care, Providence Health provides no cash clinics to all the employees and their dependents within the Group.

Sustainability Within Our Businesses (continued)

Key Sustainability Highlights (continued)

- Pay slips are now electronic, saving paper, printer ink and electricity.
- Through the Employee Share Trust loans for education, housing, medical emergencies and funeral assistance continued to be offered to staff of the Group.
- Through the set-up of industrial canteens, Providence has been able to provide 3 900 hot meals to staff within the Group on a daily basis.

Providence Health Clinics

Providence Health supports the Innscor Group by offering healthcare to the employees of the Group as well as their dependents. During 2022 the following number of visits were recorded at Providence's ten clinics throughout Zimbabwe:

	Total Number of Visits by Employees in FY 2022	Total Number of Visits by Dependents in FY 2022	COVID-19 Tests in FY 2022	Food Handlers Tests*
PHC Clinic Harare *(Including clinics at 52 & 81 Baines Avenue Clinics and 64 Cork Road)*	12 049	3 306	15 911	3 892
PHC Clinic Bulawayo	3 071	266	2 877	1 770
PHC Clinic Mutare	808	283	219	–
PHC Clinic Masvingo	263	20	12	178
PHC Clinic Gwanda	25	–	–	–
PHC Clinic Gweru	188	8	6	–
PHC Clinic Kadoma	46	15	–	–
PHC Clinic Kwekwe	249	13	14	–
PHC Clinic Chegutu *(includes Pickstone Mobile)*	1 442	4	1 335	22
PHC Clinic Eureka Guruve	470	–	224	–
PHC Clinic Kariba *(includes UME and LCP)*	4 351	1 442	5 578	–
TOTAL	22 962	5 357	26 176	5 862

* Members of staff who work in the food industry and handle food directly require regular health checks.

COVID-19 Pandemic Support

Providence Health continued to provide support to the Group to deal with the COVID-19 pandemic. During 2022 Providence Health received the licence to administer COVID-19 vaccinations and boosters for the Group's employees and clients, either at the Providence Health Clinics or at the premises of its clients. The Company continued to supply face masks and hand sanitizers to the Group as well as carried out COVID-19 testing.

Counselling Services

Providence Health counselling personnel continuously provided counselling services to the employees in response to the effects of the COVID-19 pandemic. The Counselling Centre has also carried out awareness campaigns to ensure employees and dependents receive the necessary information and help they needed to deal with the pandemic.

Business Association Memberships

The Group through its businesses and employees is a member of the following business associations:

- Animal Health Industry Committee of Zimbabwe (AHICZ)
- Association of Meat Importers & Exporters (AMIE)
- Association of Zimbabwe Recyclers (AZR)
- Business Council for Sustainable Development Zimbabwe (BCSDZ)
- Commercial Farmers Union (CFU)
- Confederation of Zimbabwe Industries (CZI)
- Confederation of Zimbabwe Retailers (CZR)
- Dairy Processors Association of Zimbabwe (DPAZ)
- Federation of Master Printers of Zimbabwe (FMPZ)
- Grain Millers Association of Zimbabwe (GMAZ)
- Groceries Manufacturers Association (GMA)
- Health Professions Authority of Zimbabwe (HPAZ)
- Livestock Identification Trust (LIT)
- Livestock Meat Advisory Council (LMAC)
- Marketers Association of Zimbabwe (MAZ)
- Medicine Control Authority of Zimbabwe (MCAZ)
- National Bakers Association of Zimbabwe (NBAZ)
- Pig Producers' Association of Zimbabwe (PPAZ)
- Stockfeed Manufacturers Association (SMA)
- Zimbabwe Abattoir Association (ZBA)
- Zimbabwe Association of Dairy Farmers (ZADF)
- Zimbabwe Business Council on Wellness (ZBCW)
- Zimbabwe Dairy Industry Trust (ZDIT)
- Zimbabwe Halaal Association (ZHA)
- Zimbabwe Institution of Engineers (ZIA)
- Zimbabwe Institute of Occupational Safety and Health (ZIOSH)
- Zimbabwe International Trade Fair (ZITF)
- Zimbabwe National Chamber of Commerce (ZNCC)
- Zimbabwe Poultry Association (ZPA)
- Zimbabwe Quality Assured Pork (ZQAP)
- Zimbabwe Textile Manufacturers Association (ZITMA)

Standards & Certifications

We act according to values and standards prescribed in our business value chain to deliver high quality products and services. We strive to uphold national laws and regulations while taking into account global best practices and standards. Some of the Group companies follow or are certified for the following international and local standards:

Management Systems
- ISO 9001 Quality Management System
- ISO 14 0001 Environmental Management System
- ISO 22 000 Food Safety Management System
- ISO 17 025 Management System for general requirements for the competence of testing and calibration laboratories
- FSSC 22 000 Food Safety Management System, recognised by the GFSI (Global Food Safety Initiative)
- ISO 45 000 Occupational Health & Safety

Health
- International Labour Standards on Occupational Safety & Health – ILO-OSH
- Health Professions Authority of Zimbabwe (HPA)
- Ministry of Health Certification
- National Social Security Authority (NSSA) Factory License
- City of Harare – City Health License
- Ruwa Local Board – Health Registration Certificate

Agriculture
- Agricultural Marketing Authority (AMA)
- Ministry of Agriculture Certification
- Environmental Management Agency (EMA) Licence

Individual Business Awards

Innscor Africa Limited

Presented by	Award
Old Mutual Zimbabwe - Top Companies Survey	Disclosure and Investor Relations
Financial Markets Indaba - Capital Market Awards	Diversity Champion Award
Zimbabwe CEO Network	Excellence in Sustainability and Innovation

National Foods

Presented by	Award
Marketers Association of Zimbabwe Superbrand Awards	
Grains Sector	Winner - Red Seal Roller Meal 1st runner up - Pearlenta
Business to Business Category	8th Place - National Foods Limited
Business to Consumer Category	13th Place - Red Seal Roller Meal
	17th Place - Gloria
Confederation of Zimbabwe Retailers National Retailers and Wholesalers Awards	Best Supplier, Retailers and Wholesalers Choice, 2021
	Most Consistent Supplier, Retailers and Wholesalers Choice, 2021
	Top 100 Suppliers of the Year, 2021
Confederation of Zimbabwe Industries (CZI)	National Foods Ltd - Award for being the first company to introduce mixed grain product in the Zimbabwean economy
Institute of Public Relations Communications of Zimbabwe	Winner - Best Digital or Social Media Campaign
	1st Runner-up - Best Campaign - Corporate Social Responsibility
CSR Network of Zimbabwe	Excellence in Community Empowerment & Social Impact Award

National Foods

Presented by	Award
Business Ethics Award ceremony hosted by Ethics Institute Zimbabwe	Ethical Company of the Year Award - Zimbabwe Stock Exchange listed firms
	Best Code of Ethics Development and Implementation Award
	Overall Winner - Most Ethical Company of the Year Award
Zimbabwe Institute of Management National Leadership and Management Excellence Awards	Winner for 2021 for Human Capacity Development
Zimbabwe Wheat Board	Outstanding Contribution to the Growth and Development of the Wheat Value Chain
Buy Zimbabwe Awards	Best Company of the Year Award (Overall)
	Manufacturer of the Year Award (FMCG)
	Farmers Support Award (2nd Runner Up)
	Chairman's Recognition Award
ZITF Awards	Best Stand in Agriculture and Irrigation
	Overall Winner in All Food Categories

Bakeries

Presented by	Award
Marketers Association of Zimbabwe (MAZ)	Superbrand Awards 2021
FMCG Bakery Sector	1st runner up
Best Business to Consumer Brand of the Year 2021	5th position

Individual Business Awards (continued)

AMP Meats

Presented by	Award
Marketers Association of Zimbabwe Superbrand Award – FMCG Meat Sector	2nd Runner Up

Irvine's

Presented by	Award
Zimbabwe CEO's Network - Social and Human Capital Awards	Winner
CSR Network Zimbabwe - Excellence in Community Empowerment & Social Impact Awards	Winner
ZimTrade – Agricultural Inputs Awards 2021	Runner-up
Marketers Association of Zimbabwe (MAZ) Superbrands Awards - FMCG Meat Sector	Winner
MegaFest Business Awards – Responsible Organisation of the Year 2021	Platinum Winner

Profeeds

Presented by	Award
Marketers Association of Zimbabwe (MAZ) Superbrand Awards 2021-Livestock Production Agricultural Sector	Winner
SABRE	High Performance Leadership & Management Trainer

Probrands

Presented by	Award
Buy Zimbabwe April 2022 Awards	Manufacturer of the Year
Buy Zimbabwe April 2022 Awards	Zimbabwe Local Procurement Award
Buy Zimbabwe April 2022 Awards	Zimbabwe Chairman's Recognition Award
Marketers Association of Zimbabwe (MAZ) Superbrand Awards 2021 - FMCG Food Grains Sector	2nd Runner-up

Probottlers

Presented by	Award
Marketers Association of Zimbabwe (MAZ) Superbrand Awards 2021 - FMCG Non Alcoholic Cordials Sector	1st Runner-up

Prodairy

Presented by	Award
Marketers Association of Zimbabwe (MAZ) Superbrands Awards 2021 - FMCG Non Alcoholic Brew Sector	2nd Runner-up

Individual Business Awards (continued)













Individual Business Awards (continued)




07

Annual Financial Statements

ANNEXURES

Directors' Responsibility and Approval of Financial Statements

The Directors of Innscor Africa Limited ("Group"/"Innscor") are required by the Zimbabwe Companies and Other Business Entities Act (Chapter 24:31) to maintain adequate accounting records and to prepare consolidated Group inflation-adjusted financial statements that present a true and fair view of the state of affairs of the Group at the end of each financial year and of the profit and cash flows for the period. In preparing the accompanying consolidated Group inflation-adjusted financial statements, generally accepted accounting practices have been followed. Suitable accounting policies have been used and consistently applied, as well as, reasonable and prudent judgements and estimates have been made.

The principal accounting policies of the Group are consistent with those applied in the previous year and all the principal accounting policies applied by the Group conform to International Financial Reporting Standards, ("IFRS") and all applicable amendments to IFRS.

The Directors have satisfied themselves that the Group is in a sound financial position and has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they are satisfied that it is appropriate to adopt the going concern basis in preparing the financial statements.

The Board recognises and acknowledges its responsibility for the Group's systems of internal financial control. Innscor maintains internal controls and systems that are designed to safeguard the assets of the Group, prevent and detect errors and fraud and ensure the completeness and accuracy of the Group's records. The Group's Audit and Risk Committee has met the external auditors to discuss their reports and the results of their work. In a growing Group of the size, complexity and diversity of Innscor it may be expected that occasional breakdowns in established control procedures may occur; any such breakdowns have been reported to the Group's Audit and Risk Committee and the Board.

The consolidated Group inflation-adjusted financial statements for the year ended 30 June 2022, which appear on **pages 184 to 282**, have been approved by the Board of Directors and are signed on its behalf by:

A B C CHINAKE
Independent, Non-Executive Chairman
Harare
28 October 2022

G GWAINDA
Executive Director
CA(Z)
Registered Public Accountant

Company Secretary's Certification

I certify that, to the best of my knowledge and belief, the Group has lodged with the Registrar of Companies all such returns as are required to be lodged by Public entity in terms of the Companies and Other Business Entities Act (Chapter 24:31), and all such returns are true, correct and up to date.

A D LORIMER
Company Secretary
Harare
28 October 2022

Report of Directors

The Directors have the pleasure in presenting their report together with the audited consolidated Group inflation-adjusted financial statements of the Group for the year ended 30 June 2022. The numbers presented in this Report of Directors are all adjusted for inflation as per the requirements of IAS 29 ("Financial Reporting in Hyperinflationary Economies"), except where otherwise stated.

Share Capital

At 30 June 2022 the authorised share capital of the Company comprised of 800 000 000 ordinary shares of ZW$0.01 (one cent) each and 1 000 Non-Voting Class "A" ordinary shares of ZW$0.01 each. The issued share capital was at ZW$761 488 999 (2021: ZW$761 331 371), (Historical: ZW$5 759 264, 2021: ZW$5 698 764) divided into ordinary shares 575 926 450 (2021: 569 876 450) of ZW$1.32 (2021: ZW$1.34), (Historical: ZW$0.01) each and 1 000 Non-Voting Class "A" ordinary shares of ZW$1.36 (Historical ZW$0.01) each.

Dividends

Ordinary shares

The Board declared a final dividend of US$1.56c/share (2021: ZW$525c), [Historical: US$1.56c/share (2021: ZW$180c)] and an interim dividend of ZW$474c/share (2021: ZW$342c), [Historical: ZW$300c/share (2021: ZW$110c)].

Non-voting class "A" ordinary shares

The Board declared a final dividend of US$453 588 (2021: ZW$148.7mn), [Historical: US$453 588, (2021: ZW$51mn)] and an interim dividend of ZW$249.84mn (2021: ZW$96.28mn), [Historical: ZW$85.69mn (2021:ZW$31mn)] to Innscor Africa Employee Share Trust (Private) Limited.

Directors and their Interests

In terms of the Company's Articles of Association, Messrs T.N. Sibanda and D.K. Shinya retire from office by rotation at the Company's Annual General Meeting of Shareholders on 9 December 2022 and being eligible offer themselves for re-election as Directors. The beneficial interests of the Directors in the shares of the Company are disclosed in **note 24.4** of the financial statements.

Directors' Fees

Members will be asked to approve the payments of the Directors' fees in respect of the year ended 30 June 2022.

Auditors

Members will be asked to approve the remuneration of the auditors for the financial year ended 30 June 2022.

For and on behalf of the Board.

A B C CHINAKE
Independent, Non-Executive Chairman
Harare
28 October 2022

G GWAINDA
Executive Director
CA(Z)
Registered Public Accountant

Deloitte.

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Zimbabwe

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INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF INNSCOR AFRICA LIMITED
REPORT ON THE AUDIT OF THE INFLATION ADJUSTED CONSOLIDATED FINANCIAL STATEMENTS

Adverse opinion

We have audited the accompanying inflation adjusted consolidated financial statements of Innscor Africa Limited and its subsidiaries (together, "the Group"), set out on pages 184 to 282 which comprise the inflation adjusted consolidated statement of financial position for the year ended 30 June 2022, the inflation adjusted consolidated statement of profit or loss and other comprehensive income, the inflation adjusted consolidated statement of changes in equity, and the inflation adjusted consolidated statement of cash flows for the year then ended, and the notes to the inflation adjusted consolidated financial statements, including a summary of significant accounting policies.

In our opinion, because of the significance of the matters discussed in the Basis for Adverse Opinion section of our report, the inflation adjusted consolidated financial statements do not present fairly, the inflation adjusted consolidated financial position of the Group as at 30 June 2022, and its inflation adjusted consolidated financial performance, and its inflation adjusted consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRS") and in the manner required by the Companies and Other Business Entities Act (Chapter 24:31).

Basis for Adverse Opinion

1. <u>Non-compliance with IAS 21 "The Effects of Changes in Foreign Exchange Rates" with respect to the determination of the appropriate spot rate and the consequential impact to the recorded monetary adjustment</u>

During the year, the Group utilised an internally generated foreign exchange rate, which had been determined through the Group's trading arrangements, to convert foreign currency transactions to Zimbabwe Dollar (ZWL) as detailed in Note 2.3. This was not in compliance with the requirements of IFRS which requires the use of the official spot rate, a rate which should be determined using the Foreign Exchange Auction Trading System exchange rates, as published by the Reserve Bank of Zimbabwe ("Auction Rate", or the "official spot rate").

Because of the number of transactions and line items impacted by the use of different rates (as described above) for the translation of foreign currency transactions, we are unable to quantify the impact of using the official spot rate for these translations on the inflation adjusted consolidated financial statements. As a result, the departure from the official spot rate as required under IAS 21 is considered to be material and pervasive to the inflation adjusted consolidated financial statements of the Group.

Furthermore, notwithstanding that IAS 29 has been applied correctly, it is noted that its application was based on current periods' financial information which was not in compliance with IAS 21 as described above. Consequently, the line item "monetary gain" on the inflation adjusted consolidated statement of profit or loss and other comprehensive income is impacted.

MAKING AN IMPACT THAT MATTERS since 1845

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF INNSCOR AFRICA LIMITED
REPORT ON THE AUDIT OF THE INFLATION ADJUSTED CONSOLIDATED FINANCIAL STATEMENTS

Basis for Adverse Opinion (continued)

2. <u>Accounting for blocked funds (carry over effect of prior year modification on comparatives)</u>

The Group met the recognition criteria to account for deposits to the Reserve Bank of Zimbabwe as monetary statutory receivables in the 2021 financial year. However, the deposits had been incorrectly recognised as foreign denominated derivative financial assets in the 2020 financial year which resulted in a modification to the 2020 and 2021 audit opinions. In the 2021 financial year, the carry-over impact of the misstatement was ZW$ 1 016 225 504. This error impacted the financial income line item and inflation adjusted consolidated statement of profit and loss and other comprehensive income.

Our opinion on the inflation adjusted consolidated financial statements has been modified because of the possible effect of this matter on the comparability of the current year's financial income line item as presented in the inflation adjusted consolidated statement of profit and loss and other comprehensive income with that of the prior year.

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 inflation adjusted 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 inflation adjusted consolidated financial statements in Zimbabwe. We have fulfilled our 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 adverse opinion.

Key audit matters

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

Other information

The directors are responsible for the other information. The other information comprises the Report of Directors, as required by the Companies and Other Business Entities Act (Chapter 24:31), Directors' Responsibility and Approval of Financial Statements, Company Secretary's Certification and the historic cost financial information, which we obtained prior to the date of this auditor's report. The other information also comprises the additional information in the document titled "Innscor Africa Limited Annual Report for the year ended 30 June 2022" which we expect to receive after the date of the auditor's report. The other information does not include the inflation adjusted consolidated financial statements and our auditor's report thereon.

Our opinion on the inflation adjusted consolidated financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the inflation adjusted 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 inflation adjusted 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 on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. Given the nature of the matters set out in the Basis for Adverse Opinion section above, we have determined that the other information is materially misstated for the same reasons.

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF INNSCOR AFRICA LIMITED
REPORT ON THE AUDIT OF THE INFLATION ADJUSTED CONSOLIDATED FINANCIAL STATEMENTS

Responsibilities of the directors for the inflation adjusted consolidated financial statements

The directors are responsible for the preparation and fair presentation of the inflation adjusted consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) and the requirements of 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 inflation adjusted consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the inflation adjusted 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.

Auditor's responsibilities for the audit of the inflation adjusted consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the inflation adjusted 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 inflation adjusted 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 inflation adjusted 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 inflation adjusted 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 inflation adjusted consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the inflation adjusted consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF INNSCOR AFRICA LIMITED
REPORT ON THE AUDIT OF THE INFLATION ADJUSTED CONSOLIDATED FINANCIAL STATEMENTS

Auditor's responsibilities for the audit of the inflation adjusted consolidated financial statements (continued)

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 those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, 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 inflation adjusted 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.

Report on other legal and regulatory matters

In fulfilment of the requirements of Section 193 of the Companies and Other Business Entities Act (Chapter 24:31) ("the Act"), we report to the shareholders as follows:

<u>Section 193(1)(a)</u>

Because of the significance of the matter described in the Basis for Adverse Opinion section of our report, the inflation adjusted consolidated financial statements of the Group are not properly drawn up in accordance with the Act and do not give a true and fair view of the state of the Group's affairs at the date of its financial statements for its financial year ended on that date.

Furthermore, Section 193(1)(a) requires the financial statements of the holding company to be audited and that the auditors must opine whether the said accounts of the company are properly drawn up in accordance with the Act so as to give a true and fair view of the state of the Group's affairs at the date of its financial statements for its financial year ended on that date. The audited financial statements of the company have not been issued for the financial years ending 30 June 2018 up to and including 30 June 2022. This results in a non-compliance with the requirements of the Act.

<u>Section 193(2)</u>

We have no matters to report in respect of the Section 193(2) requirements of the Act, in addition to those already addressed in the Basis for Adverse Opinion section of our report

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

Deloitte & Touche

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Deloitte & Touche
Chartered Accountants (Zimbabwe)
Per: Stelios Michael
(PAAB Practice Certificate Number 0443)
Partner
Registered Auditor
Harare, Zimbabwe

28 October 2022

Group Statement of Profit or Loss and Other Comprehensive Income

for the year ended 30 June 2022

	Note	INFLATION-ADJUSTED		HISTORICAL	
		30 June 2022 Audited ZW$'000	30 June 2021 Audited ZW$'000	30 June 2022 Supplementary ZW$'000	30 June 2021 Supplementary ZW$'000
Revenue	8	**290 780 098**	**195 082 046**	**159 575 763**	**56 485 603**
Cost of raw materials	20.2	(128 841 361)	(123 208 376)	(77 826 735)	(31 352 790)
Profit before operating expenses and other trading income		**161 938 737**	**71 873 670**	**81 749 028**	**25 132 813**
other trading income	9.1	3 917 789	1 921 357	2 390 117	606 727
operating expenses	10.1	(78 023 588)	(48 798 695)	(45 271 162)	(14 359 699)
Operating profit before items listed below		**87 832 938**	**24 996 332**	**38 867 983**	**11 379 841**
financial income	9.2	5 855 394	2 267 158	9 150 755	645 211
depreciation & amortisation	10.3	(3 806 854)	(3 327 510)	(984 068)	(182 305)
fair value adjustments - listed equities	18.1	1 922 706	(2 066 206)	3 589 302	106 046
fair value adjustments - biological assets	19.4	1 111 381	(3 089 315)	4 611 328	396 135
Operating profit before items listed below		**92 915 565**	**18 780 459**	**55 235 300**	**12 344 928**
interest income	11.1	954 301	437 465	528 916	131 558
interest expense	11.2	(8 533 750)	(4 763 541)	(4 729 791)	(1 415 319)
equity accounted earnings	16	8 166 761	5 696 001	4 650 806	1 880 571
monetary loss		(23 230 437)	(98 745)	—	—
Profit before tax		**70 272 440**	**20 051 639**	**55 685 231**	**12 941 738**
tax expense	12.1	(16 582 527)	(8 116 006)	(9 717 938)	(2 451 245)
Profit for the year		**53 689 913**	**11 935 633**	**45 967 293**	**10 490 493**
Other comprehensive income - to be recycled to profit or loss					
exchange differences arising on translation of foreign operations attributable to:					
equity-holders of the parent		16 215 626	1 004 562	16 215 626	1 004 562
non-controlling interests	26	991 733	11 749	991 733	11 749
Other comprehensive income for the year, net of tax		**17 207 359**	**1 016 311**	**17 207 359**	**1 016 311**
Total comprehensive income for the year		**70 897 272**	**12 951 944**	**63 174 652**	**11 506 804**
Profit for the year attributable to:					
equity holders of the parent	25	38 943 944	7 423 621	33 895 857	7 144 165
non-controlling interests	26	14 745 969	4 512 012	12 071 436	3 346 328
		53 689 913	**11 935 633**	**45 967 293**	**10 490 493**
Total comprehensive income for the year attributable to:					
equity holders of the parent		55 159 570	8 428 183	50 111 483	8 148 727
non-controlling interests		15 737 702	4 523 761	13 063 169	3 358 077
		70 897 272	**12 951 944**	**63 174 652**	**11 506 804**
Basic earnings per share (cents)	6	**6 835.78**	**1 312.78**	**5 949.70**	**1 263.36**
Diluted basic earnings per share (cents)	6	**6 835.78**	**1 299.23**	**5 949.70**	**1 250.32**

NB: Historical information has been provided for supplementary purposes only, as a result the External Auditors have not expressed an opinion on the historical financial information.

*The line items descriptions have been changed to better reflect the underlying nature of the transactions.

Group Statement of Financial Position

as at 30 June 2022

	Note	INFLATION-ADJUSTED		HISTORICAL	
		30 June 2022 Audited ZW$'000	30 June 2021 Audited ZW$'000	30 June 2022 Supplementary ZW$'000	30 June 2021 Supplementary ZW$'000
ASSETS					
Non-current assets					
property, plant and equipment	13	63 158 545	36 966 116	23 395 336	4 412 453
right-of use assets	14	3 307 678	2 087 659	1 475 533	300 764
intangible assets	15	5 773 804	5 650 865	95 132	51 233
investments in associates	16	29 367 595	19 077 921	17 660 937	4 459 909
other assets	18	7 598 526	3 928 920	7 361 824	1 268 162
biological assets	19.1	2 079 720	707 404	1 899 833	225 411
deferred tax assets	27	—	—	2 395 333	92 320
		111 285 868	**68 418 885**	**54 283 928**	**10 810 252**
Current assets					
other assets	18	7 028 942	—	7 028 942	—
biological assets	19.2	9 291 351	5 895 663	6 377 951	1 672 688
inventories	20	56 184 362	24 716 870	40 825 807	8 331 456
trade and other receivables	21	45 846 681	24 898 455	42 949 328	8 650 159
cash and cash equivalents	22.4	20 127 751	9 921 595	20 127 751	4 389 036
		138 479 087	**65 432 583**	**117 309 779**	**23 043 339**
Total assets		**249 764 955**	**133 851 468**	**171 593 707**	**33 853 591**
EQUITY AND LIABILITIES					
Capital and reserves					
ordinary share capital	24.2	761 489	761 331	5 760	5 699
share premium	24.2	2 652 625	2 547 630	36 351	25 892
other reserves	25.1	17 433 327	(274 188)	19 510 873	2 683 984
distributable reserves	25.2	83 043 063	50 763 266	40 488 470	9 470 981
attributable to equity holders of the parent		**103 890 504**	**53 798 039**	**60 041 454**	**12 186 556**
non-controlling interests	26.1	39 167 824	24 569 336	16 792 619	4 230 431
Total equity		**143 058 328**	**78 367 375**	**76 834 073**	**16 416 987**
Non-current liabilities					
deferred tax liabilities	27	13 857 300	6 283 960	1 910 307	146 326
lease liabilities	28.1	1 701 292	723 681	1 701 292	248 208
interest-bearing borrowings	29.1	3 055 249	1 707 330	3 055 249	585 579
		18 613 841	**8 714 971**	**6 666 848**	**980 113**
Current liabilities					
lease liabilities	28.1	519 811	258 790	519 811	88 760
interest-bearing borrowings	29.1	25 126 191	17 417 306	25 126 191	5 973 779
trade and other payables	30	53 407 651	24 869 007	53 407 651	8 946 349
provisions	31	1 102 769	642 339	1 102 769	220 309
current tax liabilities	32	7 936 364	3 581 680	7 936 364	1 227 294
		88 092 786	**46 769 122**	**88 092 786**	**16 456 491**
Total liabilities		**106 706 627**	**55 484 093**	**94 759 634**	**17 436 604**
Total equity and liabilities		**249 764 955**	**133 851 468**	**171 593 707**	**33 853 591**

NB: Historical information has been provided for supplementary purposes only, as a result the External Auditors have not expressed an opinion on the historical financial information.

A B C CHINAKE
Independent, Non-Executive Chairman
Harare
28 October 2022

G GWAINDA
Executive Director
CA (Z)
Registered Public Accountant

Group Statement of Changes in Equity

for the year ended 30 June 2022

	Note			Attributable to equity holders of the parent								
				Other Reserves								
	Note	Ordinary Share Capital ZW$'000	Share Premium Reserve ZW$'000	Restructure Reserve ZW$'000	Foreign Currency Translation Reserve ZW$'000	Treasury Shares Reserve ZW$'000	Share-based Payment Reserve ZW$'000	Total Other Reserves ZW$'000	Distributable Reserves ZW$000	Total Attributable to Equity Holders of the Parent ZW$'000	Non-Controlling Interests ZW$'000	Total Shareholders' Equity ZW$'000
INFLATION-ADJUSTED												
Balances at 30 June 2020		**761 130**	**2 459 712**	**(1 784 208)**	**2 067 282**	**(93 429)**	**152 984**	**342 629**	**47 553 520**	**51 116 991**	**22 695 948**	**73 812 939**
Issue of shares	**24.2**	201	87 918	—	—	—	(73 333)	(73 333)	—	14 786	—	14 786
Profit for the year	**25.2**	—	—	—	—	—	—	—	7 423 621	7 423 621	4 512 012	11 935 633
Other comprehensive income	**25.1**	—	—	—	1 004 562	—	—	1 004 562	—	1 004 562	11 749	1 016 311
Dividends paid	**7.1 & 25.2**	—	—	—	—	—	—	—	(4 213 875)	(4 213 875)	(2 705 324)	(6 919 199)
Transactions with owners in their capacity as owners	**26.4**	—	—	(1 176 599)	—	(375 686)	—	(1 552 285)	—	(1 552 285)	54 951	(1 497 334)
Share-based payment charge	**A.1**	—	—	—	—	—	4 239	4 239	—	4 239	—	4 239
Balances at 30 June 2021		**761 331**	**2 547 630**	**(2 960 807)**	**3 071 844**	**(469 115)**	**83 890**	**(274 188)**	**50 763 266**	**53 798 039**	**24 569 336**	**78 367 375**
Issue of shares	**24.2**	158	104 995	—	—	—	(84 475)	(84 475)	—	20 678	—	20 678
Profit for the year	**25.2**	—	—	—	—	—	—	—	38 943 944	38 943 944	14 745 969	53 689 913
Other comprehensive income	**25.1**	—	—	—	16 215 626	—	—	16 215 626	—	16 215 626	991 733	17 207 359
Dividends paid	**7.1 & 25.2**	—	—	—	—	—	—	—	(6 664 147)	(6 664 147)	(2 676 345)	(9 340 492)
Transactions with owners in their capacity as owners	**26.4**	—	—	1 575 779	—	—	—	1 575 779	—	1 575 779	1 537 131	3 112 910
Share-based payment charge	**A.1**	—	—	—	—	—	585	585	—	585	—	585
Balances at 30 June 2022		**761 489**	**2 652 625**	**(1 385 028)**	**19 287 470**	**(469 115)**	**—**	**17 433 327**	**83 043 063**	**103 890 504**	**39 167 824**	**143 058 328**
HISTORICAL												
Balances at 30 June 2020		**5 648**	**20 358**	**(13 135)**	**2 067 282**	**(688)**	**3 079**	**2 056 538**	**3 575 773**	**5 658 317**	**1 664 099**	**7 322 416**
Issue of shares	**24.2**	51	5 534	—	—	—	(1 892)	(1 892)	—	3 693	—	3 693
Profit for the year	**25.2**	—	—	—	—	—	—	—	7 144 165	7 144 165	3 346 328	10 490 493
Other comprehensive income	**25.1**	—	—	—	1 004 562	—	—	1 004 562	—	1 004 562	11 749	1 016 311
Dividends paid	**7.1 & 25.2**	—	—	—	—	—	—	—	(1 248 957)	(1 248 957)	(809 249)	(2 058 206)
Transactions with owners in their capacity as owners	**26.4**	—	—	(264 676)	—	(111 730)	—	(376 406)	—	(376 406)	17 504	(358 902)
Share-based payment charge	**A.1**	—	—	—	—	—	1 182	1 182	—	1 182	—	1 182
Balances at 30 June 2021		**5 699**	**25 892**	**(277 811)**	**3 071 844**	**(112 418)**	**2 369**	**2 683 984**	**9 470 981**	**12 186 556**	**4 230 431**	**16 416 987**
Issue of shares	**24.2**	61	10 459	—	—	—	(2 584)	(2 584)	—	7 936	—	7 936
Profit for the year	**25.2**	—	—	—	—	—	—	—	33 895 857	33 895 857	12 071 436	45 967 293
Other comprehensive income	**25.1**	—	—	—	16 215 626	—	—	16 215 626	—	16 215 626	991 733	17 207 359
Dividends paid	**7.1 & 25.2**	—	—	—	—	—	—	—	(2 878 368)	(2 878 368)	(1 381 250)	(4 259 618)
Transactions with owners in their capacity as owners	**26.4**	—	—	613 632	—	—	—	613 632	—	613 632	880 269	1 493 901
Share-based payment charge	**A.1**	—	—	—	—	—	215	215	—	215	—	215
Balances at 30 June 2022		**5 760**	**36 351**	**335 821**	**19 287 470**	**(112 418)**	**—**	**19 510 873**	**40 488 470**	**60 041 454**	**16 792 619**	**76 834 073**

NB: Historical information has been provided for supplementary purposes only, as a result the External Auditors have not expressed an opinion on the historical financial information.

Group Statement of Cash Flows

for the year ended 30 June 2022

		INFLATION-ADJUSTED		HISTORICAL	
	Note	30 June 2022 Audited ZW$'000	30 June 2021 Audited ZW$'000	30 June 2022 Supplementary ZW$'000	30 June 2021 Supplementary ZW$'000
Cash generated from operating activities	A.1	**60 878 632**	**24 770 808**	**8 647 252**	**5 865 822**
interest income	11.1	954 301	437 465	528 916	131 558
interest expense	11.2	(8 533 750)	(4 763 541)	(4 729 791)	(1 415 319)
taxes paid	32	(7 247 722)	(5 365 407)	(3 497 743)	(2 034 902)
Total cash available from operations		**46 051 461**	**15 079 325**	**948 634**	**2 547 159**
Investing activities	A.2	**(12 730 372)**	**(11 494 047)**	**(6 762 593)**	**(3 642 598)**
Net cash inflow/(outflow) before financing activities		**33 321 089**	**3 585 278**	**(5 813 959)**	**(1 095 439)**
Financing activities		**28 681 589**	**10 608 971**	**14 195 297**	**2 652 845**
issue of shares	24.2	158	201	61	51
share premium	24.2	104 995	87 918	10 459	5 534
dividends paid by holding company	7.1	(6 664 147)	(4 213 875)	(2 878 368)	(1 248 957)
dividends paid by subsidiaries to minority shareholders	7.2	(2 676 345)	(2 705 324)	(1 381 250)	(809 249)
drawdowns on borrowings	29.2	50 724 492	20 081 627	24 479 583	5 409 810
repayment of borrowings	29.2	(13 688 852)	(2 039 528)	(6 606 225)	(549 430)
lease payments		(498 440)	(341 675)	(240 543)	(74 248)
purchase of Treasury Shares		—	(375 686)	—	(111 730)
cash received from non-controlling interests	26.2	1 379 728	115 313	811 580	31 064
Net increase in cash and cash equivalents before changes in currency translations	22.4	**62 002 678**	**14 194 249**	**8 381 338**	**1 557 406**
Effects of currency translation on cash and cash equivalents	22.4	**(51 796 522)**	**(19 043 163)**	**7 357 377**	**705 674**
Net increase/(decrease) in cash and cash equivalents		**10 206 156**	**(4 848 914)**	**15 738 715**	**2 263 080**
Cash and cash equivalents at the beginning of the year	22.4	**9 921 595**	**14 770 509**	**4 389 036**	**2 125 956**
Cash and cash equivalents at the end of the year	22.4	**20 127 751**	**9 921 595**	**20 127 751**	**4 389 036**

NB: Historical information has been provided for supplementary purposes only, as a result the External Auditors have not expressed an opinion on the historical financial information.

Notes to the Financial Statements

for the year ended 30 June 2022

		INFLATION-ADJUSTED		HISTORICAL	
	Note	30 June 2022 Audited ZW$'000	30 June 2021 Audited ZW$'000	30 June 2022 Supplementary ZW$'000	30 June 2021 Supplementary ZW$'000
A Cashflow information					
A.1 Cash generated from operating activities					
Profit before interest, equity accounted earnings, monetary loss and tax		**92 915 565**	**18 780 459**	**55 235 300**	**12 344 928**
Adjustments for non-cash items:					
Bad debts written off	21.3	—	8 467	—	2 281
Depreciation & amortisation	10.3	3 806 854	3 327 510	984 068	182 305
Fair value (gain)/loss on biological assets	19.4	(1 111 381)	3 089 315	(4 611 328)	(396 135)
Fair value (gain)/loss on listed equities	18.1	(1 922 706)	2 066 206	(3 589 302)	(106 046)
Gain on bargain purchase of Bakers Inn Logistics (Private) Limited	9.2 & 22.1	(16 268)	—	(5 725)	—
Gain on revaluation of statutory receivables	9.2 & 18.2	(1 792 722)	(372 894)	(1 792 722)	(127 895)
Increase in allowance for credit losses	21.3	129 248	111 028	73 220	29 910
Increase in provision for leave pay	31.1	919 236	539 620	919 236	185 079
Inventory written off and provisions charged to profit or loss	20	529 837	232 819	255 699	62 719
Profit on disposal of asset of disposal group held for sale	9.2 & 23.2	—	(366 747)	—	(144 620)
Profit on disposal of associates	9.2 & 22.3	(6 327 265)	—	(8 599 515)	—
Profit on disposal of fixed assets	9.2	(1 184)	(8 047)	(91 587)	(35 487)
Share-based payment charge		585	4 239	215	1 182
Unrealised exchange (gains)/losses	9.2	(3 043 528)	1 695 786	(3 043 528)	709 515
		84 086 271	**29 107 761**	**35 734 031**	**12 707 736**
Changes in working capital					
(Increase)/decrease in current biological assets		(3 431 525)	389 562	(1 592 161)	(780 528)
(Increase)/decrease in inventories		(31 997 330)	86 683	(32 679 024)	(5 926 813)
(Increase)/decrease in trade and other receivables		(21 077 474)	(9 115 281)	(37 264 327)	(6 077 618)
Increase in trade and other payables		33 374 894	4 418 368	44 485 509	5 972 325
Decrease in provisions	31.1	(76 204)	(116 285)	(36 776)	(29 280)
		(23 207 639)	**(4 336 953)**	**(27 086 779)**	**(6 841 914)**
	34	**60 878 632**	**24 770 808**	**8 647 252**	**5 865 822**

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

	Note	INFLATION-ADJUSTED 30 June 2022 Audited ZW$'000	30 June 2021 Audited ZW$'000	HISTORICAL 30 June 2022 Supplementary ZW$'000	30 June 2021 Supplementary ZW$'000
A.2 Investing activities					
Expenditure of property, plant and equipment	13 & 13.1	**(25 081 788)**	**(11 424 246)**	**(16 531 317)**	**(3 688 884)**
Expenditure of property, plant and equipment to maintain operations		(10 008 057)	(4 073 183)	(5 894 050)	(1 315 229)
Expenditure of property, plant and equipment to expand operations		(15 073 731)	(7 351 063)	(10 637 267)	(2 373 655)
Acquisition of interest in Bevco Limited	16.2	—	(5 975)	—	(5 975)
Advances and deposits	18.1	(245 443)	(172 039)	(118 451)	(46 346)
Proceeds on disposal of fixed assets		62 819	422 185	107 412	129 516
Dividends received from Associates	16.2	1 196 915	637 376	656 249	171 857
Cashflows on acquisition of additional interest in Associates	22.1	(910 289)	—	(305 789)	—
Net cashflow on acquisition of MyCash Financial Services	22.2	—	18 336	—	4 847
Net cashflows from transactions with non-controlling interests	26.3	795 707	(1 237 129)	343 680	(278 292)
Net loans (advanced to)/repaid by Associates	16.2	(43 712)	(18 688)	(31 558)	2 161
Proceeds from disposal of investments in Associates	22.3	11 532 012	—	9 124 117	—
Proceeds on statutory receivables	18.1	233 942	417 284	112 900	118 569
Purchase of intangible assets	15	(5 735)	—	(2 620)	—
Purchase of non-current biological assets	19.1	(264 800)	(131 151)	(117 216)	(50 051)
Total cash utilised in investing activities	34	**(12 730 372)**	**(11 494 047)**	**(6 762 593)**	**(3 642 598)**

Notes to the Financial Statements

for the year ended 30 June 2022

1 Corporate information

Innscor Africa Limited, ("Innscor"/"the Group") is a limited liability company incorporated and domiciled in Zimbabwe whose shares are publicly traded on the Zimbabwe Stock Exchange. The principal activities of the Group include that of the light manufacturing of fast moving and durable consumer goods.

2 Statement of compliance

The Group's consolidated annual inflation-adjusted financial statements have been prepared in accordance with International Financial Reporting Standards, ("IFRS"), promulgated by the International Accounting Standards Board, ("IASB") as issued by the International Financial Reporting Interpretations Committee, ("IFRIC") and adopted by the Public Accountants and Auditors Board, ("PAAB") constituted under the Public Accountants and Auditors Act (Chapter 27:12) and the Companies and Other Business Entities Act ("Chapter 24:31").

2.1 Going concern

The Directors have satisfied themselves that the Group is in a sound financial position and has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they are satisfied that it is appropriate to adopt the going concern basis in preparing the consolidated annual inflation-adjusted financial statements.

2.2 Basis of preparation

The PAAB pronounced on 11 October 2019 that the Zimbabwean economy was now trading under hyperinflationary conditions from 1 July 2019. The Directors have applied the requirements of IAS 29 in preparing these financial statements. The Group consolidated annual inflation-adjusted financial statements have been prepared based on the statutory records that are maintained under the historical cost basis except for equity investments and some biological assets that have been measured at fair value. For the purposes of fair presentation in accordance with IAS 29, the historical cost financial information has been restated for changes in the general purchasing power of the functional currency of the Group. The consolidated annual inflation-adjusted financial statements are presented in Zimbabwe Dollars ("ZW$"); and all values are rounded to the nearest thousand except where otherwise indicated.

The principal accounting policies applied in the preparation of the Group consolidated annual inflation-adjusted financial statements are in terms of IFRS and applicable amendments to IFRS and the accounting policies have been applied consistently in all material respects with those of the previous consolidated annual inflation-adjusted financial statements.

2.3 IAS 21 ("Effects of Changes in Exchange Rates")

The Government of Zimbabwe, in June 2020, promulgated Statutory Instrument 85 of 2020 (SI 85/20) which permitted the use of foreign currencies for domestic transactions. This was followed by the introduction of the Foreign Exchange Auction Trading System (the Auction System) at the end of June 2020 by the Reserve Bank of Zimbabwe (RBZ). During the reporting period, the Group was able to obtain a portion of its foreign currency requirements through the Auction System, but not enough to fully service the Group's foreign currency requirements. Since the promulgation of SI 85/20 and the introduction of the Auction System, there has at times been a significant disparity between the auction exchange rates and the foreign currency exchange rates obtained through the purchase/sale of goods and services on the domestic market.

As a result of the limited amount of currency secured by the Group on the Auction System, the Directors have used estimated exchange rates derived by reference to trading arrangements between the Group, its customers and suppliers to translate all foreign currency transactions. Additionally, the Directors do not believe that the Auction Exchange rates prevailing during the financial year were, at all times, reflective of a spot exchange rate, contemplated by IAS 21. The IFRIC decision made in September 2018 confirmed that the use of an estimation process when a currency is not exchangeable and when the lack of exchangeability is not short-term, is permissible.

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

2 Statement of compliance (continued)

2.3 IAS 21 ("Effects of Changes in Exchange Rates") (continued)

Due to the above and other technicalities related to the conversion of foreign currency transactions and balances into ZW$, the Directors would like to advise users to exercise caution in the use of these consolidated inflation adjusted financial statements in relation to the reporting currency and conversion to other currencies.

The Group's Auditors, Deloitte & Touche, have concluded that the lack of exchangeability is temporary based on RBZ publications and other data. In the opinion of the auditors, given that this lack of exchangeability is not considered long-term, they are of the view that it was not appropriate for the Group to estimate an exchange rate with reference to trading arrangements with its customers and suppliers. As a result, the Independent Auditors, have issued an adverse opinion for the current year ended 30 June 2022 as they believe that the determination of an estimated spot exchange rate was not compliant with the requirements of IFRS. The Auditors believe that the auction exchange rate was the appropriate spot exchange rate that it was observable and accessible for immediate delivery.

The Directors disagree with the conclusion of the Auditors as it was contrary to the circumstances applicable to the Group and particularly in respect of the proportion of the Group's foreign currency requirements secured at the Auction.

In addition, there are varying views on the matter in the market, and at present there is no appropriate applicable guideline issued by the relevant Statutory Boards on the subject. The Directors have therefore applied their best judgement under the circumstances faced by the Group.

2.4 IAS 29 ("Financial Reporting in Hyperinflationary Economies")

IAS 29 requires restatement of the financial statements of an entity whose reporting and presentation currency is a currency of a hyperinflationary environment. Under this standard, financial statements prepared in a currency of a hyperinflationary economy should be stated in terms of a measuring unit current at the reporting date and the corresponding figures for the prior periods should also be stated in terms of the same measuring unit. The standard lists the characteristics of hyperinflationary economic environment as: when the population prefers to keep its wealth in non-monetary assets and regards monetary amounts in terms of a relative stable foreign currency, sales are at prices that compensate for expected loss of purchasing power; and cumulative inflation rate over three years is approaching or exceeding 100%.

In line with the PAAB announcement on 11 October 2019, that the Zimbabwean economy was now trading under hyperinflationary conditions from 1 July 2019, the Directors have applied the requirements of IAS 29 as issued by the IASB in preparing these consolidated annual inflation-adjusted financial statements. The consolidated inflation-adjusted financial statements have been drawn up using the conversion factors derived from the consumer price index "CPI" prepared and issued by the Zimbabwe Central Statistical Office. The inflation-adjusted financial statements which form the primary financial statements of the Group and on which the audit opinion has been based, have been presented together with the historical numbers. The historical numbers are presented as supplementary information only and as a result the External Auditors have not expressed an opinion on the historical financial information.

In accordance with IAS 29 monetary assets and liabilities and non-monetary assets and liabilities carried at fair value have not been restated and are presented at the measuring unit current at the end of the reporting period. Items recognised in the income statement have been restated by applying the change in CPI from dates when the transactions were initially recorded in the Group's financial records (transaction date). A net monetary adjustment was recognised in the statement of profit or loss for the year ended 30 June 2022 and the comparative year. Comparative amounts in the Group's consolidated annual inflation-adjusted financial statements have been restated to reflect the change in the CPI to the end of the reporting period. All items in the statement of cash flows are expressed based on the restated financial information for the period.

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

2 Statement of compliance (continued)

2.4 IAS 29 ("Financial Reporting in Hyperinflationary Economies") (continued)

The conversion factors used to restate the financial statements are as follows:

	Index	Conversion Factor
30 June 2022	8 707.35	1.000
30 June 2021	2 986.44	2.916

2.5 Statutory Receivables

As reported in the previous year's financial statements, the Group has foreign legacy liabilities amounting to US$3 453 811 (2021: US$3 783 811), being foreign liabilities that were due and payable on 22 February 2019 when the authorities promulgated SI33/2019 which introduced the ZW$ currency. The foreign liabilities were registered and approved by the Reserve Bank of Zimbabwe ("RBZ") and the Group transferred to the RBZ the ZW$ equivalent of the foreign liabilities at an exchange rate of ZW$1=US$1 in line with Exchange Control Directives RU102/2019 and RU28/2019 and as directed by the RBZ. The foreign liabilities have been accounted for at the closing rate of exchange at 30 June 2022 in line with IAS 21, whilst the deposits with the RBZ have been accounted for as statutory receivables at the same closing exchange rate.

The following exchange gains have been recorded in the statement of profit and loss in respect of this statutory receivable.

		INFLATION-ADJUSTED		HISTORICAL	
	Note	30 June 2022 Audited ZW$'000	30 June 2021 Audited ZW$'000	30 June 2022 Supplementary ZW$'000	30 June 2021 Supplementary ZW$'000
Gain on revaluation of statutory receivables	9.2	1 792 722	372 894	1 792 722	127 895

An amount of ZW$1.79bn (2021: ZW$372.89mn) was recorded as an unrealised foreign exchange gain. The cash cover deposits at the RBZ have been treated as statutory receivables and restated at the closing exchange rate at year end.

In July 2022 the the Directors received a notification from the Group's Bankers indicating that the Group had been issued Treasury Bills in lieu of the Statutory Receivables. The Treasury Bills mature in 2025 and additional information is yet to be communicated to the Group. The Group will hold the Treasury Bills to maturity.

3 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 30 June 2022. Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

3 Basis of consolidation (continued)

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee;
- Rights arising from other contractual arrangements; and
- The Group's voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the statement of comprehensive income and statement of financial position from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a change of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary.
- Derecognises the carrying amount of any non-controlling interest.
- Derecognises the cumulative translation differences, recorded in equity.
- Recognises the fair value of the consideration received.
- Recognises the fair value of any investment retained.
- Recognises any surplus or deficit in profit or loss.
- Reclassifies the parent's share of components previously recognised in other comprehensive income to profit or loss or retained earnings as appropriate.

4 Changes in accounting policy and disclosures

4a New and Amended IFRSs adopted

The following new standards, amendments and interpretations are effective for the first time for periods beginning on or after 1 January 2021 but have not had a material effect on the Group.

- Interest Rate Benchmark Reform — Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)
- Conceptual Framework amendments — Amendments to References to Conceptual Framework in IFRS Standards
- Property, Plant and Equipment — Proceeds before Intended Use (Amendments to IAS 16)
- Onerous Contracts — Cost of Fulfilling a Contract (Amendments to IAS 37)
- Annual Improvements to IFRS Standards 2018–2020

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Notes to the Financial Statements (continued)

for the year ended 30 June 2022

4 Changes in accounting policy and disclosures (continued)

4a New and Amended IFRSs adopted (continued)

Interest Rate Benchmark Reform (Amendments to IFRS 9, IAS 39 and IFRS 7)

Amendments to IFRS 9, IAS 39 and IFRS 7 have now been issued to address uncertainties related to the ongoing reform of interbank offered rates (IBOR). The amendments provide targeted relief for financial instruments qualifying for hedge accounting in the lead up to IBOR reform.

The amendments address issues affecting financial reporting in the period leading up to IBOR reform, are mandatory and apply to all hedging relationships directly affected by uncertainties related to IBOR reform.

The amendments have no impact on the Group's financial statements

Reference to the Conceptual Framework (Amendments to IFRS 3)

The amendments update an outdated reference to the Conceptual Framework in IFRS 3 without significantly changing the requirements in the standard. The amendments have no impact on the Group's financial statements.

Property, Plant and Equipment — Proceeds before Intended Use (Amendments to IAS 16)

The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the cost of producing those items, in profit or loss.

The amendments have no impact on the Group's financial statements.

Onerous Contracts — Cost of Fulfilling a Contract (Amendments to IAS 37)

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

The amendments have no impact on the Group's financial statements.

Annual Improvements to IFRS Standards 2018–2020

The Board has also removed the definition of material omissions or misstatements from IAS 8, "Accounting Policies, Changes in Accounting Estimates and Errors".

IFRS 1 – The amendment permits a subsidiary that applies paragraph D16(a) of IFRS 1 to measure cumulative translation differences using the amounts reported by its parent, based on the parent's date of transition to IFRSs.

IFRS 16 – The amendment to Illustrative Example 13 accompanying IFRS 16 removes from the example the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives are illustrated in that example.

IAS 41 – The amendment removes the requirement in paragraph 22 of IAS 41 for entities to exclude taxation cash flows when measuring the fair value of a biological asset using a present value technique.

The amendments have no impact on the Group's financial statements.

Notes to the Financial Statements (continued)
for the year ended 30 June 2022

4 Changes in accounting policy and disclosures (continued)

As at the date of these financial statements, the following standards have been issued but are not yet effective:

Description	Effective for annual periods beginning on or after	
Extension of the Temporary Exemption from Applying IFRS 9 (Amendments to IFRS 4)	1 January 2023	Applicable
Definition of Accounting Estimates (Amendments to IAS 8)	1 January 2023	Applicable
Classification of Liabilities as Current or Non-Current (Amendments to IAS 1)	1 January 2023	Applicable

5 Summary of significant accounting policies

Revenue

IFRS 15, "Revenue from Contracts with Customers" is a principle-based model of recognizing revenue from customer contracts. It is a five-step model that requires revenue to be recognised when a performance obligation is satisfied to depict the transfer of promised goods or services to the customer in an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group recognises revenue from contracts with customers when there is a perfomance obligation, "a contract to transfer to a customer goods or services that is distinct", and the transaction price is determined.

The following are the contracts with customers to which the businesses recognises revenue from:

Sale of goods

Revenue from the sale of goods, or turnover, comprises sales to customers through the Group's sales staff, direct customers at the stores and the Group's supply arrangements. All turnover is stated exclusive of Value Added Tax (VAT).

Revenue is recognised at a point in time when the Group transfers control of goods to its customer at the point of sale and is measured at the fair value of consideration received or receivable, net of returns, trade discounts, and volume rebates. Discounts, rebates to customers are deducted from revenue. Payment of the transaction price in respect of sale of goods depends on the nature of customers. Revenue is recognised immediately when the customer purchases goods and takes delivery for both cash and credit customers.

Commission income

Commission income is received or receivable under agent contracts for sale of third party goods in the Group's shops and is recognised when the products have been sold.

Interest income

Interest income is recognised over time as it accrues in the statement of comprehensive income, using the Effective Interest Rate method ("EIR"), by reference to the principal amounts outstanding and at the interest rate applicable.

Dividend income

Dividend income is recognised when the Group's right to receive payment is established.

Rental income

Rental income arising from operating leases on investment property where the Group is the lessor on the lease transactions, is accounted for on a straight-line basis over the lease terms and is included in other trading income in the statement of profit or loss due to its operating nature.

Services and management charges are recognised in the accounting period in which they are incurred.

The lease term is the non-cancellable period of the lease together with any further term for which the tenant has the option to continue the lease, where, at the inception of the lease, the Directors are reasonably certain that the tenant will exercise that option.

Amounts received from tenants to terminate leases or to compensate for dilapidations are recognised in the statement of profit or loss when the right to receive them arises.

Notes to the Financial Statements (continued)
for the year ended 30 June 2022

5 Summary of significant accounting policies (continued)

Financial income/(loss)

Financial income/(loss) is recognised in the Group's Statement of Profit or Loss when there are write ups and/or write downs on the Group's Statement of Financial Position, such as profit/(loss) on disposal of property, plant and equipment, profit/(loss) on disposal of Associates, bad debts recovered/(written off) and exchange gains/(losses).

Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset. Capitalisation should commence when expenditures are being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation should be suspended during periods in which active development is interrupted. Capitalisation should cease when substantially all of the activities necessary to prepare the asset for its intended use or sale are complete. If only minor modifications are outstanding, this indicates that substantially all of the activities are complete. All other borrowing costs are expensed as incurred. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale.

To the extent that funds are borrowed specifically for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalisation on that asset is determined as the actual borrowing costs incurred on that borrowing during the period less any investment income on the temporary investment of those borrowings.

To the extent that funds are borrowed generally and used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalisation is determined by applying a capitalisation rate as shown in **note 29.1** to the expenditures on that asset. The capitalisation rate is the weighted average of the borrowing costs applicable to the borrowings of the entity that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset.

Employee benefits

Short-term benefits

The cost of all short-term employee benefits, such as salaries, employee entitlements to leave pay, bonuses, medical aid and other contributions, are recognised during the period in which the employee renders the related service. The Group recognises the expected cost of bonuses only when the Group has a present legal or constructive obligation to make such payment and a reliable estimate can be made. The Group recognises expected cost of bonus only when the Group has a present legal and constructive obligation to make such payments and reliable estimate can be made.

Retirement benefit costs

Retirement benefits are provided for Group employees through the Innscor Africa Limited Pension Fund, National Foods Pension Fund and Colcom Pension Fund subsidiaries. The Group's pension schemes are defined contribution schemes and the cost of retirement benefits is determined by the level of contributions made in terms of the rules. Contributions to defined contribution retirement plans are recognised as an expense when employees have rendered service entitling them to the contributions.

All eligible employees contribute to the National Social Security Authority defined contribution pension scheme, or the equivalent in foreign subsidiaries. The cost of retirement benefits applicable to the National Social Security Authority, which commenced operations on 1 October 1994, is determined by the systematic recognition of legislated contributions.

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

5 Summary of significant accounting policies (continued)

Foreign currency translation

As stated in the Basis of Preparation paragragh in **note 2.2** above, the Group's financial statements are presented in Zimbabwe Dollars, which is the Group's functional and presentation currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Transactions in foreign currencies are initially recorded at the functional currency rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the reporting date. All exchange rate differences are taken to profit or loss, and are recognised in other comprehensive income until the disposal of the net investment, at which time they are recognised in profit or loss. The tax charges and credits attributable to exchange differences are also recognised in other comprehensive income. Non-monetary items that are measured in terms of the historical cost basis in a foreign currency are translated using the exchange rates ruling at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates as at the dates when the fair value was determined. The gain or loss arising on translation of non-monetary items is treated in line with the recognition of gain or loss on change in fair value of the item.

Foreign operations

Assets and liabilities of subsidiaries and associated companies denominated in foreign currencies are translated into Zimbabwe Dollars at the closing rate of exchange ruling at the reporting date and their statements of comprehensive income results are translated at the average rate of exchange for the period. The average exchange rate for the year is determined by adding the monthly exchange rates during the year and dividing these by twelve. Where there are drastic movements between the opening and closing rates of exchange, the statement of comprehensive income results are translated on a month on-month basis using the average rate of exchange for each month and then adding these up monthly to determine full year profit or loss. Differences on exchange arising from the translation of the opening net investment in subsidiaries and associated companies and from the translation of the results of those entities at average rates, are recognised in other comprehensive income.

Business combinations and Goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition-date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the Group measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs incurred are expensed.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contract of by the acquiree. If the business combination is achieved in stages, the acquisition date fair value of the Group's previously held equity interest in the acquiree is re-measured to fair value as at the acquisition date through profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration, that is a financial instrument, is recognised in accordance with IFRS 9 either in profit or loss or as a change to other comprehensive income. If the contingent consideration is classified as equity, it is not re-measured until it is finally settled within equity.

Goodwill is initially measured at cost, being the excess of the consideration transferred over the Group's net identifiable assets acquired and liabilities assumed and the amount recognised for non-controlling interest. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in profit or loss as bargain purchase gain. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

5 Summary of significant accounting policies (continued)

Property, plant and equipment ("PPE")

Property, plant and equipment are stated at cost, excluding the costs of day to day servicing, less accumulated depreciation and accumulated impairment losses. Such cost includes the cost of replacing part of the PPE. When significant parts of PPE are requiring replacement in intervals, the Group recognises such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the PPE as a replacement if the recognition criteria is satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Land is carried at cost and is not depreciated whereas buildings are carried at cost less accumulated depreciation and accumulated impairment losses. Depreciation is calculated on a straight line basis over the expected useful lives of the assets such that the cost is reduced to the residual values of the assets over the useful lives of the assets. Depreciation is charged to the statement of profit or loss as a period cost under operating expenses in the year that it is incurred.

The various rates of depreciation are listed below:

Freehold property	—	2%
Buildings	—	2.5%
Leasehold improvements	—	the lower of the lease term or useful life of the asset
Plant, Fittings and Equipment	—	3% - 25%
Vehicles	—	10% - 30%

The carrying values of PPE are reviewed for impairment indicators annually. When the carrying amount exceeds the estimated recoverable amount, assets are written down to the recoverable amount.

An item of PPE is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying value of the asset) is included in profit or loss in the year the asset is derecognised/disposed.

The residual values and depreciation methods of PPE are reviewed by the Group, and prospectively adjusted if necessary, on an annual basis. Depreciation is not charged when the carrying amount of an item of PPE becomes equal or less than the residual value.

The Group reviews and reassesses the residual values and useful lives of all items of PPE at each financial year. Due to the nature of the Group's operations only material differences in reassessments will result in a change in accounting estimate with the approval of the Board. Fully depreciated items of Property, Plant and Equipment which are considered insignificant may continue to be utilised in the Group's operations and will be kept on the Group's asset register until disposed.

Right-of-use assets and lease liability

Initial recognition

The Group is party to lease contracts for office buildings and plant and equipment. Leases are recognised, measured and presented in line with IFRS 16 ("Leases"). Assets and liabilities for all leases excluding exceptions listed in the standard are recognised by the Group and exemptions for lease contracts with a 1 year period or where the underlying asset is of low value are applied. Right-of-use assets and a lease liabilities are recognised at the commencement date of the contract for all leases conveying the right to control the use of any identified assets for a period of time. The commencement date is the date on which a lessor makes an underlying asset available for use by a lessee.

The right-of-use assets are initially measured at cost, which comprises:

- the amount of the initial measurement of the lease liability,
- any lease payments made at or before the commencement date, less any lease incentives,
- any initial direct costs incurred by the lessee,
- an estimate of costs to be incurred by the lessee in dismantling and removing the underlying assets or restoring the site on which the assets are located.

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

5 Summary of significant accounting policies (continued)

Right-of-use assets and lease liability (continued)

The Group depreciates the right-of-use asset from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at that date. These include:
- fixed payments, less any lease incentives receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the lessee under residual value guarantees;
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The lease payments exclude variable elements which are dependent on external factors such as e.g. sales volume at the point of sale leased. Variable lease payments not included in the initial measurement of the lease liability are recognised directly in the profit and loss. The lease payments are discounted using the Group's incremental borrowing rate or the rate implicit in the lease contract.

The lease term determined by the Group comprises:
- non-cancellable period of lease contracts,
- periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option,
- periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option.

Extension Options

Some property leases contain extension options exercisable by the Group up to one year before the end of the non-cancellable contract period. Where practicable, the Group seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Group and not by the lessors. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension options and whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

Subsequent measurement

After the commencement date the right-of-use assets are measured at cost less any accumulated depreciation and any accumulated impairment losses and adjusted for any re-measurement of the lease liability and the lease liability is measured by:
- increasing the carrying amount to reflect interest on the lease liability,
- reducing the carrying amount to reflect lease payments made, and
- re-measuring the carrying amount to reflect any reassessment or lease modifications.

Intangible assets

Intangible assets acquired separately are initially measured and recognised at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is charged to profit or loss in the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over their useful economic lives and are assessed for impairment whenever there is an indication that the intangible assets are impaired. The amortisation expense and impairment losses on intangible assets are recognised in profit or loss in the period in which they occur.

Computer software and Brand Rights are amortised over a period of 4 years.

Intangible assets with an indefinite useful lives are not amortised, but are tested for impairment annually.

Gains or losses arising from de-recognition or disposal of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised/disposed.

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

5 Summary of significant accounting policies (continued)

Impairment of non-financial assets

The Group assesses whether an asset may be impaired, where indications that impairment exists. This entails estimating the asset's recoverable amount, which is the higher of the asset's fair value less costs to sell and value in use. Where the asset's carrying amount exceeds its recoverable amount, the asset is considered impaired and its carrying amount is written down to its recoverable amount. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of time value of money and the risks specific to the asset. Impairment losses are recognised in profit or loss in those expense categories consistent with the function of the impaired asset.

For assets excluding goodwill, an assessment is made at each reporting date as to whether previously recognised impairment losses may no longer exist or have decreased. If such indication exists, the recoverable amount is estimated in order to reverse the previously recognised impairment losses. A previously recognised impairment loss is reversed only to the extent that there has been a change in the estimates used in determining the asset's recoverable amount since the last impairment loss was recognised. If that is the case the asset's carrying amount is increased to its recoverable amount. However, the increased carrying value of the asset is limited to the carrying value determinable, net of depreciation, had the impairment not occurred. Such reversal is taken to profit or loss. After the reversal, the depreciation charge is adjusted in future periods to allocate the revised carrying amount, less any residual value, on a systematic basis over the remaining useful life.

Investments in associates

The Group's investments in associates are accounted for using the equity method of accounting. Associates are entities in which the Group exercises significant influence and which are neither subsidiaries nor jointly controlled operations. Under the equity method, investments in associates are initially carried in the statement of financial position at cost. Subsequently, the investments in associates are carried at cost plus post-acquisition changes in the Group's share of the reserves of the associates less dividends received from the associates. Goodwill relating to an associate is included in the carrying amount of the investment. The statement of comprehensive income reflects the share of the results of operations of the associates attributable to the Group.

Equity loans to associates are also included as part of net investment in associates.

Where there have been changes recognised directly in the equity of the associate, the Group recognises its share of any changes and discloses this, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate.

The financial statements of the associate are prepared for the same reporting period as the parent company. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group. After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investment in its associate.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount in profit or loss.

Upon loss of significant influence over the associate, the Group measures and recognises any retaining investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence, and the fair value of the retaining investment and proceeds from disposal is recognised in profit or loss.

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

5 Summary of significant accounting policies (continued)

Financial instruments

Financial assets

Financial assets are recognised when the Group becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognised on the settlement date. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Separate assets or liabilities are recognised if any rights and obligations are created or retained in the transfer. The Group has three classes for its financial assets, that is amortised cost, fair value through profit/loss and fair value through other comprehensive income. The classification depends on the cashflow characteristics of the financial asset and the business model in which it is held.

Classification

The Group's financial assets are classified as either amortised cost or fair value through other comprehensive income (FVTOCI) or fair value through profit or loss (FVTPL).

Amortised cost

Financial assets are classified at amortised cost if the contractual terms give rise to payments that are solely payments of principal and interest ("SPPI") on the principal amount outstanding and the financial asset is held in a business model whose objective is to hold financial assets in order to collect contractual cash flows. These assets are subsequently measured at amortised cost using the effective interest method, minus impairment allowances. Interest income and gains and losses from financial assets at amortised cost are recognised in statement of comprehensive income as financial income.

The Group's financial assets measured at amortised cost include trade and other receivables, cash and cash equivalents and loans receivable. Trade and other receivables mainly comprise sale of goods receivables. Certain trade and other receivables are considered to be long term in nature and are recorded as non-current in the statement of financial position.

Fair value through profit or loss (FVTPL)

Financial instruments are classified at fair value through profit or loss if it fails the SPPI test or if it is designated at FVTPL. Financial instruments at 'fair value through profit or loss are measured at fair value, and changes therein are recognised in the statement of profit or loss.

The Group classifies the following financial assets at fair value through profit or loss (FVTPL):
- debt investments that do not qualify for measurement at either amortised cost or FVOCI
- equity investments that are held for trading, and
- equity investments for which the entity has not elected to recognise fair value gains and losses through OCI.'
- unit trust held at fair value through profit or loss.'

Fair value through other comprehensive income (FVOCI)

A financial asset is measured at fair value through other comprehensive income (FVOCI), the objective is to:
- hold the financial asset in order to collect contractual cash flows and selling the financial asset; 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.

Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

Off-setting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously. There were no financial instruments that were offset during the year nor in 2021.

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

5 Summary of significant accounting policies (continued)

Financial instruments (continued)

Measurement

At initial recognition, the Group measures a financial asset classified at amortised cost at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.

If the transaction price differs from fair value at initial recognition the difference is accounted for as follows;
- if fair value is evidenced by a quoted price in an active market for an identical asset or based on a valuation technique that uses only data from observable markets, then the difference is recognised in profit or loss on initial recognition;
- in all other cases, the fair value will be adjusted to bring it in line with the transaction price. After initial recognition, the deferred gain or loss will be released to profit or loss on a rational basis, only to the extent that it arises from a change in a factor (including time) that willing market participants would consider when pricing the asset or liability.

Impairment of financial assets

The Group recognises an allowance for expected credit losses ('ECL") on financial assets that are measured at amortised cost. At each reporting date, the Group measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the credit risk of financial asset has not increased significantly since initial recognition, the Group measures the loss allowance at an amount equal to twelve month expected credit losses.

The Group assesses all information available, including on a forward-looking basis the expected credit loss associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition based on all information available, and reasonable and supportive forward-looking information.

Impairment losses on financial assets carried at amortised cost are reversed in subsequent periods if the amount of the loss decreases and the decrease can be objectively related to an event occurring after the impairment was recognised.

The Group monitors all financial assets, contracts that are subject to the impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk the Group will measure the loss allowance based on lifetime ECL.

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument at the reporting date based on the remaining maturity of the instrument with the risk of a default occurring that was anticipated for the remaining maturity at the current reporting date when the financial instrument was first recognised. In making this assessment, Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort, based on the Group's historical experience and expert credit assessment including forward-looking information.

Multiple economic scenarios form the basis of determining the probability of default at initial recognition and at subsequent reporting dates. Different economic scenarios will lead to a different probability of default. It is the weighting of these different scenarios that forms the basis of a weighted average probability of default that is used to determine whether credit risk has significantly increased.

Financial assets are written off when the Group has no reasonable expectations of recovering the financial asset (either in its entirety or a portion of it). This is the case when the Group determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. A write-off constitutes a derecognition event.

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

5 Summary of significant accounting policies (continued)

Financial liabilities

Financial liabilities are recognised when the Group becomes bound to the contractual obligations of an instrument. Financial liabilities are derecognised when they are extinguished, i.e., when the obligation specified in the contract is discharged, cancelled or expires.

Financial liabilities at amortised cost

Financial liabilities at amortised cost mainly comprise of borrowings, trade and other payables and amounts due to related parties.

Interest-bearing borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs.

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled or has expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables were presented as current liabilities if payment was due within one year or less. If not, they were presented as non-current liabilities. Trade payables were initially measured at fair value, and were subsequently measured at amortised cost, using the effective interest rate method.

Amounts due from / (to) related parties

Amounts due from and to related parties are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are measured at amortised cost.

Biological assets

Biological assets are living animals and plants that are managed by the Group. Agricultural produce is the harvested product of the biological asset. Biological assets of the Group include cattle, pigs, birds, hatching eggs and grass. At initial recognition, biological assets are valued at fair value. For biological assets for which quoted market prices are not available and for which alternative fair value measurements are determined to be clearly unreliable, this presumption is rebutted. In this case, the biological assets are measured at cost less any accumulated depreciation and any accumulated impairment losses

Subsequent to initial recognition, biological assets are measured at fair value less estimated point of sale costs or cost less accumulated depreciation. Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction, **note 19.6** shows the determination of fair value of biological assets.

Fair value is determined with reference to the average theoretical life spans for the various categories of biological assets and available market prices. For each category, the biological assets are split in terms of their life spans at reporting date and the different saleable products derived from each biological asset. On that basis, an indicative value is computed with reference to local and international market prices.

Fair value movements on biological assets are recognised in profit or loss.

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

5 Summary of significant accounting policies (continued)

Inventories

Inventories are stated at the lower of cost and estimated net realisable value. In general, cost is established using Weighted Average method. Cost represents the cost of materials and where appropriate, direct labour and manufacturing overheads related to stage of manufacture. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Provision for leave pay

Leave pay for employees is provided on the basis of leave days accumulated multiplied by the current pay rate per day. The timings of the cash out-flows are by their nature uncertain.

Contingent liabilities

Contingent liabilities, which include certain financial guarantees, litigation and other letters of credit pledged as collateral security, are possible obligations that arise from past events whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the Group's control. Contingent liabilities are not recognised in the financial statements but are disclosed in the notes to the financial statements.

Taxes

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from, or paid to, the tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, at the reporting date in countries where the Group operates and generates taxable income.

Current income tax relating to items recognised directly in equity or other comprehensive income is recognised in equity or in other comprehensive income and not in profit or loss.

Deferred tax

Deferred tax is provided using the liability method on temporary differences at reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries and associates where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries and associates, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

5 **Summary of significant accounting policies** (continued)

Taxes (continued)

Deferred tax (continued)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised directly in equity or other comprehensive income is recognised in equity or other comprehensive income and not in profit or loss. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

The initial recognition exemption is applied separately to the lease asset and the lease liability with respect to deferred tax on IFRS 16. On initial recognition, the lease transaction affects neither accounting nor taxable profit, there is no deferred tax accounting throughout the entire lease term. The temporary differences related to the lease asset and the lease liability affect the effective tax rate and are disclosed as reconciling items between tax expense and accounting profit.

Value Added Tax

Revenues, expenses and assets are recognised net of the amount of Value Added Tax (VAT) except where the VAT incurred on a purchase of assets or services is not recoverable from the tax authority, in which case the VAT is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable.

The net amount of VAT recoverable from, or payable to, the tax authority is included as part of receivables or payables in the statement of financial position.

Non-current assets and assets of disposal group classified as held for sale

The Group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Such non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sale. Costs to sale are the incremental costs directly attributable to the sale, excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of the classification.

Property, plant and equipment and intangible assets are not depreciated or amortised once classified as held for sale.

Assets and liabilities classified as held for sale are presented separately as current items in the statement of financial position.

Discontinued operation

A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and

- Represents a separate major line of business or geographical area of operations;
- Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; or
- Is a subsidiary acquired exclusively with a view to resale.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit or loss.

Additional disclosures are provided in Note 23. All other notes to the financial statements include amounts for continuing operations, unless indicated otherwise.

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

5 **Summary of significant accounting policies** (continued)

Share-based payment transactions

Equity-settled transactions

The cost of equity-settled transactions with employees for awards granted is measured by reference to the fair value at the date on which they are granted. The fair value is determined by using an appropriate pricing model, and further details of which are given provided in **note 24.3**.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The statement of comprehensive income expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share. Further details are provided in **note 24.3**.

Operating Segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker is the Group's Board of Directors.

Treasury Shares

Shares in Innscor Africa Limited held by and within the Group are classified within total equity as Treasury Shares. Treasury shares are treated as a deduction from the issued share capital and weighted average number of shares for earnings per share and headline earnings per share purposes, and the cost price of the shares is reflected as a separate component of capital and reserves in the statement of financial position and statement of changes in equity.

No gain or loss is recognised in the income statement on the purchase, sale, issue or cancellation of treasury shares. Consideration calculated in respect of treasury shares is recognised in equity and is not paid.

Key estimates, uncertainties and judgements

The following are the key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing material adjustments to the carrying amounts of assets and liabilities within the next financial year:

i) Useful lives and residual values of property, plant and equipment

The Group assesses useful lives and residual values of property, plant and equipment each year taking into consideration past experience, technology changes and the local operating environment. The useful lives are set out on **page 198** and no changes to those useful lives have been considered necessary during the year. Residual values will be reassessed each year and adjustments for depreciation will be done in future periods if there is indication of impairment in value.

ii) Fair valuation of biological assets

Pigs

The Group estimates the slaughter weights of the pig grower head based on a 21 week profile a process which require significant judgement based on age and average slaughter weight. Pigs ages between 0 - 5 weeks are not stated at fair value but are stated at cost at the reporting date. The Group also estimates average slaughter weights for the breeding head, as reflected in **note 19**.

Cattle

The Group estimates the average live weight and the market value per kg of cattle in determining fair valueof cattle at the reporting date.

Birds and hatching eggs

Breeder livestock is valued based on the actual costs incurred in rearing the birds and is amortised in relation to the expected hatching eggs to end of lay. The valuation of broilers livestock is based on the actual costs incurred.

The carrying amount of biological assets and the estimates and assumptions used to determine fair value are shown on **note 19**.

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

5 Summary of significant accounting policies (continued)

Key estimates, uncertainties and judgements (continued)

iii) Deferred tax

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that future taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the value of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. The carrying amount of deferred tax assets and the evidence supporting recognition is shown in **note 27**.

iv) Impairment of non-financial assets

An impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. The fair value less costs to sell calculation is based on available data from binding sales transactions in arm's length transactions of similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the cash generating unit being tested. The recoverable amount is sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes, refer to **5** for the assumptions applied in testing cash generating units with goodwill for impairment.

v) Impairment of financial assets

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances (Refer to Impairment of Financial Assets above).

The following are the critical judgements, apart from those involving estimations, that the directors have made in the process of applying expected credit losses model of impairing trade receivables.

- Significant increase of credit risk - In assessing whether the credit risk of an asset has significantly increased the directors considers qualitative and quantitative reasonable and supportable forward-looking information.
- Model and assumptions used - the Group used model and assumptions in measuring fair value of financial assets as well as in estimating ECL. Directors have applied judgement in identifying the most appropriate model for each type of asset, as well as for determining the assumptions used in these models, including assumptions that relate to key drivers of credit risk.
- Business model assessment - the Group determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured.

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

6 Earnings per share, ("EPS")

6.1 Basic earnings basis

The calculation of basic earnings per share is based on the profit attributable to equity holders of the parent and weighted average number of ordinary shares outstanding during the year.

6.2 Diluted earnings basis (Basic and Headline)

The calculation of diluted earnings per share is based on the profit attributable to equity holders of the parent and the weighted average number of ordinary shares in issue after adjusting for potential conversion of share options. The potential conversion is possible when the average market price of ordinary shares during the year exceeds the exercise price of such options.

The share options arising from the Group's indigenisation transaction with Benvenue Investments (Private) Limited had no dilutive effect at the end of the financial year, in that, the Benvenue Investments (Private) Limited could exercise its options at the exercise price which was higher than the volume weighted average price of Innscor Africa Limited shares over the 60 days preceding the year end.

The share options arising from the 2016 Innscor Africa Limited Employee Share Option Scheme were exercised during the year, and therefore no longer have a dilutive effect at the end of the financial year as shown in **note 6.4**.

6.3 Headline and diluted earnings basis

Headline earnings are a measurement of a company's earnings based solely on operational activities and specifically excludes any income or expenses that are capital in nature such as, sale of assets, and/or accounting write-downs or write ups.

The Group's headline earnings comprise of basic earnings attributable to equity holders of the parent adjusted for profits, losses and items of a capital nature that do not form part of the ordinary activities of the Group, net of the respective tax effects and share of non-controlling interests, as applicable.

The calculation of diluted headline earnings per share is based on the headline profit attributable to equity holders of the parent and the weighted average number of ordinary shares in issue after adjusting for potential conversion of share options. The potential conversion is possible when the average market price of ordinary shares during the year exceeds the exercise price of such options.

The Group has presented HEPs in line with the guidance issued by the South Africa Institute of Chartered Accountants, ("SAICA") Circular 1/21 terms in the absence of local guidance.

The following reflects the income and share data used in the basic, headline and diluted earnings per share computations, for the period.

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

	Note	INFLATION-ADJUSTED 30 June 2022 Audited ZW$'000	INFLATION-ADJUSTED 30 June 2021 Audited ZW$'000	HISTORICAL 30 June 2022 Supplementary ZW$'000	HISTORICAL 30 June 2021 Supplementary ZW$'000
6 Earnings per share (continued)					
6.4 Earnings per share					
a Net profit attributable to equity holders of the parent	25.2	**38 943 944**	**7 423 621**	**33 895 857**	**7 144 165**
b Reconciliation of basic earnings to headline earnings:					
Adjustment for capital items (gross of tax):					
Profit on disposal of property, plant and equipment	9.2	(1 184)	(8 047)	(91 587)	(35 487)
Profit on disposal of asset for disposal group held for sale	9.2	—	(366 747)	—	(144 620)
Gain on bargain purchase of Bakers Inn Logistics (Private) Limited	22.1	(16 268)	—	(5 725)	—
Profit on disposal of associates	A.1 & 22.3	(6 327 265)	—	(8 599 515)	—
Tax effect on adjustments		1 568 412	92 648	2 149 855	44 523
Non-controlling interests' share of adjustments		1 928 847	212 290	3 522 230	102 015
Net reconciling items		**(2 847 458)**	**(69 856)**	**(3 024 742)**	**(33 569)**
Headline earnings attributable to equity holders of the parent		**36 096 486**	**7 353 765**	**30 871 115**	**7 110 596**
c Reconciliation of weighted average number of shares in '000					
Number of ordinary shares in issue at the beginning of the period		**569 876**	**564 777**	**569 876**	**564 777**
Add: Weighted Average Number of Shares Issued during the year		4 471	3 898	4 471	3 898
Less: Weighted Average Number of Treasury Shares		(4 640)	(3 186)	(4 640)	(3 186)
Weighted average number of ordinary shares		**569 707**	**565 489**	**569 707**	**565 489**
d Reconciliation of weighted average number of shares after effects of dilution					
Weighted Average number of ordinary shares for basic and headline earnings per share		**569 707**	**565 489**	**569 707**	**565 489**
Effect of dilution:					
Share Options	24.3.1	—	5 896	—	5 896
Weighted average number of ordinary shares adjusted for the effect of dilution		**569 707**	**571 385**	**569 707**	**571 385**
Basic earnings per share (cents)		6 835.78	1 312.78	5 949.70	1 263.36
Headline earnings per share (cents)		6 335.97	1 300.43	5 418.77	1 257.42
Diluted basic earnings per share (cents)		6 835.78	1 299.23	5 949.70	1 250.32
Diluted headline earnings per share (cents)		6 335.97	1 287.01	5 418.77	1 244.45

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

7 Dividends

7.1 Dividends Paid

Dividends are paid to ordinary shares and Class "A" shares in issue on the effective date of dividend payment and dividend entitlement to each class of shares. The final dividend declared with respect to FY2021 of ZW$525c/share (FY2020: ZW$378c/share) was paid during the current year. In the current year an interim dividend of ZW$474c/share (FY2021: ZW$342/share) was declared and paid to ordinary shareholders whilst ZW$132 876 122 (FY2021: ZW$103 421 492) was declared and paid to Class "A" ordinary shareholders with respect to the prior year and ZW$135 342 987 (FY2021: ZW$96 279 975) in respect of the current year interim dividend.

No dividend was paid with respect to treasury shares.

	Note	INFLATION-ADJUSTED 30 June 2022 Audited ZW$'000	INFLATION-ADJUSTED 30 June 2021 Audited ZW$'000	HISTORICAL 30 June 2022 Supplementary ZW$'000	HISTORICAL 30 June 2021 Supplementary ZW$'000
Ordinary Shareholders					
Prior year (2021/2020) final dividend		2 700 245	2 089 877	1 036 398	569 848
Current year (2022/2021) Interim dividend		3 735 183	1 940 606	1 727 779	624 832
Less dividends in respect of treasury shares - final (2021/2020)		(21 895)	(6 671)	(8 404)	(1 819)
Less dividends in respect of treasury shares - interim (2022/2021)		(17 605)	(9 637)	(14 005)	(3 104)
Net Paid to IAL Shareholders		**6 395 928**	**4 014 175**	**2 741 768**	**1 189 757**
Class "A" Shareholders					
Innscor Africa Limited Employee Share Trust - prior year (2021/2020) final dividend		132 876	103 420	51 000	28 200
Innscor Africa Limited Employee Share Trust - current year (2022/2021) interim		135 343	96 280	85 600	31 000
Net paid to Class "A" Shareholders		**268 219**	**199 700**	**136 600**	**59 200**
Total Dividend Paid	25	**6 664 147**	**4 213 875**	**2 878 368**	**1 248 957**

On 23 September 2022, the Board declared a final dividend of US$1.56c/share in respect of the year 2022 (FY2021: ZW$525c/share) to shareholders registered in the books of the Company by close of business on 11th November 2022.

The Board, on the same date, also declared a final dividend totalling US$453 588 (FY2021: ZW$132 876 122) to Innscor Africa Employee Share Trust (Private) Limited (Class "A" Shareholders).

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

	Note	INFLATION-ADJUSTED 30 June 2022 Audited ZW$'000	INFLATION-ADJUSTED 30 June 2021 Audited ZW$'000	HISTORICAL 30 June 2022 Supplementary ZW$'000	HISTORICAL 30 June 2021 Supplementary ZW$'000
7 Dividends (continued)					
7.2 Dividends paid by subsidiaries to non-controlling interests					
Associated Meat Packers (Private) Limited		128 820	183 944	62 167	50 740
Callcape Investments (Private) Limited		111 509	29 334	57 240	9 408
Irvine's Zimbabwe (Private) Limited	17.3	594 083	365 657	290 026	112 200
National Foods Holdings Limited	17.3	1 150 604	1 778 762	596 095	531 485
Natpak Mauritius (Private) Limited		21 752	112 715	21 752	38 659
Natpak (Private) Limited		316 185	115 121	148 651	31 973
Pangolin (Private) Limted		—	26 867	—	7 635
Probottlers (Private) Limited		123 015	63 808	59 316	18 236
Prodairy (Private) Limited		140 408	—	76 854	—
Rafferty Investments (Private) Limited t/a Providence Human Capital		1 267	12 044	693	3 817
Saxin Enterprises (Private) Limited		86 202	—	65 956	—
Syntegra Solutions (Private) Limited		2 500	17 072	2 500	5 096
Total	**26.1**	**2 676 345**	**2 705 324**	**1 381 250**	**809 249**

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

	Note	INFLATION-ADJUSTED 30 June 2022 Audited ZW$'000	INFLATION-ADJUSTED 30 June 2021 Audited ZW$'000	HISTORICAL 30 June 2022 Supplementary ZW$'000	HISTORICAL 30 June 2021 Supplementary ZW$'000
8 Revenue					
8.1 Revenue from contracts with customers The Group has recognised the following amounts relating to revenue in the statement of profit and loss and other comprehensive income:					
Revenue from contracts with customers		**290 780 098**	**195 082 046**	**159 575 763**	**56 485 603**

8.2 Disaggregation of revenue from contracts with customers

The Group's revenue was derived from the sale of consumer goods, provision of payroll, infromation technology services to customers. In the prior year, inter-segment eliminations were not allocated to individual segments, as they were disclosed in full under the total line. This has been corrected in the current year and has no impact on the total revenue number.

		INFLATION-ADJUSTED: AUDITED					
Segments	**Note**	**Mill-Bake ZW$'000**	**Protein ZW$'000**	**Other Light Manufacturing and Services ZW$'000**	**Head Office Services & Other Services ZW$'000**	**Intersegment elimination ZW$'000**	**Total ZW$'000**
June 2022							
Information technology services	34	—	—	—	1 076 683	(147 376)	929 307
Other light manufacturing	34	—	—	70 601 236	4 696 229	(10 306 765)	64 990 700
Mill-bake	34	165 767 088	—	—	—	(22 690 302)	143 076 786
Protein	34	—	92 869 945	—	—	(12 712 096)	80 157 849
Payroll Services	34	—	—	—	865 651	(118 491)	747 160
Other	34	—	—	—	1 017 583	(139 287)	878 296
		165 767 088	**92 869 945**	**70 601 236**	**7 656 146**	**(46 114 317)**	**290 780 098**
Timing of revenue recognition							
At a point in time		**165 767 088**	**92 869 945**	**70 601 236**	**7 656 146**	**(46 114 317)**	**290 780 098**
June 2021							
Information technology services	34	—	—	—	681 628	(60 291)	621 337
Other light manufacturing	34	—	—	29 438 453	—	(2 603 835)	26 834 618
Mill-bake	34	118 424 393	—	—	—	(10 474 649)	107 949 744
Protein	34	—	64 428 892	—	—	(5 698 742)	58 730 150
Payroll Services	34	—	—	—	554 250	(49 025)	505 225
Other	34	—	—	—	483 761	(42 789)	440 972
		118 424 393	**64 428 892**	**29 438 453**	**1 719 639**	**(18 929 331)**	**195 082 046**
Timing of revenue recognition							
At a point in time		**118 424 393**	**64 428 892**	**29 438 453**	**1 719 639**	**(18 929 331)**	**195 082 046**

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

8 Revenue (continued)

8.2 Disaggregation of revenue from contracts with customers (continued)

		HISTORICAL: SUPPLEMENTARY					
Segments	**Note**	**Mill-Bake ZW$'000**	**Protein ZW$'000**	**Other Light Manufacturing and Services ZW$'000**	**Head Office Services & Other Services ZW$'000**	**Intersegment elimination ZW$'000**	**Total ZW$'000**
June 2022							
Information technology services	34	—	—	—	590 868	(80 878)	509 990
Other light manufacturing	34	—	—	38 744 900	2 577 220	(5 656 198)	35 665 922
Mill-bake	34	90 970 495	—	—	—	(12 452 098)	78 518 397
Protein	34	—	50 965 635	—	—	(6 976 208)	43 989 427
Payroll Services	34	—	—	—	475 056	(65 026)	410 030
Other	34	—	—	—	558 436	(76 439)	481 997
		90 970 495	**50 965 635**	**38 744 900**	**4 201 580**	**(25 306 847)**	**159 575 763**
Timing of revenue recognition							
At a point in time		**90 970 495**	**50 965 635**	**38 744 900**	**4 201 580**	**(25 306 847)**	**159 575 763**
June 2021							
Information technology services	34	—	—	—	197 364	(17 457)	179 907
Other light manufacturing	34	—	—	8 523 843	—	(753 935)	7 769 908
Mill-bake	34	34 289 538	—	—	—	(3 032 913)	31 256 625
Protein	34	—	18 655 252	—	—	(1 650 059)	17 005 193
Payroll Services	34	—	—	—	160 482	(14 195)	146 287
Other	34	—	—	—	140 072	(12 389)	127 683
		34 289 538	**18 655 252**	**8 523 843**	**497 918**	**(5 480 948)**	**56 485 603**
Timing of revenue recognition							
At a point in time		**34 289 538**	**18 655 252**	**8 523 843**	**497 918**	**(5 480 948)**	**56 485 603**

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

		INFLATION-ADJUSTED		HISTORICAL	
	Note	**30 June 2022 Audited ZW$'000**	**30 June 2021 Audited ZW$'000**	**30 June 2022 Supplementary ZW$'000**	**30 June 2021 Supplementary ZW$'000**
9 Other Income					
9.1 Other trading income					
Sundry income*		2 242 456	1 266 067	1 374 532	381 188
Rent received		107 639	33 407	65 978	10 058
Management fees		204 806	16 642	125 538	5 011
Insurance claim		85 479	47 023	52 395	14 158
Other*		1 277 409	558 218	771 674	196 312
		3 917 789	**1 921 357**	**2 390 117**	**606 727**

*Sundry income is made up of sales of used oils, breeders semen, scrap tyres, pet food, empty bags, cattle, as well as bad debts recovered and directors' fees received from associates.

	Note	**IA 30 June 2022**	**IA 30 June 2021**	**Historical 30 June 2022**	**Historical 30 June 2021**
9.2 Financial income					
Dividend income		277 007	294 952	108 685	69 799
Exchange gains/(losses) - unrealised	**A.1**	3 043 528	(1 695 786)	3 043 528	(709 515)
Exchange (losses)/gains - realised		(5 602 580)	3 359 445	(4 491 007)	994 772
Gain on bargain purchase of Bakers Inn Logistics (Private) Limited	**A.1 &22.1**	16 268	—	5 725	—
Gain on revaluation of statutory receivables	**18.1 & A.1**	1 792 722	372 894	1 792 722	127 895
Profit on disposal of associates	**22.3**	6 327 265	—	8 599 515	—
Profit on disposal of assets for disposal group held for sale	**A.1 & 23.2**	—	366 747	—	144 620
Profit on disposal of property, plant and equipment	**A.1 & 6.4**	1 184	8 047	91 587	35 487
Other		—	(439 141)	—	(17 847)
		5 855 394	**2 267 158**	**9 150 755**	**645 211**
10 Operating costs					
10.1 Analysis					
Distribution costs		9 509 042	4 501 900	5 517 375	1 324 747
Finance & Administration costs		15 392 436	6 549 570	8 931 061	2 335 424
Information Technology costs		1 009 433	531 867	585 697	156 509
Marketing & Advertising costs		1 764 173	1 247 518	1 023 616	367 100
Selling costs		2 698 172	6 867 708	1 565 544	2 020 919
Staff costs		47 650 332	29 100 132	27 647 869	8 155 000
		78 023 588	**48 798 695**	**45 271 162**	**14 359 699**

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

	Note	INFLATION-ADJUSTED 30 June 2022 Audited ZW$'000	INFLATION-ADJUSTED 30 June 2021 Audited ZW$'000	HISTORICAL 30 June 2022 Supplementary ZW$'000	HISTORICAL 30 June 2021 Supplementary ZW$'000
10 Operating costs (continued)					
10.2 Key management's emoluments					
Included in staff costs in **note 10.1** above are key management emoluments comprising:					
Independent non-executive directors - fees		89 526	64 547	43 205	17 388
Non-independent non-executive directors - fees		46 001	34 312	22 200	9 243
Executive and other management remuneration*		4 185 656	4 282 641	2 020 007	1 153 657
Total	**36.2**	**4 321 183**	**4 381 500**	**2 085 412**	**1 180 288**
* This constitutes the total remuneration and all other benefits to Group, Subsidiaries, Divisional Executives and Management.					
10.3 Depreciation and amortisation					
Depreciation on property, plant and equipment	**13**	3 438 196	3 020 851	831 879	142 052
Depreciation on right-of-use assets	**14**	365 877	306 201	151 262	40 132
Amortisation on intangible assets	**15**	2 781	458	927	121
		3 806 854	**3 327 510**	**984 068**	**182 305**
10.4 Audit fees and expenses					
Current year		511 115	219 307	246 665	62 315
Prior year underprovision		—	2 032	—	577
		511 115	**221 339**	**246 665**	**62 892**

10.5 Reclassification of operating costs

The operating costs note in prior year presented the Group's expenses as a hybrid of function and nature. This has been corrected to present the operating costs by nature consistent with IAS 1 ("Presentation of financial statements"), in making the correction the following reclassifications were made:

	INFLATION-ADJUSTED As reported	INFLATION-ADJUSTED Reclassification	INFLATION-ADJUSTED Restated	HISTORICAL As reported	HISTORICAL Reclassification	HISTORICAL Restated
Distribution costs	5 534 707	(1 032 807)	4 501 900	1 624 030	(299 283)	1 324 747
Finance & Administration costs	8 449 375	(1 899 805)	6 549 570	2 509 124	(173 700)	2 335 424
Information Technology costs	672 300	(140 433)	531 867	194 510	(38 001)	156 509
Marketing & Advertising costs	1 526 773	(279 255)	1 247 518	445 941	(78 841)	367 100
Selling costs	10 007 378	(3 139 670)	6 867 708	2 944 420	(923 501)	2 020 919
Staff costs	—	29 100 132	29 100 132	—	8 155 000	8 155 000
Conversion costs	17 657 482	(17 657 482)	—	5 177 071	(5 177 071)	—
Human Capital costs	1 514 172	(1 514 172)	—	456 137	(456 137)	—
Head Office costs	3 436 508	(3 436 508)	—	1 008 466	(1 008 466)	—
Total	**48 798 695**	**—**	**48 798 695**	**14 359 699**	**—**	**14 359 699**

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

	Note	INFLATION-ADJUSTED 30 June 2022 Audited ZW$'000	INFLATION-ADJUSTED 30 June 2021 Audited ZW$'000	HISTORICAL 30 June 2022 Supplementary ZW$'000	HISTORICAL 30 June 2021 Supplementary ZW$'000
11 Interest Income and Expense					
11.1 Interest income		**954 301**	**437 465**	**528 916**	**131 558**
Interest income was earned from positive bank balances and from interest charged on over due customer balances using the Group's effective interest rate at the point interest is charged.					
11.2 Interest expense					
Interest on borrowings		8 130 436	4 600 318	4 563 051	1 369 497
Lease finance charges	**28.2**	403 314	163 223	166 740	45 822
Total interest expense		**8 533 750**	**4 763 541**	**4 729 791**	**1 415 319**
Interest expense arose from lease finance charge, bank borrowings, which are in the form of overdrafts, short and long-term loans as well as letters of credit based on the effective interest rate.					
12 Tax expense					
12.1 Analysis					
Current income tax charge	**32.1**	15 092 509	16 221 741	10 032 572	2 608 916
Deferred tax	**27.2**	1 304 503	(8 110 022)	(500 149)	(161 958)
Withholding tax	**32.1**	185 515	4 287	185 515	4 287
		16 582 527	**8 116 006**	**9 717 938**	**2 451 245**
12.2 Tax rate reconciliation		**%**	**%**	**%**	**%**
Statutory rate of taxation, inclusive of AIDS levy		24.72	24.72	24.72	24.72
Adjusted for:					
Excess pension		0.66	0.04	0.32	0.03
Donations, fines and legal expenses		0.07	1.40	0.03	1.16
Depreciation on excess cost of passenger motor vehicles		0.21	0.07	0.10	0.01
Tax on income from associates		(2.87)	(7.02)	(2.06)	(3.59)
Fair value adjustments on listed equities		(0.68)	2.55	(1.59)	(0.20)
Dividend receivable		(0.10)	(0.36)	(0.05)	(0.13)
Monetary loss		8.17	0.12	—	—
Depreciation on right-of-use		0.13	0.05	0.07	0.08
Other		(6.71)	18.91	(4.09)	(3.14)
Effective tax rate		**23.60**	**40.48**	**17.45**	**18.93**

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

13 Property, Plant and Equipment

	Note	INFLATION-ADJUSTED: AUDITED Freehold property ZW$'000	Leasehold improvements ZW$'000	Plant Fittings & Equipment ZW$'000	Motor vehicles ZW$'000	Total ZW$'000
Gross carrying amount						
At 1 July 2020		**10 355 277**	**990 289**	**33 638 472**	**2 667 788**	**47 651 826**
Additions	**13.1**	502 660	103 907	9 453 101	1 364 578	11 424 246
Disposals	**13.1**	—	(6 807)	(586 756)	(194 411)	(787 974)
Acquisition of subsidiaries	**13.1**	—	—	52 605	7 046	59 651
Exchange movements	**13.1**	1 674	—	—	—	1 674
At 30 June 2021		**10 859 611**	**1 087 389**	**42 557 422**	**3 845 001**	**58 349 423**
Additions	**13.1**	839 019	198 924	22 736 859	1 306 986	25 081 788
Disposals	**13.1**	—	(154)	(61 376)	(52 023)	(113 553)
Acquisition of subsidiaries		104 687	—	202 100	1 797 377	2 104 164
Disposal of subsidiaries		(18 810)	—	—	—	(18 810)
Exchange movements	**13.1**	6 279	—	2 581 473	—	2 587 752
At 30 June 2022		**11 790 786**	**1 286 159**	**68 016 478**	**6 897 341**	**87 990 764**
Depreciation						
At 1 July 2020		**1 881 477**	**242 625**	**14 739 972**	**1 872 219**	**18 736 293**
Charge for the year	**13.1**	220 670	114 968	2 344 022	341 191	3 020 851
Disposals	**13.1**	—	(5 874)	(224 025)	(143 938)	(373 837)
At 30 June 2021		**2 102 147**	**351 719**	**16 859 969**	**2 069 472**	**21 383 307**
Charge for the year	**13.1**	394 350	71 881	1 552 762	1 419 203	3 438 196
Disposals	**13.1**	—	(116)	(16 101)	(35 701)	(51 918)
Acquisition of subsidiaries		1 296	—	8 525	55 882	65 703
Disposal of subsidiaries		(3 069)	—	—	—	(3 069)
At 30 June 2022		**2 494 724**	**423 484**	**18 405 155**	**3 508 856**	**24 832 219**
Carrying amount						
At 30 June 2022	**13.1**	**9 296 062**	**862 675**	**49 611 323**	**3 388 485**	**63 158 545**
At 30 June 2021	**13.1**	**8 757 464**	**735 670**	**25 697 453**	**1 775 529**	**36 966 116**

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

13 Property, Plant and Equipment (continued)

	Note	HISTORICAL: SUPPLEMENTARY Freehold property ZW$'000	Leasehold improvements ZW$'000	Plant Fittings & Equipment ZW$'000	Motor vehicles ZW$'000	Total ZW$'000
Gross carrying amount						
At 1 July 2020		**236 693**	**16 200**	**817 420**	**65 886**	**1 136 199**
Additions	**13.1**	165 060	30 563	3 065 972	427 289	3 688 884
Disposals	**13.1**	—	(65)	(95 962)	(1 555)	(97 582)
Acquisition of subsidiaries	**13.1**	—	—	13 905	1 863	15 768
Exchange movements	**13.1**	453	—	—	—	453
At 30 June 2021		**402 206**	**46 698**	**3 801 335**	**493 483**	**4 743 722**
Additions	**13.1**	513 999	122 829	15 150 733	743 756	16 531 317
Disposals	**13.1**	—	(10)	(14 910)	(6 318)	(21 238)
Acquisition of subsidiaries		36 825	—	71 091	632 253	740 169
Disposal of subsidiaries		(6 617)	—	—	—	(6 617)
Exchange movements	**13.1**	6 279	—	2 581 473	—	2 587 752
At 30 June 2022		**952 692**	**169 517**	**21 589 722**	**1 863 174**	**24 575 105**
Depreciation						
At 1 July 2020		**17 588**	**2 641**	**153 237**	**19 063**	**192 529**
Charge for the year	**13.1**	8 044	4 043	108 315	21 650	142 052
Disposals	**13.1**	—	(9)	(2 227)	(1 076)	(3 312)
At 30 June 2021		**25 632**	**6 675**	**259 325**	**39 637**	**331 269**
Charge for the year	**13.1**	30 889	9 473	450 698	340 819	831 879
Disposals	**13.1**	—	(7)	(2 195)	(3 210)	(5 412)
Acquisition of subsidiaries		456	—	2 999	19 657	23 112
Disposal of subsidiaries		(1 079)	—	—	—	(1 079)
At 30 June 2022		**55 898**	**16 141**	**710 827**	**396 903**	**1 179 769**
Carrying amount						
At 30 June 2022	**13.1**	**896 794**	**153 376**	**20 878 895**	**1 466 271**	**23 395 336**
At 30 June 2021	**13.1**	**376 574**	**40 023**	**3 542 010**	**453 846**	**4 412 453**

Notes to the Financial Statements (continued)
for the year ended 30 June 2022

	Note	INFLATION-ADJUSTED 30 June 2022 Audited ZW$'000	INFLATION-ADJUSTED 30 June 2021 Audited ZW$'000	HISTORICAL 30 June 2022 Supplementary ZW$'000	HISTORICAL 30 June 2021 Supplementary ZW$'000
13 Property, Plant and Equipment (continued)					
13.1 Reconciliation of opening and closing carrying amounts					
Opening carrying amount		**36 966 116**	**28 915 533**	**4 412 453**	**943 670**
Gross carrying amount	13	58 349 423	47 651 826	4 743 722	1 136 199
Accumulated depreciation	13	(21 383 307)	(18 736 293)	(331 269)	(192 529)
Movements in carrying amount for the year		**26 192 429**	**8 050 583**	**18 982 883**	**3 468 783**
Additions	13 & A.2	25 081 788	11 424 246	16 531 317	3 688 884
Disposals	13	(61 635)	(414 137)	(15 826)	(94 270)
Depreciation charge for the year	10.3	(3 438 196)	(3 020 851)	(831 879)	(142 052)
Acquisition of subsidiaries	22.1	2 038 461	59 651	717 057	15 768
Disposal of subsidiaries		(15 741)	—	(5 538)	—
Exchange movements	13	2 587 752	1 674	2 587 752	453
Closing carrying amount		**63 158 545**	**36 966 116**	**23 395 336**	**4 412 453**
Gross carrying amount	13	87 990 764	58 349 423	24 575 105	4 743 722
Accumulated depreciation	13	(24 832 219)	(21 383 307)	(1 179 769)	(331 269)

13.2 Property, plant and equipment, ("PPE") pledged as security
In the current and prior years, no items of PPE were pledged as security for borrowings.

INFLATION-ADJUSTED: AUDITED	Note	Freehold Property ZW$'000	Plant Fittings & Equipment ZW$'000	Motor Vehicles ZW$'000	Total ZW$'000
14 Right-of-use assets					
14.1 Reconciliation of Right-of-use assets					
Carrying amount at 1 July 2020		**1 336 987**	**83 339**	**5 695**	**1 426 021**
Additions	14.2	224 012	—	—	224 012
Lease modifications	14.2	743 827	—	—	743 827
Depreciation charge for the year	10.3 & 14.2	(267 170)	(33 336)	(5 695)	(306 201)
Carrying amount at 30 June 2021	14.2	**2 037 656**	**50 003**	**—**	**2 087 659**
Additions	14.2	710 888	600	—	711 488
Lease modifications	14.2	874 408	—	—	874 408
Depreciation charge for the year	10.3 & 14.2	(335 229)	(30 648)	—	(365 877)
Carrying amount at 30 June 2022	14.2	**3 287 723**	**19 955**	**—**	**3 307 678**

Notes to the Financial Statements (continued)
for the year ended 30 June 2022

HISTORICAL: SUPPLEMENTARY	Note	Freehold Property ZW$'000	Plant Fittings & Equipment ZW$'000	Motor Vehicles ZW$'000	Total ZW$'000
14 Right-of-use assets (continued)					
14.1 Reconciliation of Right-of-use assets					
Carrying amount at 1 July 2020		**41 325**	**1 845**	**104**	**43 274**
Additions	14.2	71 561	—	—	71 561
Lease modifications	14.2	226 061	—	—	226 061
Depreciation charge for the year	10.3 & 14.2	(39 290)	(738)	(104)	(40 132)
Carrying amount at 30 June 2021	14.2	**299 657**	**1 107**	**—**	**300 764**
Additions	14.2	634 366	328	—	634 694
Lease modifications	14.2	691 337	—	—	691 337
Depreciation charge for the year	10.3 & 14.2	(150 393)	(869)	—	(151 262)
Carrying amount at 30 June 2022	14.2	**1 474 967**	**566**	**—**	**1 475 533**

	Note	INFLATION-ADJUSTED 30 June 2022 Audited ZW$'000	INFLATION-ADJUSTED 30 June 2021 Audited ZW$'000	HISTORICAL 30 June 2022 Supplementary ZW$'000	HISTORICAL 30 June 2021 Supplementary ZW$'000
14.2 Analysis					
Opening balance		**2 087 659**	**1 426 021**	**300 764**	**43 274**
Additions	14.1	711 488	224 012	634 694	71 561
Lease modifications	14.1	874 408	743 827	691 337	226 061
Depreciation charge for the year	10.3 & 14.1	(365 877)	(306 201)	(151 262)	(40 132)
Carrying amount	14.1	**3 307 678**	**2 087 659**	**1 475 533**	**300 764**

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

	Note	INFLATION-ADJUSTED - AUDITED Goodwill on acquisition ZW$'000	Other intangible assets ZW$'000	Total ZW$'000
15 Intangible Assets				
Carrying amount at 30 June 2020		**5 611 516**	**2 038**	**5 613 554**
Gross carrying amount		5 611 516	66 917	5 678 433
Accumulated amortisation		—	(64 879)	(64 879)
Acquisition of subsidiary		35 247	2 522	37 769
Amortisation of intangibles	10.3	—	(458)	(458)
Carrying amount 30 June 2021	15.3	**5 646 763**	**4 102**	**5 650 865**
Gross carrying amount		5 646 763	69 439	5 716 202
Accumulated amortisation		—	(65 337)	(65 337)
Additions during the year		117 156	8 564	125 720
Additions	A.2	—	5 735	5 735
Acquisition of Mafuro Farming (Private) Limited	22.1	117 156	2 829	119 985
Amortisation of intangibles	10.3	—	(2 781)	(2 781)
Carrying amount at 30 June 2022		**5 763 919**	**9 885**	**5 773 804**
Gross carrying amount		5 763 919	78 003	5 841 922
Accumulated amortisation		—	(68 118)	(68 118)

	Note	HISTORICAL - SUPPLEMENTARY Goodwill on acquisition ZW$'000	Other intangible assets ZW$'000	Total ZW$'000
Carrying amount at 30 June 2020		**41 310**	**60**	**41 370**
Gross carrying amount		41 310	538	41 848
Accumulated amortisation		—	(478)	(478)
Acquisition of subsidiary		9 317	667	9 984
Amortisation of intangibles	10.3	—	(121)	(121)
Carrying amount 30 June 2021	15.3	**50 627**	**606**	**51 233**
Gross carrying amount		50 627	1 205	51 832
Accumulated amortisation		—	(599)	(599)
Additions during the year		41 211	3 615	44 826
Additions	A.2	—	2 620	2 620
Acquisition of Mafuro Farming (Private) Limited	22.1	41 211	995	42 206
Amortisation of intangibles	10.3	—	(927)	(927)
Carrying amount at 30 June 2022		**91 838**	**3 294**	**95 132**
Gross carrying amount		91 838	4 820	96 658
Accumulated amortisation		—	(1 526)	(1 526)

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

15 Intangible Assets (continued)

15.1 Other intangible assets

This consists of Computer Software, Brand Rights and a Trade Mark. Computer Software and Brand Rights are deemed to have a finite useful life and are amortised over a period of up to 4 years. The Trademark is valued at ZW$2 038 603 (Historical: ZW$60 000) for both 2022 and 2021, and is not amortised but tested for impairment annually. There were no indications that the Trademark and Computer Software were impaired as at 30 June 2022.

15.2 Impairment testing of Goodwill

Goodwill impairment assessment is performed every year.

The Group performed an annual impairment test as at 30 June 2022. Goodwill acquired through business combinations has been allocated to cash generating units, i.e. business units from which Goodwill arose. The recoverable amount of the cash generating units has been determined using value in use that takes into account the present value of future cash flows from the cash generating units using a pre-tax discount rate. Future cash-flows used in Goodwill assessment comprise the budgets and forcast profitability of the business units from which the Goodwill arose.

	Note	INFLATION-ADJUSTED 30 June 2022 Audited ZW$'000	30 June 2021 Audited: ZW$'000	HISTORICAL 30 June 2022 Supplementary ZW$'000	30 June 2021 Supplementary ZW$'000
15.3 Goodwill has been allocated to the following businesses:					
Ajax Finance (Private) Limited		39 393	39 393	291	291
Bedra Enterprises (Private) Limited		19 491	19 491	143	143
Irvine's Zimbabwe (Private) Limited		360 850	360 850	2 656	2 656
MyCash Financial Services (Private) Limited		35 247	35 247	9 317	9 317
National Foods Holdings Limited		4 869 541	4 869 541	35 848	35 848
Probottlers (Private) Limited		322 241	322 241	2 372	2 372
Mafuro Farming (Private) Limited	22.1	117 156	—	41 211	—
Total	15	**5 763 919**	**5 646 763**	**91 838**	**50 627**

Key assumptions used in value in use calculations and sensitivity to changes in assumptions

The calculation of value in use is most sensitive to the discount rates.

Discount rates

The pre-tax discount rate applied to the future cash flow projections is 34% (2021: 31%). This assessment showed that there was no impairment required on the goodwill for the period.

Discount rates represent the current market assessment of the risks specific to the Group, taking into consideration the time value of money and individual risks ofthe underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and is derived from its weighted average cost of capital (WACC). The WACC takes into account both debt and equity. The cost of debt is based on the interest-bearing borrowings the Group is obliged to service. Adjustments to the discount rate are made to factor in the specific amount and timing of the future tax flows in order to reflect a pre-tax discount rate.

A rise in pre-tax discount rate to 39.5% (i.e. +5.5%) would not result in an impairment.

Period of Projected Cash Flows

The annual impairment assessment was performed by considering budget and forecast cash flows for a period of 5 years beyond the reporting date (FY2023 to FY2027).

A perpetual growth rate of 5% for the Group was assumed at the end of the 5 year period and the results indicate that the goodwill is not impaired.

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

16 Investments in Associates

16.1 Year Ended 30 June 2022

INFLATION-ADJUSTED

	Note	Opening Balance 1 July 2021 ZW$'000	Loans advanced ZW$'000	Restructure/ Disposal ZW$'000	Dividend Received ZW$'000	Foreign Currency Translation Reserve ZW$'000	Equity Accounted Earnings ZW$'000	Closing Balance 30 June 2022 ZW$'000
Afrigrain Trading Limited	16.3	2 336 929	—	—	—	9 936 179	640 178	12 913 286
Bakers Inn Logistics (Private) Limited	16.4	1 118 930	—	(1 118 930)	—	—	—	—
Bevco Limited	16.5	37 902	—	(37 902)	—	—	—	—
IL Integrated Agri (Pvt) Limited	16.6	910 527	—	(910 527)	—	—	—	—
Innscor Appliances Manufacturing (Private) Limited	16.7	651 874	—	(651 874)	—	—	—	—
Kershelmar Dairies (Private) Limited	16.8	154 314	—	—	—	—	10 808	165 122
Mafuro Farming (Private) Limited	16.9	305 869	—	(307 166)	—	—	1 297	—
National Foods Logistics (Private) Limited	16.11	735 226	43 712	—	(153 109)	—	133 411	759 240
Paperhole Investments (Private) Limited	16.12	4 562 236	—	—	(705 114)	—	5 613 425	9 470 547
Probrands (Private) Limited	16.13	1 297 915	—	—	(36 483)	—	(49 593)	1 211 839
Profeeds (Private) Limited	16.14	3 617 009	—	—	(302 209)	—	1 532 761	4 847 561
Pure Oil Industries (Private) Limited	16.15	3 349 190	—	(3 633 664)	—	—	284 474	—
TOTAL		**19 077 921**	**43 712**	**(6 660 063)**	**(1 196 915)**	**9 936 179**	**8 166 761**	**29 367 595**

HISTORICAL: SUPPLEMENTARY

	Note	Opening Balance 1 July 2021 ZW$'000	Loans advanced ZW$'000	Restructure/ Disposal ZW$'000	Dividend Received ZW$'000	Foreign Currency Translation Reserve ZW$'000	Equity Accounted Earnings ZW$'000	Closing Balance 30 June 2022 ZW$'000
Afrigrain Trading Limited	16.3	2 336 929	—	—	—	9 936 179	640 178	12 913 286
Bakers Inn Logistics (Private) Limited	16.4	177 434	—	(177 434)	—	—	—	—
Bevco Limited	16.5	37 902	—	(37 902)	—	—	—	—
IL Integrated Agri (Private) Limited	16.6	180 792	—	(180 792)	—	—	—	—
Innscor Appliances Manufacturing (Private) Limited	16.7	5 951	—	(5 951)	—	—	—	—
Kershelmar Dairies (Private) Limited	16.8	4 508	—	—	—	—	(4 508)	—
Mafuro Farming (Private) Limited	16.9	23 699	—	(24 155)	—	—	456	—
National Foods Logistics (Private) Limited	16.11	71 856	31 558	—	(83 804)	—	100 434	120 044
Paperhole Investments (Private) Limited	16.12	906 218	—	—	(340 876)	—	3 182 258	3 747 600
Probrands (Private) Limited	16.13	86 993	—	—	(19 970)	—	(67 023)	—
Profeeds (Private) Limited	16.14	391 599	—	—	(211 599)	—	700 007	880 007
Pure Oil Industries (Private) Limited	16.15	236 028	—	(335 032)	—	—	99 004	—
TOTAL		**4 459 909**	**31 558**	**(761 266)**	**(656 249)**	**9 936 179**	**4 650 806**	**17 660 937**

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

16 Investments in Associates (continued)

16.1.1 Year Ended 30 June 2021

INFLATION ADJUSTED: AUDITED

	Note	Opening Balance 1 July 2020 ZW$'000	Purchase of investment ZW$'000	Loans advanced/ (repaid) ZW$'000	Restructure/ Disposal ZW$'000	Dividend Received ZW$'000	Foreign Currency Translation Reserve ZW$'000	Equity Accounted Earnings ZW$'000	Closing Balance 30 June 2021 ZW$'000
Afrigrain Trading Limited	16.3	1 321 764	—	—	—	—	614 661	400 504	2 336 929
Bakers Inn Logistics (Private) Limited	16.4	638 254	—	5 242	—	—	—	475 434	1 118 930
Bevco Limited	16.5	—	5 975	—	—	—	15 831	16 096	37 902
IL Integrated Agri (Private) Limited	16.6	399 289	—	—	—	—	—	511 238	910 527
Innscor Appliances Manufacturing (Private) Limited	16.7	723 467	—	—	—	(145 790)	—	74 197	651 874
Kershelmar Dairies (Private) Limited	16.8	152 045	—	(5 782)	—	—	—	8 051	154 314
Mafuro Farming (Private) Limited	16.9	273 054	—	52 242	—	—	—	(19 427)	305 869
MyCash Financial Services (Private) Limited	16.10	16 744	—	—	(13 102)	—	—	(3 642)	—
National Foods Logistics (Private) Limited	16.11	565 675	—	(33 014)	—	(43 691)	—	246 256	735 226
Paperhole Investments (Private) Limited	16.12	2 624 177	—	—	—	(267 297)	—	2 205 356	4 562 236
Probrands (Private) Limited	16.13	1 182 485	—	—	—	(47 568)	—	162 998	1 297 915
Profeeds (Private) Limited	16.14	2 871 556	—	—	—	(133 030)	—	878 483	3 617 009
Pure Oil Industries (Private) Limited	16.15	2 608 733	—	—	—	—	—	740 457	3 349 190
TOTAL		**13 377 243**	**5 975**	**18 688**	**(13 102)**	**(637 376)**	**630 492**	**5 696 001**	**19 077 921**

HISTORICAL: SUPPLEMENTARY

	Note	Opening Balance 1 July 2020 ZW$'000	Purchase of investment ZW$'000	Loans advanced/ (repaid) ZW$'000	Restructure/ Disposal ZW$'000	Dividend Received ZW$'000	Foreign Currency Translation Reserve ZW$'000	Equity Accounted Earnings ZW$'000	Closing Balance 30 June 2021 ZW$'000
Afrigrain Trading Limited	16.3	1 321 764	—	—	—	—	614 661	400 504	2 336 929
Bakers Inn Logistics (Private) Limited	16.4	35 917	—	—	—	—	—	141 517	177 434
Bevco Limited	16.5	—	5 975	—	—	—	15 831	16 096	37 902
IL Integrated Agri (Private) Limited	16.6	16 502	—	—	—	—	—	164 290	180 792
Innscor Appliances Manufacturing (Private) Limited	16.7	24 305	—	—	—	(38 342)	—	19 988	5 951
Kershelmar Dairies (Private) Limited	16.8	3 905	—	(2 122)	—	—	—	2 725	4 508
Mafuro Farming (Private) Limited	16.9	21 199	—	8 557	—	—	—	(6 057)	23 699
MyCash Financial Services (Private) Limited	16.10	4 349	—	—	(3 463)	—	—	(886)	—
National Foods Logistics (Private) Limited	16.11	13 230	—	(8 596)	—	(13 706)	—	80 928	71 856
Paperhole Investments (Private) Limited	16.12	380 156	—	—	—	(70 500)	—	596 562	906 218
Probrands (Private) Limited	16.13	52 695	—	—	—	(12 646)	—	46 944	86 993
Profeeds (Private) Limited	16.14	190 422	—	—	—	(36 663)	—	237 840	391 599
Pure Oil Industries (Private) Limited	16.15	55 908	—	—	—	—	—	180 120	236 028
TOTAL		**2 120 352**	**5 975**	**(2 161)**	**(3 463)**	**(171 857)**	**630 492**	**1 880 571**	**4 459 909**

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

	Note	INFLATION-ADJUSTED 30 June 2022 Audited ZW$'000	INFLATION-ADJUSTED 30 June 2021 Audited ZW$'000	HISTORICAL 30 June 2022 Supplementary ZW$'000	HISTORICAL 30 June 2021 Supplementary ZW$'000
16 Investments in Associates (continued)					
16.2 Reconciliation of opening and closing carrying amounts					
Balance at the beginning of the year	16.1	**19 077 921**	**13 377 243**	**4 459 909**	**2 120 352**
Disposal of Associates	16.1	(6 660 063)	(13 102)	(761 266)	(3 463)
Dividends received	16.1 & A.2	(1 196 915)	(637 376)	(656 249)	(171 857)
Equity accounted earnings	16.1	8 166 761	5 696 001	4 650 806	1 880 571
Exchange rate differences arising from translation of foreign associate	16.1	9 936 179	630 492	9 936 179	630 492
Loans advanced/(repaid)	A.2 & 16.1	43 712	18 688	31 558	(2 161)
Purchases at cost	A.2	—	5 975	—	5 975
Balance at the end of the year		**29 367 595**	**19 077 921**	**17 660 937**	**4 459 909**

16.3 Afrigrain Trading Limited

Afrigrain Trading Limited is a foreign entity involved in the procurement of grain. The Group holds a 49.89% equity investment directly.

	Note	INFLATION-ADJUSTED 30 June 2022 Audited ZW$'000	INFLATION-ADJUSTED 30 June 2021 Audited ZW$'000	HISTORICAL 30 June 2022 Supplementary ZW$'000	HISTORICAL 30 June 2021 Supplementary ZW$'000
Reconciliation of the investment in associate					
Balance at the beginning of the year	16.1 & 16.1.1	2 336 929	1 321 764	2 336 929	1 321 764
Equity accounted earnings	16.1 & 16.1.1	640 178	400 504	640 178	400 504
Exchange differences arising from translation of foreign operation	16.1 & 16.1.1	9 936 179	614 661	9 936 179	614 661
Balance at the end of the year	16.1 & 16.2	**12 913 286**	**2 336 929**	**12 913 286**	**2 336 929**
Reconciliation of share of net assets to carrying amount of the investment					
Net Assets	16.4	25 883 516	4 684 163	25 883 516	4 684 163
49.89% Share of net assets		**12 913 286**	**2 336 929**	**12 913 286**	**2 336 929**
Carrying amount of investment		**12 913 286**	**2 336 929**	**12 913 286**	**2 336 929**

16.4 Bakers Inn Logistics (Private) Limited

Bakers Inn Logistics (Private) Limited, **("BIL")** is a logistics company which handles distribution for the Group's bakery operations and other third parties. The Group had an effective 50% in Bakers Inn Logistics (Private) Limited up to 30 June 2021 and increased the effective interest to 100% during the year refer to **note 22.1**.

	Note	INFLATION-ADJUSTED 30 June 2022 Audited ZW$'000	INFLATION-ADJUSTED 30 June 2021 Audited ZW$'000	HISTORICAL 30 June 2022 Supplementary ZW$'000	HISTORICAL 30 June 2021 Supplementary ZW$'000
Reconciliation of the investment in associate					
Balance at the beginning of the year	16.1 & 16.1.1	1 118 930	638 254	177 434	35 917
Equity accounted earnings	16.1 & 16.1.1	—	475 434	—	141 517
Dividend received	16.1 & 16.1.1	—	—	—	—
Restructure	16.1 & 16.1.1	(1 118 930)	—	(177 434)	—
Loan advanced	16.1.1	—	5 242	—	—
Balance at the end of the year	16.1 & 16.2	**—**	**1 118 930**	**—**	**177 434**

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

	Note	INFLATION-ADJUSTED 30 June 2022 Audited ZW$'000	INFLATION-ADJUSTED 30 June 2021 Audited ZW$'000	HISTORICAL 30 June 2022 Supplementary ZW$'000	HISTORICAL 30 June 2021 Supplementary ZW$'000
16 Investments in Associates (continued)					
16.4 Bakers Inn Logistics (Private) Limited (continued)					
Reconciliation of share of net assets to carrying amount of the investment					
Net Assets	16.17	—	2 227 375	—	354 867
50% Share of net assets		**—**	**1 113 688**	**—**	**177 434**
Outstanding loan balance	16.1.1	—	5 242	—	—
Carrying amount of investment		**—**	**1 118 930**	**—**	**177 434**

16.5 Bevco Limited

Bevco Limited, **("Bevco")** is an entity that provides beverage intellectual property. The Group has an effective 50% shareholding in Bevco. Effective 1 July 2021 the Group obtained control of the company, refer to **note 22.1**.

	Note	INFLATION-ADJUSTED 30 June 2022 Audited ZW$'000	INFLATION-ADJUSTED 30 June 2021 Audited ZW$'000	HISTORICAL 30 June 2022 Supplementary ZW$'000	HISTORICAL 30 June 2021 Supplementary ZW$'000
Reconciliation of the investment in associate					
Balance at the beginning of the year	16.1 & 16.1.1	37 902	—	37 902	—
Purchase of investment	16.1.1	—	5 975	—	5 975
Equity accounted earnings	16.1.1	—	16 096	—	16 096
Restructure	16.1 & 16.1.1	(37 902)	—	(37 902)	—
Exchange differences arising from translation of foreign operations		—	15 831	—	15 831
Balance at the end of the year	16.2	**—**	**37 902**	**—**	**37 902**
Reconciliation of net assets share to carrying amount of the investment					
Net Assets	16.4	—	75 805	—	75 805
50% Share of net assets		**—**	**37 902**	**—**	**37 902**
Carrying amount of investment		**—**	**37 902**	**—**	**37 902**

16.6 IL Integrated Agri (Private) Limited

IL Integrated Agri (Private) Limited, **("IL")** is an entity involved in farming. The Group equity accounts for its 50% shareholding in IL. The Group disposed of its interest in IL effective 1 July 2021, refer to **note 22.3**.

	Note	INFLATION-ADJUSTED 30 June 2022 Audited ZW$'000	INFLATION-ADJUSTED 30 June 2021 Audited ZW$'000	HISTORICAL 30 June 2022 Supplementary ZW$'000	HISTORICAL 30 June 2021 Supplementary ZW$'000
Reconciliation of the investment in associate					
Balance at the beginning of the year	16.1 & 16.1.1	910 527	399 289	180 792	16 502
Equity accounted earnings	16.1 & 16.1.1	—	511 238	—	164 290
Restructure	16.1	(910 527)	—	(180 792)	—
Balance at the end of the year	16.1 & 16.2	**—**	**910 527**	**—**	**180 792**
Reconciliation of net assets share to carrying amount of the investment					
Net Assets	16.17	—	1 821 053	—	361 583
50% Share of net assets		**—**	**910 527**	**—**	**180 792**
Carrying amount of investment		**—**	**910 527**	**—**	**180 792**

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

	Note	INFLATION-ADJUSTED 30 June 2022 Audited ZW$'000	INFLATION-ADJUSTED 30 June 2021 Audited ZW$'000	HISTORICAL 30 June 2022 Supplementary ZW$'000	HISTORICAL 30 June 2021 Supplementary ZW$'000
16 Investments in Associates (continued)					

16.7 Innscor Appliances Manufacturing (Private) Limited

Innsscor Appliances Maniufacturing (Private) Limited t/a Capri is involved in the manufacturing and retail of home refridgerators and freezers. The Company also retails home appliances, under licence. The Group accounts for its 25.05% investment in Capri. The Group disposed of its remaining interest in Capri effective 1 July 2022, refer to **note 22.3**.

	Note	INFLATION-ADJUSTED 30 June 2022 Audited ZW$'000	INFLATION-ADJUSTED 30 June 2021 Audited ZW$'000	HISTORICAL 30 June 2022 Supplementary ZW$'000	HISTORICAL 30 June 2021 Supplementary ZW$'000
Reconciliation of the investment in associate					
Balance at the beginning of the year	16.1 & 16.1.1	651 874	723 467	5 951	24 305
Equity accounted earnings	16.1 & 16.1.1	—	74 197	—	19 988
Dividend received	16.1 & 16.1.1	—	(145 790)	—	(38 342)
Restructure	22.9	(651 874)	—	(5 951)	—
Balance at the end of the year		**—**	**651 874**	**—**	**5 951**
Reconciliation of net assets share to carrying amount of the investment					
Net Assets	16.4	—	2 602 290	—	23 755
25.05% Share of net assets		**—**	**651 874**	**—**	**5 951**
Carrying amount of investment		**—**	**651 874**	**—**	**5 951**

16.8 Kershelmar Dairies (Private) Limited*

Kershelmar Dairy (Private) Limited, **("Kershelmar")** is an entity involved in dairy farming. The Group equity accounts for a 50% shareholding in Kershelmar through Prodairy (Private) Limited. Effectively the Group holds 25.05% shareholding in Kershelmar as a result of its 50.1% shareholding in Prodairy.

	Note	INFLATION-ADJUSTED 30 June 2022 Audited ZW$'000	INFLATION-ADJUSTED 30 June 2021 Audited ZW$'000	HISTORICAL 30 June 2022 Supplementary ZW$'000	HISTORICAL 30 June 2021 Supplementary ZW$'000
Reconciliation of the investment in associate					
Balance at the beginning of the year	16.1 & 16.1.1	154 314	152 045	4 508	3 905
Equity accounted earnings	16.1 & 16.1.1	10 808	8 051	(4 508)	2 725
Loans repaid		—	(5 782)	—	(2 122)
Balance at the end of the year	16.1 & 16.2	**165 122**	**154 314**	**—**	**4 508**
Reconciliation of net assets share to carrying amount of the investment					
Net Assets	16.17	330 245	320 192	—	9 016
50% Share of net assets		**165 122**	**160 096**	**—**	**4 508**
Outstanding loan balance		—	(5 782)	—	—
Carrying amount of investment		**165 122**	**154 314**	**—**	**4 508**

* The Group limited its share of historical losses to the carrying amount of the investment in Associate.

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

	Note	INFLATION-ADJUSTED 30 June 2022 Audited ZW$'000	INFLATION-ADJUSTED 30 June 2021 Audited ZW$'000	HISTORICAL 30 June 2022 Supplementary ZW$'000	HISTORICAL 30 June 2021 Supplementary ZW$'000
16 Investments in Associates (continued)					

16.9 Mafuro Farming (Private) Limited

Mafuro Farming (Private) Limited, **("Mafuro")** is an entity involved in dairy farming. The Group equity accounted for its 45% shareholding in Mafuro through Prodairy (Private) Limited, ("Prodairy") until 1 July 2021 when the Group acquired an additional 35% interest again through Prodairy and obtained control of the company.

	Note	INFLATION-ADJUSTED 30 June 2022 Audited ZW$'000	INFLATION-ADJUSTED 30 June 2021 Audited ZW$'000	HISTORICAL 30 June 2022 Supplementary ZW$'000	HISTORICAL 30 June 2021 Supplementary ZW$'000
Reconciliation of the investment in associate					
Balance at the beginning of the year	16.1 & 16.1.1	305 869	273 054	23 699	21 199
Equity accounted earnings	16.1 & 16.1.1	1 297	(19 427)	456	(6 057)
Restructure		(307 166)	—	(24 155)	—
Loans advanced	16.1 & 16.1.1	—	52 242	—	8 557
Balance at the end of the year	16.1 & 16.2	**—**	**305 869**	**—**	**23 699**
Reconciliation of share of net assets to carrying amount of the investment					
Net Assets	16.17	—	563 616	—	7 789
45% Share of net assets		**—**	**253 627**	**—**	**3 505**
Outstanding loan balance			52 242	—	20 194
Carrying amount of investment		**—**	**305 869**	**—**	**23 699**

16.10 MyCash Financial Services (Private) Limited

MyCash Financial Services (Private) Limited, **("MyCash")** is an entity involved in mobile money transfer services. The Group equity accounted for its 30% shareholding in MyCash through Syntegra Solutions (Private) Limited until 1 October 2020 when the Group acquired an additional 40% direct interest and obtained control of the company.

	Note	INFLATION-ADJUSTED 30 June 2022 Audited ZW$'000	INFLATION-ADJUSTED 30 June 2021 Audited ZW$'000	HISTORICAL 30 June 2022 Supplementary ZW$'000	HISTORICAL 30 June 2021 Supplementary ZW$'000
Reconciliation of the investment in associate					
Balance at the beginning of the year	16.1 & 16.1.1	—	16 744	—	4 349
Equity accounted earnings	16.1 & 16.1.1	—	(3 642)	—	(886)
Restructure		—	(13 102)	—	(3 463)
Balance at the end of the year	16.1 & 16.1.1	**—**	**—**	**—**	**—**

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

	Note	INFLATION-ADJUSTED 30 June 2022 Audited ZW$'000	INFLATION-ADJUSTED 30 June 2021 Audited ZW$'000	HISTORICAL 30 June 2022 Supplementary ZW$'000	HISTORICAL 30 June 2021 Supplementary ZW$'000
16 Investments in Associates (continued)					
16.11 National Foods Logistics (Private) Limited					
National Foods Logistics (Private) Limited, **("Natlog")** is a logistics company which handles distribution for National Foods Holdings Limited, **("NFHL")** and other third parties. The Group acquired an effective 18.91% in Natlog on 1 April 2018 through NFHL which holds 50% in the company.					
Reconciliation of the investment in associate					
Balance at the beginning of the year	**16.1 & 16.1.1**	735 226	565 675	71 856	13 230
Equity accounted earnings	**16.1 & 16.1.1**	133 411	246 256	100 434	80 928
Dividend received	**16.1 & 16.1.1**	(153 109)	(43 691)	(83 804)	(13 706)
Loan advanced/(repaid)	**16.1 & 16.1.1**	43 712	(33 014)	31 558	(8 596)
Balance at the end of the year	**16.1 & 16.2**	**759 240**	**735 226**	**120 044**	**71 856**
Reconciliation of share of net assets to carrying amount of the investment					
Net Assets	**16.17**	1 161 519	1 200 913	185 244	151 984
50% Share of net assets		**580 758**	**600 457**	**92 622**	**75 992**
Outstanding loan balance		10 699	(33 014)	26 187	(5 371)
Goodwill		167 783	167 783	1 235	1 235
Carrying amount of investment		**759 240**	**735 226**	**120 044**	**71 856**
16.12 Paperhole Investments (Private) Limited					
Paperhole Investments (Private) Limited is an entity involved in the procurement of grain and facilitation of contract farming. The Group holds an effective 50% shareholding in Paperhole Investments (Private) Limited.					
Reconciliation of the investment in associate					
Balance at the beginning of the year	**16.1 & 16.1.1**	**4 562 236**	**2 624 177**	**906 218**	**380 156**
Equity accounted earnings	**16.1 & 16.1.1**	5 613 425	2 205 356	3 182 258	596 562
Dividends received	**A.2**	(705 114)	(267 297)	(340 876)	(70 500)
Balance at the end of the year	**16.1 & 16.2**	**9 470 547**	**4 562 236**	**3 747 600**	**906 218**
Reconciliation of share of net assets to carrying amount of the investment					
Net Assets	**16.17**	18 941 095	9 124 472	7 495 200	1 812 436
50% Share of net assets		**9 470 547**	**4 562 236**	**3 747 600**	**906 218**
Carrying amount of investment		**9 470 547**	**4 562 236**	**3 747 600**	**906 218**

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

	Note	INFLATION-ADJUSTED 30 June 2022 Audited ZW$'000	INFLATION-ADJUSTED 30 June 2021 Audited: ZW$'000	HISTORICAL 30 June 2022 Supplementary ZW$'000	HISTORICAL 30 June 2021 Supplementary ZW$'000
16 Investments in Associates (continued)					
16.13 Probrands (Private) Limited					
Probrands (Private) Limited, **('Probrands")** is an entity involved in down-packing, manufacture and retail of a number of grocery products such as rice, candles and beverages. The Group holds an effective 39.20% in Probrands (Private) Limited.					
Reconciliation of the investment in associate					
Balance at the beginning of the year	**16.1 & 16.1.1**	1 297 915	1 182 485	86 993	52 695
Equity accounted earnings*	**16.1 & 16.1.1**	(49 593)	162 998	(67 023)	46 944
Dividend received	**16.1 & 16.1.1**	(36 483)	(47 568)	(19 970)	(12 646)
Balance at the end of the year	**16.1 & 16.2**	**1 211 839**	**1 297 915**	**—**	**86 993**
Reconciliation of share of net assets to carrying amount of the investment					
Net Assets	**16.17**	2 313 966	2 533 545	—	216 198
39.2% Share of net assets		**907 074**	**993 150**	**—**	**84 750**
Goodwill		304 765	304 765	—	2 243
Carrying amount of investment		**1 211 839**	**1 297 915**	**—**	**86 993**

* The Group limited its share of historical losses to the carrying amount of the investment in Associate.

	Note	INFLATION-ADJUSTED 30 June 2022 Audited ZW$'000	INFLATION-ADJUSTED 30 June 2021 Audited: ZW$'000	HISTORICAL 30 June 2022 Supplementary ZW$'000	HISTORICAL 30 June 2021 Supplementary ZW$'000
16.14 Profeeds (Private) Limited					
Profeeds (Private) Limited is an entity involved in the manufacture and retail of stock feeds and the retail of day old chicks. The Group has an effective 49% shareholding in Profeeds (Private) Limited.					
Reconciliation of the investment in associate					
Balance at the beginning of the year	**16.1 & 16.1.1**	3 617 009	2 871 556	391 599	190 422
Equity accounted earnings	**16.1 & 16.1.1**	1 532 761	878 483	700 007	237 840
Dividend received	**A.2**	(302 209)	(133 030)	(211 599)	(36 663)
Balance at the end of the year	**16.1 & 16.2**	**4 847 561**	**3 617 009**	**880 007**	**391 599**
Reconciliation of share of net assets to carrying amount of the investment					
Net Assets	**16.17**	9 025 250	6 513 919	1 789 545	792 793
49% Share of net assets		**4 422 372**	**3 191 820**	**876 877**	**388 469**
Goodwill		425 189	425 189	3 130	3 130
Carrying amount of investment		**4 847 561**	**3 617 009**	**880 007**	**391 599**

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

	Note	INFLATION-ADJUSTED 30 June 2022 Audited ZW$'000	INFLATION-ADJUSTED 30 June 2021 Audited: ZW$'000	HISTORICAL 30 June 2022 Supplementary ZW$'000	HISTORICAL 30 June 2021 Supplementary ZW$'000
16 Investments in Associates (continued)					
16.15 Pure Oil Industries (Private) Limited					
Pure Oil Industries (Private) Limited, **("PureOil")** is an entity involved in manufacture of cooking oil as well as protein oil cakes which are used in the production of animal feed. The Group had an effective 15.13% in Pure Oil Industries (Private) through National Foods Holdings Limited. At 30 June 2022, the investment in PureOils was disposed, refer to **note 22.3**.					
Reconciliation of the investment in associate					
Balance at the beginning of the year	16.1 & 16.1.1	3 349 190	2 608 733	236 028	55 908
Equity accounted earnings	16.1 & 16.1.1	284 474	740 457	99 004	180 120
Dividend received from associate		—	—	—	—
Restructure		(3 633 664)	—	(335 032)	—
Balance at the end of the year	16.1 & 16.2	**—**	**3 349 190**	**—**	**236 028**
Reconciliation of share of net assets to carrying amount of the investment					
Net Assets	16.17	—	8 372 975	—	590 071
40% Share of net assets		**—**	**3 349 190**	**—**	**236 028**
Carrying amount of investment		**—**	**3 349 190**	**—**	**236 028**

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

16 Investments in Associates (continued)

16.17 Summarised financial information of associates

INFLATION-ADJUSTED: AUDITED

	Note	Revenue ZW$'000	Profit after tax ZW$'000	Non-current assets ZW$'000	Current assets ZW$'000	Non-current liabilities ZW$'000	Current liabilities ZW$'000	Equity ZW$'000
Afrigrain Trading Limited	16.3							
30 June 2022		52 857 512	1 283 178	491 937	38 622 388	—	13 230 808	25 883 516
30 June 2021		17 361 681	802 774	97 801	8 017 132 957	—	3 430 770	4 684 163
Bakers Inn Logistics (Private) Limited	16.4							
30 June 2022		—	—	—	—	—	—	—
30 June 2021		4 014 989	950 867	1 614 359	1 264 014	73 340	577 658	2 227 375
Bevco Limited	16.5							
30 June 2022		—	—	—	—	—	—	—
30 June 2021		21 072	32 192	—	197 973	—	122 16896	75 805
IL Integrated Agri (Private) Limited	16.6							
30 June 2022		—	—	—	—	—	—	—
30 June 2021		1 090 062	1 022 475	965 760	2 011 487	400 840	755 357	1 821 053
Kershelmar Dairies (Private) Limited	16.8							
30 June 2022		1 535 550	(392 559)	957 092	290 942	592 628	325 161	330 245
30 June 2021		980 321	16 100	611 462	216 392	38 536	469 126	320 192
Mafuro Farming (Private) Limited	16.9							
30 June 2022		—	—	—	—	—	—	—
30 June 2021		264 529	(43 172)	805 622	223 594	420 180	397 038	211 998

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

16 Investments in Associates (continued)

16.17 Summarised financial information of associates (continued)

	Note	Revenue ZW$'000	Profit after tax ZW$'000	Non-current assets ZW$'000	Current assets ZW$'000	Non-current liabilities ZW$'000	Current liabilities ZW$'000	Equity ZW$'000
		INFLATION-ADJUSTED: AUDITED						
MyCash Financial Services (Private) Limited	**16.10**							
30 June 2022		—	—	—	—	—	—	—
30 June 2021		64 960	(12 138)	—	—	—	—	—
National Foods Logistics (Private) Limited	**16.11**							
30 June 2022		5 073 965	266 821	1 127 523	491 241	35 606	421 639	1 161 519
30 June 2021		4 170 004	492 513	862 272	674 238	34 215	301 382	1 200 913
Paperhole Investments (Private) Limited	**16.12**							
30 June 2022		35 394 963	11 226 850	15 340 453	14 129 273	104 001	10 424 630	18 941 095
30 June 2021		14 714 027	4 410 712	6 089 571	6 772 850	160 085	3 577 864	9 124 472
Probrands (Private) Limited	**16.13**							
30 June 2022		8 121 356	(126 512)	3 165 037	2 437 168	163 090	3 125 149	2 313 966
30 June 2021		6 820 086	415 812	2 207 799	2 875 046	98 003	2 451 298	2 533 545
Profeeds (Private) Limited	**16.14**							
30 June 2022		62 182 163	3 128 084	9 573 425	22 376 255	1 418 033	21 506 397	9 025 250
30 June 2021		32 970 737	1 792 824	5 619 764	10 024 327	89 244	9 040 927	6 513 919
Pure Oil Industries (Private) Limited	**16.15**							
30 June 2022		—	—	—	—	—	—	—
30 June 2021		35 716 082	1 851 145	7 626 024	8 836 422	2 470 955	5 618 516	8 372 975

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

16 Investments in Associates (continued)

16.17 Summarised financial information of associates (continued)

	Note	Revenue ZW$'000	Profit after tax ZW$'000	Non-current assets ZW$'000	Current assets ZW$'000	Non-current liabilities ZW$'000	Current liabilities ZW$'000	Equity ZW$'000
		HISTORICAL: SUPPLEMENTARY						
Afrigrain Trading Limited	**16.3**							
30 June 2022		52 857 512	1 283 178	491 937	38 622 388	—	13 230 808	25 883 516
30 June 2021		17 361 681	802 774	97 801	8 017 132	—	3 430 770	4 684 163
Bakers Inn Logistics (Private) Limited	**16.4**							
30 June 2022		—	—	—	—	—	—	—
30 June 2021		1 140 838	283 034	56 373	381 303	2 025	80 784	354 867
Bevco Limited	**16.5**							
30 June 2022		—	—	—	—	—	—	—
30 June 2021		21 072	32 192	—	197 973	—	122 168	75 805
IL Integrated Agri Business (Private) Limited	**16.6**							
30 June 2022		—	—	—	—	—	—	—
30 June 2021		309 735	328 580	68 236	689 899	137 480	259 072	361 583
Kershelmar Dairies (Private) Limited	**16.8**							
30 June 2022		844 251	(13 562)	229 671	274 399	87 385	325 161	(91 524)
30 June 2021		278 553	5 450	122 345	74 200	13 217	174 312	9 016
Mafuro Farming (Private) Limited	**16.9**							
30 June 2022		—	—	—	—	—	—	—
30 June 2021		75 165	(13 460)	211 390	76 688	144 113	136 176	7 789

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

16 Investments in Associates (continued)

16.17 Summarised financial information of associates (continued)

	Note	HISTORICAL: SUPPLEMENTARY						
		Revenue ZW$'000	Profit after tax ZW$'000	Non-current assets ZW$'000	Current assets ZW$'000	Non-current liabilities ZW$'000	Current liabilities ZW$'000	Equity ZW$'000
MyCash Financial Services (Private) Limited	**16.10**							
30 June 2022		—	—	—	—	—	—	—
30 June 2021		18 458	(2 953)	—	—	—	—	—
National Foods Logistics (Private) Limited	**16.11**							
30 June 2022		2 680 819	200 868	151 248	491 241	35 606	421 639	185 244
30 June 2021		1 184 844	161 856	35 839	231 250	11 735	103 368	151 984
Paperhole Investments (Private) Limited	**16.12**							
30 June 2022		18 700 854	6 364 516	3 894 558	14 129 273	104 001	10 424 630	7 495 200
30 June 2021		4 180 912	1 193 124	771 527	2 322 949	54 906	1 227 134	1 812 436
Probrands (Private) Limited	**16.13**							
30 June 2022		4 290 902	(170 977)	851 071	2 437 168	163 090	3 125 149	—
30 June 2021		1 937 890	119 755	104 474	986 082	33 613	840 745	216 198
Profeeds (Private) Limited	**16.14**							
30 June 2022		32 853 815	1 428 586	2 337 720	22 376 255	1 418 033	21 506 397	1 789 545
30 June 2021		9 368 457	485 388	486 116	3 438 139	30 609	3 100 853	792 793
Pure Oil Industries (Private) Limited	**16.15**							
30 June 2022		—	—	—	—	—	—	—
30 June 2021		10 148 532	450 300	333 882	3 030 712	847 487	1 927 036	590 071

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

17 Group investments

Listed below are the Group's effective ordinary shareholding in each of the companies excluding dormant companies.

	2022	2021
17.1 List of investment		
Mill-Bake Segment		
National Foods Holdings Limited	37.45%	37.82%
Bakery Division:		
Lennard Manufacturing (Private) Limited t/a Innscor Bread Bulawayo	100.00%	100.00%
Innscor Africa Bread Company Zimbabwe (Private) Limited t/a Innscor Bread Harare	100.00%	100.00%
LSS Investments (Private) Limited	100.00%	100.00%
Pure Oil Industries (Private) Limited**	—	15.13%
Breathaway Food Caterers (Private) Limited t/a Innscor Snacks Manufacturing#	37.82%	37.82%
Bakers Inn Logistics (Private) Limited**	100.00%	50.00%
National Foods Logistics (Private) Limited**	18.91%	18.91%
Profeeds (Private) Limited*	49.00%	49.00%
Nutrimaster Zimbabwe (Private) Limited	49.50%	49.50%
Aquafeeds (Private) Limited	32.66%	32.66%
Produtrade (Private) Limited	49.00%	49.00%
Protein Segment		
Colcom Holdings Limited	100.00%	100.00%
Associated Meat Packers (Private) Limited	51.00%	51.00%
Great Rift Delight (Private) Limited	100.00%	100.00%
Intercane (Private) Limited	75.01%	50.02%
Silkchin Trading (Private) Limited#	25.55%	25.55%
Irvine's Zimbabwe (Private) Limited	49.00%	49.00%
IL Integrated Agri (Private) Limited*	—	50.00%
Other Light Manufacturing and Services		
Innscor Appliance Manufacturing (Private)Limited t/a Capri*	—	25.05%
Skitap (Private) Limited	—	50.00%
Natpak (Private) Limited	58.33%	58.33%
Alpha Packaging (Private) Limited	20.42%	20.42%
Natpak Mauritius (Private) Limited	58.33%	58.33%
Probrands (Private) Limited*	39.20%	39.20%
Prodairy (Private) Limited	50.10%	50.10%
Pangolin (Private) Limited	50.10%	50.10%
Mafuro Farming (Private) Limited#	40.08%	22.55%
Paperhole Investments (Private) Limited*	50.00%	50.00%
Afrigrain Trading Limited*	49.89%	49.89%
Probottlers (Private) Limited	50.64%	50.64%
Kershelmar Dairies (Private) Limited**	25.05%	25.05%
Bevco Limited	50.00%	50.00%

* Associates# Subsidiary of subsidiary

** Associates of a Subsidiary **# Subsidiary of an Associate

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

17 Group investments (continued)

Listed below are the Group's effective ordinary shareholding in each of the companies excluding dormant companies.

	2022	2021
17.1 List of investment (continued)		
Head Office Services		
Innscor (Private) Limited	100.00%	100.00%
Innscor International Limited	100.00%	100.00%
Innscor South Africa (Proprietary) Limited	100.00%	100.00%
Callcape Investments (Private) Limited	50.00%	50.00%
Yeldam Investments (Private) Limited#	35.00%	35.00%
Botanegra (Private) Limited#	35.00%	35.00%
Investline (Private) Limited	70.00%	70.00%
Rafferty Investments (Private) Limited t/a Providence Human Capital	60.00%	60.00%
Syntegra Solutions (Private) Limited	50.00%	50.00%
MyCash Financial Services (Private) Limited#	70.00%	55.00%

* Associates # Subsidiary of Subsidiary

** Associates of a Subsidiary

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

17 Group investments (continued)

17.2 Country of incorporation

All Group companies are incorporated in Zimbabwe except for the following operating companies:

Company	Country of incorporation
Innscor International Limited	Mauritius
Innscor South Africa (Proprietary) Limited	South Africa
Afrigrain Trading Limited	Mauritius
Natpak Mauritius Limited	Mauritius
Bevco Limited	Mauritius
Innscor Africa (Zambia) Limited	Zambia
Innscor Zambia Holdings Limited	Zambia

		INFLATION-ADJUSTED		HISTORICAL	
		National Foods Holdings Limited	Irvine's Zimbabwe (Private) Limited	National Foods Holdings Limited	Irvine's Zimbabwe (Private) Limited
17.3 Non-controlling interests in significant subsidiaries					
The Group has the following subsidiaries that have significant non-controlling interests:					
Principal place of business		Zimbabwe	Zimbabwe	Zimbabwe	Zimbabwe
Proportion of ownership interests held by non-controlling interests before intragroup and consolidation adjustments		62.55%	51.00%	62.18%	51.00%
Profit allocated to non-controlling interests for the year ended:	30-Jun-22	11 208 799	2 275 307	8 536 021	1 098 061
	30-Jun-21	131 309	3 011 785	1 624 387	855 782
Reconciliation of non-controlling interests					
Accumulated non-controlling interests of the subsidiary as at 30 June 2021		**14 174 419**	**8 172 941**	**2 236 076**	**935 632**
Profit allocated to non-controlling interests		11 208 799	2 275 307	8 536 021	1 098 061
Other comprehensive income allocated to non-controlling interests		—	—	—	—
Dividend paid to non-controlling interests	**7.2**	(1 150 604)	(594 083)	(596 095)	(290 026)
Closing accumulated non-controlling interests of the subsidiary		**24 232 614**	**9 854 165**	**10 176 002**	**1 743 667**

The summarised financial information of these subsidiaries is based on amounts before inter-company eliminations is provided below:

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

	Note	INFLATION-ADJUSTED: AUDITED National Foods Holdings Limited ZW$'000	INFLATION-ADJUSTED: AUDITED Irvine's Zimbabwe (Private) Limited ZW$'000	HISTORICAL : SUPPLEMENTARY National Foods Holdings Limited ZW$'000	HISTORICAL : SUPPLEMENTARY Irvine's Zimbabwe (Private) Limited ZW$'000
17 Group investments (continued)					
17.3 Non-controlling interests in significant subsidiaries (continued)					
Year ended 30 June 2022:					
Revenue		128 408 113	67 377 947	70 376 021	32 516 522
Profit after tax		18 026 373	4 461 387	13 727 920	2 153 060
Current assets		56 217 298	29 272 252	43 017 945	14 126 756
Non-current assets		16 106 192	9 853 086	5 932 678	4 755 088
Current liabilities		(34 140 577)	(30 684 237)	(31 500 735)	(14 808 178)
Non-current liabilities		2 154 871	(1 358 048)	55 881	(655 392)
Cash flows from operating activities		2 487 316	332 731	(2 008 792)	160 576
Cash flows from investing activities		(4 811 161)	(3 446 317)	(2 741 596)	(1 663 189)
Cash flows from financing activities		1 586 092	3 774 625	6 163 350	1 821 630
Dividends paid to non controlling interests	7.2	(1 150 604)	(594 083)	(596 095)	(290 026)
Year ended 30 June 2021:					
Revenue		96 732 804	40 820 713	28 074 417	11 598 985
Profit after tax		211 176	5 905 460	2 612 395	1 678 004
Current assets		32 605	11 579 303	9 759 091	3 971 464
Non-current assets		12 534 069	4 410 878	1 409 183	1 253 327
Current liabilities		(23 768 590)	(8 744 338)	(7 515 065)	(2 999 129)
Non-current liabilities		(1 706 819)	(1 142 258)	(56 232)	(391 771)
Cash flows from operating activities		2 533 230	777 201	3 474 957	220 838
Cash flows from investing activities		(1 966 286)	(3 178 455)	(671 363)	903 141
Cash flows from financing activities		1 090 736	6 336 990	847 845	1 800 622
Dividends paid to non controlling interests	7.2	(1 778 762)	(365 657)	(531 485)	(112 200)

	Note	INFLATION-ADJUSTED 30 June 2022 Audited ZW$'000	INFLATION-ADJUSTED 30 June 2021 Audited ZW$'000	HISTORICAL 30 June 2022 Supplementary ZW$'000	HISTORICAL 30 June 2021 Supplementary ZW$'000
18 Other Assets					
Other assets consist of investments in listed equities, unit trusts, term deposits and long-term interest bearing receivables:					
18.1 Analysis					
Property unit trust		239 452	239 452	2 750	2 750
Quoted equity investments		4 459 302	2 536 596	4 459 302	870 000
Statutory receivable		1 620 542	993 741	1 620 542	340 824
Financial asset		1 278 344	—	1 278 344	—
Other		886	159 131	886	54 588
Total non-current other assets		**7 598 526**	**3 928 920**	**7 361 824**	**1 268 162**
18 Other Assets (continued)					
18.1 Analysis (continued)					
Current					
Financial asset		6 456 685	—	6 456 685	—
Advances and deposits	37.4	572 257	—	572 257	—
Total current other assets		**7 028 942**	**—**	**7 028 942**	**—**
Total other assets		**14 627 468**	**3 928 920**	**14 390 766**	**1 268 162**
Reconciled as follows					
Balance at the beginning of the year		**3 928 920**	**7 334 540**	**1 268 162**	**1 180 363**
Acquisition of subsidiary	22.2	—	27 302	—	7 217
Advances and deposits	A.2	245 443	172 039	118 451	46 346
Fair value adjustments through profit or loss	A.1	1 922 706	(2 066 206)	3 589 302	106 046
Gain on revaluation statutory receivables	9.2 & A.1	1 792 722	372 894	1 792 722	127 895
Proceeds on statutory receivable	A.2	(233 942)	(417 284)	(112 900)	(118 569)
Recognition of financial asset		7 735 029	—	7 735 029	—
Reclassified to trade receivables		—	(488 843)	—	(81 136)
Monetary loss		(763 410)	(1 005 522)	—	—
Balance at the end of the year	37.4	**14 627 468**	**3 928 920**	**14 390 766**	**1 268 162**

	Note	INFLATION-ADJUSTED: AUDITED Fair value through profit or loss ZW$'000	INFLATION-ADJUSTED: AUDITED Other assets at amortised cost ZW$'000	INFLATION-ADJUSTED: AUDITED Total ZW$'000
18.2 Other assets are analysed as follows:				
Opening balance - 30 June 2020		**4 602 802**	**2 731 738**	**7 334 540**
Acquisition of subsidiary	22.2	—	27 302	27 302
Fair value adjustments through profit or loss	A.1	(2 066 206)	—	(2 066 206)
Gain on revaluation of statutory receivables	A.1 & 9.2	—	372 894	372 894
Proceeds on statutory receivable	18.1	—	(417 284)	(417 284)
Purchases of other assets	18.1	—	172 039	172 039
Reclassified to trade receivables	18.1	—	(488 843)	(488 843)
Monetary loss		—	(1 005 522)	(1 005 522)
Closing balance - 30 June 2021		**2 536 596**	**1 392 324**	**3 928 920**
Advances and deposits	A.2	—	245 443	245 443
Fair value adjustments through profit or loss	A.1	1 922 706	—	1 922 706
Gain on revaluation of statutory receivables	A.1 & 9.2	—	1 792 722	1 792 722
Proceeds on statutory receivable		—	(233 942)	(233 942)
Recognition of financial asset	18.1	—	7 735 029	7 735 029
Monetary loss	18.1	—	(763 410)	(763 410)
Closing balance - 30 June 2022		**4 459 302**	**10 168 166**	**14 627 468**

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

	Note	HISTORICAL: SUPPLEMENTARY Fair value through profit or loss ZW$'000	Other assets at amortised cost ZW$'000	Total ZW$'000
18 Other Assets (continued)				
18.2 Other assets are analysed as follows:				
Opening balance - 30 June 2020		**763 954**	**416 409**	**1 180 363**
Acquisition of subsidiary	22.2	—	7 217	7 217
Fair value adjustments through profit or loss	A.1	106 046	—	106 046
Gain on revaluation of statutory receivables	A.1 & 9.2	—	127 895	127 895
Proceeds on statutory receivable	18.1	—	(118 569)	(118 569)
Purchases of other assets	18.1	—	46 346	46 346
Reclassified to trade receivables	18.1	—	(81 136)	(81 136)
Closing balance - 30 June 2021		**870 000**	**398 162**	**1 268 162**
Advances and deposits	A.2	—	118 451	118 451
Fair value adjustments through profit or loss	A.1	3 589 302	—	3 589 302
Gain on revaluation of statutory receivables	A.1 & 9.2	—	1 792 722	1 792 722
Proceeds on statutory receivable	A.2	—	(112 900)	(112 900)
Reclassified from trade receivables	18.1	—	7 735 029	7 735 029
Closing balance - 30 June 2022		**4 459 302**	**9 931 464**	**14 390 766**

18.3 Fair value hierarchy

The Group uses the following hierarchy for determing and disclosing the fair value of other assets:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable , either directly or indirectly.
Level 3: techniques which use inputs that have a significant effect on the recorded fair value and are not based on observable market data.

	INFLATION-ADJUSTED Level 1 ZW$'000	HISTORICAL Level 1 ZW$'000
Fair value through profit or loss:		
30 June 2022		
Long-term other assets	4 459 302	4 459 302
30 June 2021		
Long-term other assets	2 536 596	870 000

The Group did not have any other assets under Level 2 and Level 3 in the current and prior financial years. In addition, the Group did not have any transfers between levels.

The carrying amount of the Group's trade and other receivables and loans and debentures under other assets as at 30 June 2022 approximate their fair values as at the same date.

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

	Note	INFLATION-ADJUSTED 30 June 2022 Audited ZW$'000	INFLATION-ADJUSTED 30 June 2021 Audited ZW$'000	HISTORICAL 30 June 2022 Supplementary ZW$'000	HISTORICAL 30 June 2021 Supplementary ZW$'000
19 Biological Assets					
19.1 Non-current					
Opening balance		**707 404**	**628 874**	**225 411**	**104 378**
Acquisition of Mafuro Farming (Private) Limited	22.1	283 788	—	99 827	—
Fair value gain/(loss)	19.4	792 493	(71 632)	1 439 681	65 617
Purchases	A.2	264 800	131 151	117 216	50 051
Transfer from current biological assets	19.2	31 235	19 011	17 698	5 365
Closing balance		**2 079 720**	**707 404**	**1 899 833**	**225 411**
19.2 Current					
Opening balance		**5 895 663**	**6 285 225**	**1 672 688**	**561 641**
Acquisition of Mafuro Farming (Private) Limited	22.1	35 838	—	12 606	—
Fair value gain/(loss)	19.4	318 888	(3 017 683)	3 171 647	330 518
Feed costs		20 872 326	14 085 980	11 439 573	4 148 880
Purchases		4 310 596	2 410 630	1 981 348	703 688
Sales		(5 494 785)	(7 836 216)	(3 498 401)	(3 209 839)
Slaughter/consumption	20.2	(16 523 175)	(6 013 262)	(8 330 358)	(856 835)
Transfer to inventory		(92 765)	—	(53 454)	—
Transfer to non-current biological assets	19.1	(31 235)	(19 011)	(17 698)	(5 365)
	19.3	**9 291 351**	**5 895 663**	**6 377 951**	**1 672 688**

INFLATION-ADJUSTED: AUDITED

	Note	Birds ZW$'000	Hatching Eggs ZW$'000	Cattle ZW$'000	Grass ZW$'000	Pigs ZW$'000	Total ZW$'000
19.3 Current biological assets movements							
At 1 July 2020		**2 858 301**	**64 243**	**78 978**	**—**	**3 283 703**	**6 285 225**
Fair value (loss)/gain	19.4	(4 987 156)	—	1 794 524	—	174 949	(3 017 683)
Feed costs		10 888 227	—	—	—	3 197 753	14 085 980
Purchases		595 346	275 836	1 539 448	—	—	2 410 630
Sales		(5 293 703)	—	—	—	(2 542 513)	(7 836 216)
Slaughter/consumption	20.2	(2 204 287)	(285 352)	(3 046 301)	—	(477 322)	(6 013 262)
Transfer to non-current biological assets	19.1	—	—	—	—	(19 011)	(19 011)
At 30 June 2021		**1 856 728**	**54 727**	**366 649**	**—**	**3 617 559**	**5 895 663**
Acquisition of Mafuro		—	—	—	35 838	—	35 838
Fair value gain	19.4	54 918	—	17 615	—	246 355	318 888
Feed costs		15 426 922	—	11 320	—	5 434 084	20 872 326
Purchases		836 913	461 403	2 835 690	176 590	—	4 310 596
Sales		—	—	—	—	(5 494 785)	(5 494 785)
Slaughter/consumption	20.2	(13 334 239)	(367 205)	(2 577 517)	—	(244 214)	(16 523 175)
Transfer to inventory		—	—	—	(92 765)	—	(92 765)
Transfer to non-current biological assets	19.1	—	—	—	—	(31 235)	(31 235)
At 30 June 2022		**4 841 242**	**148 925**	**653 757**	**119 663**	**3 527 764**	**9 291 351**

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

	Note	HISTORICAL: SUPPLEMENTARY					
		Birds ZW$'000	Hatching Eggs ZW$'000	Cattle ZW$'000	Grass ZW$'000	Pigs ZW$'000	Total ZW$'000
19 Biological Assets (continued)							
19.3 Current biological assets movements (continued)							
At 1 July 2020		**235 793**	**4 688**	**13 109**	**—**	**308 051**	**561 641**
Fair value gain	**19.4**	25 497	—	4 842	—	300 179	330 518
Feed costs		3 207 015	—	—	—	941 865	4 148 880
Purchases		173 788	80 520	449 380	—	—	703 688
Sales		(2 168 385)	—	—	—	(1 041 454)	(3 209 839)
Slaughter/consumption	**20.2**	(285 070)	(69 681)	(434 070)	—	(68 014)	(856 835)
Transfer to non-current biological assets	**19.1**	—	—	—	—	(5 365)	(5 365)
At 30 June 2021		**1 188 638**	**15 527**	**33 261**	**—**	**435 262**	**1 672 688**
Acquisition of Mafuro		—	—	—	12 606	—	12 606
Fair value gain	**19.4**	546 215	—	175 197	—	2 450 235	3 171 647
Feed costs		8 455 090	—	6 204	—	2 978 279	11 439 573
Purchases		384 683	212 082	1 303 414	81 169	—	1 981 348
Sales		—	—	—	—	(3 498 401)	(3 498 401)
Slaughter/consumption	**20.2**	(6 722 617)	(185 131)	(1 299 487)	—	(123 123)	(8 330 358)
Transfer to inventory		—	—	—	(53 454)	—	(53 454)
Transfer to non-current biological assets	**19.1**	—	—	—	—	(17 698)	(17 698)
At 30 June 2022		**3 852 009**	**42 478**	**218 589**	**40 321**	**2 224 554**	**6 377 951**

	Note	INFLATION-ADJUSTED		HISTORICAL	
		30 June 2022 Audited ZW$'000	30 June 2021 Audited ZW$'000	30 June 2022 Supplementary ZW$'000	30 June 2021 Supplementary ZW$'000
19.4 Fair value gain/(loss) of biological assets					
Fair value gain/(loss) on non-current biological assets	**19.1**	792 493	(71 632)	1 439 681	65 617
Fair value gain/(loss) on current biological assets	**19.2**	318 888	(3 017 683)	3 171 647	330 518
Total fair value gain/(loss)	**19.7**	**1 111 381**	**(3 089 315)**	**4 611 328**	**396 135**

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

19 Biological Assets (continued)

19.5 Non-current and current biological assets volumes

As at 30 June 2022 the Group had the following number of living animals within current biological assets:

	Non-current	Current			
30 June 2022	**Pigs**	**Birds**	**Hatching Eggs (each)**	**Cattle (each)**	**Pigs (each)**
Number of living animals	6 032	1 787 713	59 930	611	54 324
Live weight estimates (kg)	563 266	n/a	n/a	753 035	6 884 309
30 June 2021	**Pigs**	**Birds**	**Hatching Eggs (each)**	**Cattle (each)**	**Pigs (each)**
Number of living animals	6 328	1 277 697	30 623	527	52 424
Live weight estimates (kg)	590 906	n/a	n/a	649 508	6 643 528

No biological assets have been pledged as collateral for borrowings.

19.6 Valuation Process

1. The Group engages independent consultants to determine the estimated cold dressed mass (CDM) of live pigs at each age. The fair value of pigs is calculated by applying the market price per kg to the CDM.
2. The value of cattle is determined by the fair market prices of cattle at the nearest active market.
3. The valuation of bird breeder livestock is based on the actual costs incurred in rearing the birds and is amortised in relation to the expected hatching eggs to end of lay. The valuation of broiler livestock is based on the actual costs incurred in rearing the birds.
4. Layers are valued at fair market price less selling costs. Fair market price is the price the Group sells point of lay and end of lay birds to the market.

Valuation Technique

				INFLATION-ADJUSTED		HISTORICAL	
				2022	2021	2022	2021
Type		Valuation Technique	Significant Unobservable Inputs	Significant Unobservable Inputs Range	Significant Unobservable Inputs Range	Significant Unobservable Inputs Range	Significant Unobservable Inputs Range
Birds -	Breeders - Grandparents	Cost Approach	Rearing Mortality Production Mortality Age of birds Hen House Average Average replacement cost per pullet Average egg laying days	10% 12% 65 weeks to slaughter 129 ZW$12 755.01 per pullet 280days	10% 12% 65 weeks to slaughter 129 ZW$23 592.74 per pullet 280days	10% 12% 65 weeks to slaughter 129 ZW$12 755.01 per pullet 280days	10% 12% 65 weeks to slaughter 129 ZW$8 091.90 per pullet 280days
	Breeders - Parents	Cost Approach	Rearing Mortality Production Mortality Age of birds Hen House Average Average replacement cost per pullet Average egg laying days	10% 12% 65 weeks to slaughter 170 ZW$1 520.61 280days	10% 12% 65 weeks to slaughter 170 ZW$739.57 280days	10% 12% 65 weeks to slaughter 170 ZW$1 520.61 280days	10% 12% 65 weeks to slaughter 170 ZW$253.66 280days

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

19 Biological Assets (continued)

19.6 Valuation Process (continued)

Valuation Technique

Type		Valuation Technique	Significant Unobservable Inputs	INFLATION-ADJUSTED 2022 Significant Unobservable Inputs Range	INFLATION-ADJUSTED 2021 Significant Unobservable Inputs Range	HISTORICAL 2022 Significant Unobservable Inputs Range	HISTORICAL 2021 Significant Unobservable Inputs Range
Birds -	Layer Breeders	Cost Approach	Rearing Mortality Production Mortality Age of birds Hen House Average Average replacement cost per pullet Average egg laying days	10% 20% 70 weeks to slaughter 200 ZW$3 342.05 336days	10% 20% 70 weeks to slaughter 200 ZW$2 744.25 300days	10% 20% 70 weeks to slaughter 200 ZW$941.23 336days	10% 20% 70 weeks to slaughter 200 ZW$3 342.05 300days
	Layers	Fair Market Price	Rearing Mortality Production Mortality Age of birds Hen House Average Average replacement cost per pullet	6% 12% 80 weeks 340 ZW$214.40	6% 10% 80 weeks 340 ZW$192.28	6% 12% 80 weeks 340 ZW$214.40	6% 10% 80 weeks 340 ZW$65.95
	Broilers	Cost Approach	Mortality Kill Age	5% 35 days	5% 35 days	5% 35 days	5% 35 days
Cattle - Comprising of bulls, cows, weaner heifers, weaner steers, bulling heifers, steers and calves		Fair Market Price	—	—	—	—	—
Pigs - Comprising of piglets, weaners, growers, gilts, sows and boars		Income approach. The valuation model is based on the price per kg of pork multiplied by the Cold Dressed Mass (CDM).	Price per kg, CDM discounting factor Age of pigs Weight of pigs	ZW$214.54 - ZW$1 579.85 62% - 74% 5 weeks - 22 weeks 3.62kgs - 150kgs	ZW$537.96 - ZW$776.06 62% - 76% 4 weeks - 22 weeks 7kgs - 150kgs	ZW$214.54 - ZW$1 579.85 62% - 74% 5 weeks - 22 weeks 3.62kgs- 150kgs	ZW$184.51 - ZW$226.18 62% - 76% 4 weeks - 22 weeks 7kgs - 150kgs
Pigs - Comprising imported breeders		Replacement cost of the G41	Cost of a breeder of similar type	ZW$190 836 per breeder	ZW$293 671.44 per breeder	ZW$190 836 per breeder	ZW$100 724.19 per breeder

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

19 Biological Assets (continued)

19.7 Fair Value Hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of biological assets:

Level 1: quoted (unadjusted) prices in active markets for identical assets (the Group does not not have any biological assets whose fair values are determined under this level)
Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

INFLATION-ADJUSTED: AUDITED

30 June 2022	Note	Level 1 ZW$'000	Level 2 ZW$'000	Level 3 ZW$'000	Total ZW$'000	Fair value loss ZW$'000
Pigs (non-current and current)		—	5 607 484	-	5 607 484	1 038 848
Cattle	19.3	—	—	653 757	653 757	17 615
Birds	19.3	—	4 841 242	-	4 841 242	54 918
Total		**—**	**10 448 726**	**653 757**	**11 102 483**	**1 111 381**
30 June 2021						
Pigs (non-current and current)		—	4 324 963	—	4 324 963	103 317
Cattle*	19.3	—	—	366 649	366 649	1 794 524
Birds	19.3	—	1 188 638	—	1 188 638	(4 987 156)
Total		**—**	**5 513 601**	**366 649**	**5 880 250**	**(3 089 315)**

HISTORICAL: SUPPLEMENTARY

30 June 2022	Note	Level 1 ZW$'000	Level 2 ZW$'000	Level 3 ZW$'000	Total ZW$'000	Fair value loss ZW$'000
Pigs (Non-Current and Current)		—	4 124 387	—	4 124 387	3 889 916
Cattle	19.3	—	—	218 589	218 589	175 197
Birds	19.3	—	3 852 009	—	3 852 009	546 215
Total		**—**	**7 976 396**	**218 589**	**8 194 985**	**4 611 328**
30 June 2021						
Pigs (Non-Current and Current)	19.1 & 19.3	—	660 673	—	660 673	365 796
Cattle*		—	—	33 261	33 261	4 842
Birds		—	1 188 638	—	1 188 638	25 497
Total		**—**	**1 849 311**	**33 261**	**1 882 572**	**396 135**

* In the prior year, Cattle was classified as a Level 1 on the fair value hierarchy and this error has been corrected by reclassifying the Cattle to Level 2. This change in hierarchy does not have an impact on the numbers previously reported.

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

19 Biological Assets (continued)

19.7 Fair Value Hierarchy (continued)

The table below presents the sensitivity of profit or loss before tax due to changes in weight (pigs and cattle) and market price (layer birds). The sensitivities presented are favourable movements. If the sensitivity variables were unfavourable, the negative impact on profit would be of a similar magnitude.

		INFLATION-ADJUSTED	HISTORICAL
2022	**% Change**	**Effect on profit before tax ZW$'000**	**Effect on profit before tax ZW$'000**
Pigs			
Fair value less costs to sell - meat	3%	168 225	123 732
Cattle			
Fair value less costs to sell - meat	5%	32 688	10 929
Layers			
Fair value less costs to sell - birds	10%	484 124	385 201
2021			
Pigs			
Fair value less costs to sell - meat	3%	129 749	19 820
Cattle			
Fair value less costs to sell - meat	5%	18 332	1 663
Layers			
Fair value less costs to sell - birds	10%	118 864	118 864

Significant increases/(decreases) in price per kg, weight of pigs and replacement cost per breeder in isolation would result in a significantly higher or lower fair value measurement of each of the biological assets.

Biological assets risk management policies

Biological assets are living animals that are managed by the Group. Agricultural produce is the harvested product of the biological asset. Biological assets of the Group include cattle, pigs, birds and hatching eggs.

These biological assets are exposed to various risks, which include disease/infection outbreaks, theft and price fluctuations. The Group has put in place measures and controls to safeguard losses due to the above risks. These measures and controls, include among other things, bio-security monitoring, vaccination to prevent infections, regular and routine disease tests and regular evaluation of market prices.

		INFLATION-ADJUSTED		HISTORICAL	
	Note	**30 June 2022 Audited ZW$'000**	**30 June 2021 Audited ZW$'000**	**30 June 2022 Supplementary ZW$'000**	**30 June 2021 Supplementary ZW$'000**
20 Inventories					
20.1 Analysis					
Consumables		5 724 246	2 396 615	4 441 388	797 124
Finished products, net of allowance for obsolescence		15 905 849	5 413 815	12 287 955	1 831 408
Raw materials and packaging		34 255 935	16 590 598	23 798 132	5 594 596
Goods in transit		—	17 567	—	6 025
Work in progress		298 332	298 275	298 332	102 303
		56 184 362	**24 716 870**	**40 825 807**	**8 331 456**

The amount of inventories written down in respect of obsolescence expense is ZW$529.84mn (2021: ZW$232.82mn), Historical ZW$255.70mn (2021: ZW$62.72mn).

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

		INFLATION-ADJUSTED		HISTORICAL	
	Note	**30 June 2022 Audited ZW$'000**	**30 June 2021 Audited ZW$'000**	**30 June 2022 Supplementary ZW$'000**	**30 June 2021 Supplementary ZW$'000**
20 Inventories (continued)					
20.2 Cost of raw materials					
Inventories consumed		112 318 186	117 195 114	69 496 377	30 495 955
Biological assets consumed	19.2 & 19.3	16 523 175	6 013 262	8 330 358	856 835
Total cost of sales		**128 841 361**	**123 208 376**	**77 826 735**	**31 352 790**
21 Trade and other receivables					
21.1 Analysis					
Trade receivables	37.3	28 149 666	12 963 855	28 149 666	4 446 337
Prepayments		12 047 754	8 209 306	9 150 401	2 727 457
VAT Receivable		1 424 256	905 675	1 424 256	310 628
Other receivables*		4 365 951	3 017 083	4 365 951	1 233 463
		45 987 627	25 095 919	43 090 274	8 717 885
Allowance for credit losses	21.3	(140 946)	(197 464)	(140 946)	(67 726)
		45 846 681	**24 898 455**	**42 949 328**	**8 650 159**

* Included in other receivables are amounts due from employees.

21.2 Credit quality of trade receivables

As at 30 June 2022, trade and other receivables of ZW$25.79mn (2021: ZW$10.40mn) were fully performing and the ageing of these trade receivables is as follows:

	Note	30 June 2022 Audited	30 June 2021 Audited	30 June 2022 Supplementary	30 June 2021 Supplementary
Current (ordinarily up to 30 days)	37.3	25 787 240	10 400 970	25 787 240	3 567 320
Expected credit losses	37.3	(77 939)	(52 948)	(77 939)	(18 160)
		25 709 301	**10 348 022**	**25 709 301**	**3 549 160**

As at 30 June 2022 trade and other receivables of ZW$2.36mn (2021: ZW$2.56mn) were underperforming. These relate to a number of independent customers from whom there is no recent history of default. The ageing analysis of these trade and other receivables is as follows:

	Note	30 June 2022 Audited	30 June 2021 Audited	30 June 2022 Supplementary	30 June 2021 Supplementary
30 to 90 days	37.3	1 561 646	1 799 160	1 561 646	617 075
Over 90 days	37.3	800 780	763 725	800 780	261 942
		2 362 426	**2 562 885**	**2 362 426**	**879 017**
Expected credit losses		(63 007)	(144 516)	(63 007)	(49 566)
		2 299 419	**2 418 369**	**2 299 419**	**829 451**

21.3 Expected credit loss - trade and other receivables

Movements on the Group's allowance for expected credit losses are as follows:

	Note	30 June 2022 Audited	30 June 2021 Audited	30 June 2022 Supplementary	30 June 2021 Supplementary
As at 1 July		**197 464**	**241 584**	**67 726**	**40 097**
Current year movements		(56 518)	(44 120)	73 220	27 629
Allowance for expected credit losses	A.1	129 248	111 028	73 220	29 910
Receivables (recovered) / written off	A.1	—	(8 467)	—	(2 281)
Monetary loss		(185 766)	(146 681)	—	—
As at 30 June		**140 946**	**197 464**	**140 946**	**67 726**

21.4 There were no trade and other receivables that were pledged to secure borrowings for the Group.

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

22 Cashflow information (continued)

22.1 Net cashflow from acquisitions of additional interests in Associates

In July 2021, the Group gained control in Bevco Limited and the identifiable assets and liabilites of Bevco Limited as at that date were as follows:

In July 2021, the Group acquired an additional 35% indirect interest in Mafuro Farming (Private) Limited in addition to a 45% interest already held in the company through Prodairy (Private) Limited, giving the Group an effective 40.08% shareholding. The Group further acquired an additional 50% direct interest in Bakers Inn Logistics (Private) Limited, in addition to a 50% interest already held, giving the Group a 100% effective shareholding from 1 July 2021. The identifiable assets and liabilites as at the date of acquisitions were as follows:

		BEVCO		MAFURO		BAKERS INN LOGISTICS		TOTAL	
		INFLATION-ADJUSTED: AUDITED	HISTORICAL: SUPPLEMENTARY	INFLATION-ADJUSTED: AUDITED	HISTORICAL: SUPPLEMENTARY	INFLATION-ADJUSTED: AUDITED	HISTORICAL: SUPPLEMENTARY	INFLATION-ADJUSTED: AUDITED	HISTORICAL: SUPPLEMENTARY
	Notes	2022 ZW$'000	2022 ZW$'000	2022 ZW$'000	2022 ZW$'000	2022 ZW$'000	2022 ZW$'000	2022 ZW$'000	2022 ZW$'000
Property, plant & equipment	13.1	—	—	291 328	102 478	1 747 133	614 579	2 038 461	717 057
Intangible assets	15	—	—	2 829	995	—	—	2 829	995
Non-current biological assets	19	—	—	283 788	99 827	—	—	283 788	99 827
Deferred tax assets	27.2	—	—	18 029	6 342	92 507	32 541	110 536	38 883
Current biological assets	19	—	—	35 838	12 606	—	—	35 838	12 606
Inventories		120 961	120 961	320 702	34 322	816 439	71 028	1 258 102	226 311
Trade & other receivables		55 057	55 057	35 009	12 317	486 326	171 075	576 392	238 449
Cash and cash equivalents		22 243	22 243	121 385	42 699	395 728	139 203	539 356	204 145
Trade and other payables		(48 610)	(48 610)	(51 047)	(17 956)	(232 607)	(81 823)	(332 264)	(148 389)
Interest-bearing borrowings	29.2	(73 847)	(73 847)	(737 955)	(259 586)	(11 006)	(3 871)	(822 808)	(337 304)
Fair value of net assets of subsidiary at date of transaction		**75 804**	**75 804**	**319 906**	**34 044**	**3 294 520**	**942 732**	**3 690 230**	**1 052 580**
Less total non-controlling interest		(37 902)	(37 902)	(63 981)	(6 808)	—	—	(101 883)	(44 710)
Attributable fair value of net assets acquired		**37 902**	**37 902**	**255 925**	**27 236**	**3 294 520**	**942 732**	**3 588 347**	**1 007 870**
Total Consideration		**37 902**	**37 902**	**433 081**	**68 447**	**3 278 252**	**937 007**	**3 749 235**	**1 043 356**
Carrying amount of investment at acquisition	16	37 902	37 902	307 166	24 155	1 118 930	177 434	1 463 998	239 491
Fair value of investment in Associate	26.4	—	—	—	—	835 592	293 931	835 592	293 931
Consideration paid		—	—	125 915	44 292	1 323 730	465 642	1 449 645	509 934
Goodwill on purchase	15	**—**	**—**	**177 156**	**41 211**	**—**	**—**	**177 156**	**41 211**
Gain on bargain purchase	9	**—**	**—**	**—**	**—**	**(16 268)**	**(5 725)**	**(16 268)**	**(5 725)**
Cash consideration paid to third parties		—	—	(125 915)	(44 292)	(1 323 730)	(465 642)	(1 449 645)	(509 934)
Add cash and cash equivalents		22 243	22 243	121 385	42 699	395 728	139 203	539 356	204 145
Net cash inflow/(outflow)	A.2	**22 243**	**22 243**	**(4 530)**	**(1 593)**	**(928 002)**	**(326 439)**	**(910 289)**	**(305 789)**

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

22 Cashflow information (continued)

22.2 Net cash flow from acquisition of additional interests in MyCash Financial Services (Private) Limited.

On 1 October 2020, the Group acquired an additional 40% direct interest in MyCash Financial Services (Private) Limited in addition to a 30% interest in the same company held by Syntegra Solutions (Private) Limited, giving the Group a 55% effective shareholding. The identifiable assets and liabilites as at the date of acquisition were as follows:

	Note	INFLATION - ADJUSTED: AUDITED 2021 ZW$'000	HISTORICAL: SUPPLEMENTARY 2021 ZW$'000
Property, plant and equipment	13.15	59 651	15 768
Intangible assets		2 522	667
Inventories		8 394	2 219
Other assets	18	27 302	7 217
Trade and other receivables		30 071	7 949
Cash and cash equivalents		40 512	10 709
Trade and other payables		(66 782)	(17 653)
Other liabilities		(101 612)	(26 861)
Fair value of net assets at date of transaction		**58**	**15**
Less total non-controlling interest		(26)	(7)
Attributable fair value of net assets acquired		**32**	**8**
Total consideration		35 279	9 325
Fair value of investment in Associate		13 103	3 463
Cash paid		22 176	5 862
Goodwill on acquisition		**35 247**	**9 317**
Cash consideration paid		(22 176)	(5 862)
Add cash and cash equivalents		40 512	10 709
Net cash inflow		**18 336**	**4 847**

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

22 Cashflow information (continued)

22.3 Disposal/Restructure transactions

During the year the Group was involved in the following restructure transactions:

	Effective Date	Effective Interest Disposal	INFLATION-ADJUSTED Disposal Consideration ZW$'000	INFLATION-ADJUSTED Profit on Disposal ZW$'000	HISTORICAL Disposal Consideration ZW$'000	HISTORICAL Profit on Disposal ZW$'000
Disposal of Pure Oil Industries (Private) Limited	30 June 2022	15.13%	7 735 029	4 101 365	7 735 029	7 399 997
Disposal of IL Integrated Agri (Private) Limited	1 July 2021	50%	287 782	(622 743)	101 231	(79 560)
Disposal of Skitap (Private) Limited	1 July 2021	50%	1 841 736	1 189 862	647 857	641 906
Disposal of Capri Properties	30 September 2021	100%	1 667 465	1 658 781	640 000	637 172
			11 532 012	**6 327 265**	**9 124 117**	**8 599 515**

	Note	INFLATION-ADJUSTED 30 June 2022 Audited ZW$'000	INFLATION-ADJUSTED 30 June 2021 Audited ZW$'000	HISTORICAL 30 June 2022 Supplementary ZW$'000	HISTORICAL 30 June 2021 Supplementary ZW$'000
22.4 Cash and cash equivalents at the end of the year					
Opening cash and bank balances		9 921 595	14 770 509	4 389 036	2 125 956
Increase in cash and cash equivalents		62 002 678	14 194 249	8 381 338	1 557 406
Effects of currency translation on foreign operations		(51 796 522)	(19 043 163)	7 357 377	705 674
Closing cash and cash equivalents	37.4	**20 127 751**	**9 921 595**	**20 127 751**	**4 389 036**

23 Assets of disposal Group classified as held for sale

In prior year, the Group disposed Lolite Trading (Private) Limited following the classification of the properties as assets of disposal group classifed as held for sale.

	Note	INFLATION-ADJUSTED 30 June 2022 Audited ZW$'000	INFLATION-ADJUSTED 30 June 2021 Audited ZW$'000	HISTORICAL 30 June 2022 Supplementary ZW$'000	HISTORICAL 30 June 2021 Supplementary ZW$'000
23.1 Reconciliation of assets of disposal group classified as held for sale					
At the beginning of the year		**—**	**191 680**	**—**	**7 648**
Disposals	23.2	—	(191 680)	—	(7 648)
At the end of the year		**—**	**—**	**—**	**—**
23.2 Profit on disposal of assets of disposal group held for sale					
Selling price		—	558 427	—	152 268
Carrying amount	23.1	—	(191 680)	—	(7 648)
Profit on disposal	9.2	**—**	**366 747**	**—**	**144 620**

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

	Note	INFLATION-ADJUSTED 30 June 2022 Audited ZW$'000	INFLATION-ADJUSTED 30 June 2021 Audited ZW$'000	HISTORICAL 30 June 2022 Supplementary ZW$'000	HISTORICAL 30 June 2021 Supplementary ZW$'000
24 Ordinary share capital					
24.1 Authorised					
800 000 000 ordinary shares of 1 cent each		8 000	8 000	8 000	8 000
1 000 Non-Voting Class "A" ordicary shares ZW$1 cent each		—	—	—	—
		8 000	**8 000**	**8 000**	**8 000**
24.2 Issued and fully paid					
Ordinary Share Capital					
Opening balance		761 331	761 130	5 699	5 648
Issued during the year		158	201	61	51
575 926 450 (2021: 569 876 450) ordinary shares		**761 489**	**761 331**	**5 760**	**5 699**
Share premium					
Opening balance		2 547 630	2 459 712	25 892	20 358
Issued during the year 6 050 000 (2021: 5 100 000)		104 995	87 918	10 459	5 534
		2 652 625	**2 547 630**	**36 351**	**25 892**
Class "A" Ordinary Shares					
1 000 Non-Voting Class "A" ordinary shares of 1 cent each		—	—	—	—

Class "A" shares are entitled to a dividend at the same as ordinary shareholders of the parent, payable to Employee Share Trust Company (Private) Limited as disclosed in **note 7.1**.

There were no changes in the Company's authorised share capital during the year, and the unissued shares are under the control of the Directors.

24.3 Share options

As at 30 June 2022, Innscor Africa Limited had the following Share Option agreements:

a) Benvenue Investments (Private) Limited.

This is an option held by an indigenous partner in terms of the Indigenisation and Economic Empowerment Act (Chapter 14:33). The terms of the Indigenisation Share Option are as follows:

Commencement date:	January 2014
Number of shares:	Fifty Million (50 000 000)
Tenure:	10 years
Pricing:	The higher of 75% of the volume weighted average price of Innscor Africa Limited shares over the previous 60 trading days or for the first five years ZW$0.70 per share and for the second five years, ZW$1.03 per share.

At the end of the year, the scheme had a remaining contractual life of two and half years.

The share options arising from the Benvenue Investments (Private) Limited share option scheme had no dilutive effect at the end of the financial year.

As at 30 June 2022, these options were exercisable.

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

24 Ordinary share capital (continued)

24.3 Share options (continued)

b) Innscor Africa Limited Employee Share Trust (Private) Limited

This is an option held by Innscor Africa Limited Employee Share Trust (Private) Limited in terms of the Indigenisation and Economic Empowerment Act (Chapter 14:33). The terms of the Innscor Africa Limited Employee Share Trust Option are as follows:

Commencement date:	January 2014
Number of shares:	Thirty Million (30 000 000)
Tenure:	10 years
Pricing:	The volume weighted average price of Innscor Africa Limited shares over the previous 60 trading days.

At the end of the year, the scheme had a remaining contractual life of two and half years.

The share options arising from the Innscor Employee Share Trust (Private) Limited had no dilutive effect at the end of the financial year.

As at 30 June 2022, these options were exercisable.

c) 2016 Innscor Africa Limited Share Option Scheme

As part of the Group's staff retention and remuneration policy certain employees of the Group are offerred share options that are exercisable for a period of three years from the vesting date. The Directors are empowered to grant share options to qualifying employees of the Group. Each employee share option converts into one ordinary share of the company on the date it is exercised and paid for. The number of option approved by the Shareholders is 54 159 344 and other terms and conditions for these options are as follows:

Maximum Number of shares available under the scheme:	54 159 344
Vesting Period:	3 years from grant date
Exercise Price:	The Higher of: 45-day volume weighted average price of Innscor Africa Limited shares immediately preceding the grant date and the nominal value of the shares.
Other Conditions:	The employee must be in continuous employment by the Group from grant date throughout the vesting period. The options are exercisable starting three years after the grant date. The Group achieving a set growth in headline earnings per share over the three year period. The Group has no legal or constructive obligation to repurchase or settle the options in cash. The options are performance based and are awarded by the Remuneration Committee.

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

24 Ordinary share capital (continued)

24.3 Share options (continued)

c) 2016 Innscor Africa Limited Share Option Scheme (continued)

The movements in the number of outstanding Share Options in respect of the 2016 Innscor Africa Limited Share Option Scheme are as follows:

	30 June 2022 Audited ZW$'000	30 June 2021 Audited ZW$'000
Opening balance	6 050	11 150
Granted during the year	—	—
Excercised during the year	(6 050)	(5 100)
Closing balance	**—**	**6 050**

	Awarded 2019 Option	Awarded 2018 Option	Awarded 2017 Option
Fair value of the share options was determined as follows:			
Valuation model	Binomial Tree Model	Binomial Tree Model	Binomial Tree Model
Volatility	50%	50%	50%
Basis of volatility	Historical volatility of the Innscor Africa Limited share price	Historical volatility of the Innscor Africa Limited share price	Historical volatility of the Innscor Africa Limited share price
Dividend Yield	2%	2%	2%
Annual Risk Free Rate	1.68%	1.68%	1.71%

24.3.1 Dilutive impact of share options

		Number of shares available under the option	Diluted Number of shares paid for under the option	Dilutive impact
2022				
Issued January 2014	Indigenisation scheme	50 000 000	77 794 950	—
2021				
Issued January 2014	Indigenisation scheme	50 000 000	53 779 777	—
Issued 6 December 2016	Management scheme	350 000	2 027	347 973
Issued 5 September 2017	Management scheme	300 000	4 204	295 796
Issued 13 September 2018	Management scheme	5 400 000	147 314	5 252 686
				5 896 455

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

24 Ordinary share capital (continued)

24.4 Directors' shareholdings

At 30 June 2022, the company Directors held directly and indirectly the following number of shares:

	2022	2021
Z Koudounaris	114 817 346	114 517 346
M J Fowler	109 179 327	108 566 827
J P Schonken	5 176 487	4 151 487
G Gwainda	1 683 859	991 759
A B C Chinake	1 329 645	957 545
T N Sibanda	950 000	650 000
D K Shinya	11 900	2 200
	233 148 564	**229 837 164**

There has been no material change in the company Directors' interests from 30 June 2022 to the date of this report.

25 Reserves

25.1 Nature and purpose of other reserves

Restructure Reserve

The restructure reserve is used to record restructure transactions. During the current year the most significant transaction was the decrease in shareholding in National Foods Holdings Limited while the buyout of non-controlling interests in Alpha Packaging (Private) Limited, was the most significant in the prior year, refer to **note 26.3**.

Foreign currency translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of financial statements of foreign subsidiaries.

Share Based Payment Reserve

The reserve is in respect of Share Based payment of which the 2016 Innscor Africa Limited Share Scheme is one such scheme, by the end of the year, all the shares under the scheme had been exercised, refer to **note 24.3**.

Treasury Shares Reserve

This reserve records Innscor Africa Limited ordinary shares held by the holding company and its subsidiaries. The shares are recorded at the cost at which they were acquired. As at 30 June 2022 and 2021, the Group held 4 639 901 of its own shares. In the prior year, the Group purchased 2 820 989 of its own shares for ZW$375.69mn, (Historical: ZW$111.73mn).

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

25 Reserves (continued)

25.1 Nature and purpose of other reserves (continued)

Reconciliation of other reserves

	Note	Restructure Reserve ZW$'000	Foreign Currency Translation Reserve ZW$'000	Treasury Shares Reserve ZW$'000	Share-Based Payment Reserve ZW$'000	Total Other Reserves ZW$'000
INFLATION-ADJUSTED: AUDITED						
Balances as at 30 June 2020		**(1 784 208)**	**2 067 282**	**(93 429)**	**152 984**	**342 629**
Other comprehensive income	25.1	—	1 004 562	—	—	1 004 562
Issue of shares		—	—	—	(73 333)	(73 333)
Transactions with owners in their capacity as owners		(1 176 599)	—	(375 686)	—	(1 552 285)
Purchase of Treasury Shares		—	—	(375 686)	—	(375 686)
Acquisition of additional interest in Alpha Packaging (Private) Limited	26.4	(1 176 599)	—	—	—	(1 176 599)
Share-based payment charge		—	—	—	4 239	4 239
Balances as at 30 June 2021		**(2 960 807)**	**3 071 844**	**(469 115)**	**83 890**	**(274 188)**
Other comprehensive income	25.1	—	16 215 626	—	—	16 215 626
Issue of shares		—	—	—	(84 475)	(84 475)
Transactions with owners in their capacity as owners		1 575 779	—	—	—	1 575 779
Disposal of shares in National Foods Holdings Limited	26.4	740 187	—	—	—	740 187
Fair Value on acquisition of Bakers Inn Logistics (Private) Limited	26.4	835 592	—	—	—	835 592
Share-based payment charge		—	—	—	585	585
Balances as at 30 June 2022		**(1 385 028)**	**19 287 470**	**(469 115)**	**—**	**17 433 327**

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

25 Reserves (continued)

25.1 Nature and purpose of other reserves (continued)

Reconciliation of other reserves (continued)

	Note	Restructure Reserve ZW$'000	Foreign Currency Translation Reserve ZW$'000	Treasury Shares Reserve ZW$'000	Share-Based Payment Reserve ZW$'000	Total Other Reserves ZW$'000
HISTORICAL: SUPPLEMENTARY						
Balances as at 30 June 2020		**(13 135)**	**2 067 282**	**(688)**	**3 079**	**2 056 538**
Other comprehensive income	25.1	—	1 004 562	—	—	1 004 562
Issue of shares		—	—	—	(1 892)	(1 892)
Transactions with owners in their capacity as owners		(264 676)	—	(111 730)	—	(376 406)
Purchase of Treasury Shares		—	—	(111 730)	—	(111 730)
Acquisition of additional interest in Alpha Packaging (Private) Limited		(264 676)	—	—	—	(264 676)
Share-based payment charge		—	—	—	1 182	1 182
Balances as at 30 June 2021		**(277 811)**	**3 071 844**	**(112 418)**	**2 369**	**2 683 984**
Other comprehensive income	25.1	—	16 215 626	—	—	16 215 626
Issue of shares		—	—	—	(2 584)	(2 584)
Transactions with owners in their capacity as owners		613 632	—	—	—	613 632
Disposal of shares in National Foods Holdings Limited	26.4	319 701	—	—	—	319 701
Fair Value on acquisition of Bakers Inn Logistics (Private) Limited	26.4	293 931	—	—	—	293 931
Share-based payment charge		—	—	—	215	215
Balances as at 30 June 2022		**335 821**	**19 287 470**	**(112 418)**	**—**	**19 510 873**

25.2 Distributable reserves

		INFLATION-ADJUSTED		HISTORICAL	
	Note	30 June 2022 Audited ZW$'000	30 June 2021 Audited ZW$'000	30 June 2022 Supplementary ZW$'000	30 June 2021 Supplementary ZW$'000
Opening balance		**50 763 266**	**47 553 520**	**9 470 981**	**3 575 773**
Profit for the year	6.4	38 943 944	7 423 621	33 895 857	7 144 165
Dividends paid	7.1	(6 664 147)	(4 213 875)	(2 878 368)	(1 248 957)
Closing balance		**83 043 063**	**50 763 266**	**40 488 470**	**9 470 981**

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

	Note	INFLATION-ADJUSTED 30 June 2022 Audited ZW$'000	INFLATION-ADJUSTED 30 June 2021 Audited ZW$'000	HISTORICAL 30 June 2022 Supplementary ZW$'000	HISTORICAL 30 June 2021 Supplementary ZW$'000
26 Non-controlling interests					
26.1 Reconciliation					
Opening balance		**24 569 336**	**22 695 948**	**4 230 431**	**1 664 099**
Profit for the year		14 745 969	4 512 012	12 071 436	3 346 328
Dividends paid	7.2	(2 676 345)	(2 705 324)	(1 381 250)	(809 249)
Other comprehensive income for the year		991 733	11 749	991 733	11 749
Other transactions with non-controlling interests		1 537 131	54 951	880 269	17 504
Transactions with cash consideration	26.2	1 379 728	115 313	811 580	31 064
Acquisition of additional interest in Alpha Packaging (Private) Limited	26.3	—	(60 530)	—	(13 616)
Non-cash consideration transactions		—	168	—	56
Acquisition of additional interest in Mafuro Farming (Private) Limited	22.1	63 981	—	6 808	—
Acquisition of Bevco	22.1	37 902	—	37 902	—
Disposal of partial interest In National Foods Holdings Limited	26.3	55 520	—	23 979	—
Closing balance		**39 167 824**	**24 569 336**	**16 792 619**	**4 230 431**
26.2 Cash received from non-controlling interests					
Contributions were received from non-controlling interests in the following businesses.					
Alpha Packaging (Private) Limited		—	(5 155)	—	(1 389)
Prodairy (Private) Limited		—	30 533	—	8 225
MyCash Financial Services (Private) Limited		342 067	—	117 322	—
Sabithorn (Private) Limited		197 053	—	197 053	—
Superlinx Logistics (Private) Limited		457 299	—	289 227	—
The Buffalo Brewing Company (Private) Limited		383 309	89 935	207 978	24 228
Contributions from non-controlling interests		**1 379 728**	**115 313**	**811 580**	**31 064**

26.3 Transactions with non-controlling interests

In November 2021, IAL disposed 187 880 of its shares in National Foods Limited (NFL) which resulted in change in shareholding from 37.82% to 37.45% .The Group recognised a decrease in effective controlling interest of 0.37%.

On 1 July 2020, the Group acquired an additional effective 25.27% of the issued shares of Alpha Packaging (Private) Limited, ("Alpha"/"the Company") for ZW$ 1 237 129 219 (Historical: ZW$ 278 292 164). Immediately prior to the purchase, the Group had an effective controlling interest of 20.42% in the Company. The Group recognised an increase in effective controlling interest from 20.42% to 45.69%. The effects of these transactions on the equity attributable to the Group were as follows:

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

26 Non-controlling interests (continued)

26.3 Transactions with non-controlling interests (continued)

	Note	NATIONAL FOODS HOLDINGS LIMITED INFLATION-ADJUSTED 30 June 2022 Audited ZW$'000	NATIONAL FOODS HOLDINGS LIMITED HISTORICAL 30 June 2022 Supplementary ZW$'000	ALPHA PACKAGING (PRIVATE) LIMITED INFLATION-ADJUSTED 30 June 2021 Audited ZW$'000	ALPHA PACKAGING (PRIVATE) LIMITED HISTORICAL 30 June 2021 Supplementary ZW$'000
Carrying amount of non-controlling interests (disposed)/acquired	26.1	(55 520)	(23 979)	60 530	13 616
Consideration received/(paid) by non-controlling interests	A.2	795 707	343 680	(1 237 129)	(278 292)
Excess of consideration received/(paid) recognised in the Restructure Reserve within equity		**740 187**	**319 701**	**(1 176 599)**	**(264 676)**

	Note	INFLATION-ADJUSTED 30 June 2022 Audited ZW$'000	INFLATION-ADJUSTED 30 June 2021 Audited ZW$'000	HISTORICAL 30 June 2022 Supplementary ZW$'000	HISTORICAL 30 June 2021 Supplementary ZW$'000
26.4 Transactions with owners in their capacity as owners					
Disposal of shares in National Foods Holdings Limited	26.3	740 187	—	319 701	—
Acquistion of additional interest in Alpha Packaging (Private) Limited	26.3	—	(1 176 599)	—	(264 676)
Fair value on acquisition of Bakers Inn Logistics (Private) Limited	22.1	835 592	—	293 931	—
		1 575 779	**(1 176 599)**	**613 632**	**(264 676)**
27 Deferred Taxation					
27.1 Analysis					
Deferred tax assets		—	—	(2 395 333)	(92 320)
Deferred tax liabilites		13 857 300	6 283 960	1 910 307	146 326
		13 857 300	**6 283 960**	**(485 026)**	**54 006**
27.2 Reconciliation					
Opening balance		**6 283 960**	**7 511 827**	**54 006**	**215 964**
Charge/(credit) to profit or loss	12.1	1 304 503	(8 110 022)	(500 149)	(161 958)
Acquisition of subsidiaries	22.1	(110 536)	—	(38 883)	—
Monetary loss		6 379 373	6 882 155	—	—
Closing balance		**13 857 300**	**6 283 960**	**(485 026)**	**54 006**

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

		INFLATION-ADJUSTED		HISTORICAL	
		30 June 2022 Audited ZW$'000	30 June 2021 Audited ZW$'000	30 June 2022 Supplementary ZW$'000	30 June 2021 Supplementary ZW$'000
27 Deferred Taxation (continued)					
27.3 Analysis of net deferred tax liabilities					
Accelerated depreciation for tax purposes		12 865 048	7 607 828	(2 342 465)	148 215
Fair value adjustments on biological assets		274 733	(763 678)	1 139 920	97 924
Unrealised exchange rate losses/(gains)		752 360	(511 377)	752 360	(175 392)
Allowance for credit losses		(34 841)	(48 813)	(34 841)	(16 741)
		13 857 300	**6 283 960**	**(485 026)**	**54 006**

The Group recognises deferred tax assets arising from tax losses where there is a reasonable expectation that sufficient taxable profit will be available in the foreseeable future to utilise those losses.

As at 30 June 2022 and 30 June 2021, the Group did not have any unrecognised tax losses from its sudsidiaries.

		INFLATION-ADJUSTED		HISTORICAL	
		30 June 2022 Audited ZW$'000	30 June 2021 Audited ZW$'000	30 June 2022 Supplementary ZW$'000	30 June 2021 Supplementary ZW$'000
28 Lease liability					
28.1 Lease liabilities included in the statement of financial position					
Non-current		1 701 292	723 681	1 701 292	248 208
Current		519 811	258 790	519 811	88 760
Balance at 30 June		**2 221 103**	**982 471**	**2 221 103**	**336 968**
Lease Liabilities Maturity analysis - contractual undiscounted cash flows					
Less than one year		2 439 268	1 013 448	2 439 268	347 592
One to five years		11 223 036	4 490 539	11 223 036	1 540 163
More than five years		14 334 944	5 498 628	14 334 944	1 885 917
Total undiscounted contractual cashflows as at 30 June	37.4	**27 997 248**	**11 002 615**	**27 997 248**	**3 773 672**
Less total future finance costs		(25 776 145)	(10 020 144)	(25 776 145)	(3 436 704)
		2 221 103	**982 471**	**2 221 103**	**336 968**
28.2 Amounts recognised in the statement of profit or loss					
Depreciation charge for the year	**14.1**	365 877	306 201	151 262	40 132
Lease finance charges	**11.2**	403 314	163 223	166 740	45 822
Exchange losses		23 816	23 480	23 816	8 053
Total recognised in the statement of profit or loss		**793 007**	**492 904**	**341 818**	**94 007**

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

28 Lease liability (continued)

28.3 The Group has entered into commercial leases on certain properties, plant and equipment and motor vehicles. The leases have varying terms with renewable options included in some of the contracts. There are no restrictions placed upon the Group by entering into these lease contracts.

28.4 The Group used an incremental borrowing rate of 34% (2021: 31%) to discount the future lease payments in respect of IFRS 16 (Leases).

	Rate of interest	Years repayable	INFLATION-ADJUSTED		HISTORICAL	
			30 June 2022 Audited ZW$'000	30 June 2021 Audited ZW$'000	30 June 2022 Supplementary ZW$'000	30 June 2021 Supplementary ZW$'000
29 Interest-bearing borrowings						
29.1 Interest-bearing borrowings						
Long-term financing						
Secured						
Zimbabwe Operations	8.5%- 50%	2024- 2025	3 055 249	1 707 330	3 055 249	585 579
Total long-term financing			**3 055 249**	**1 707 330**	**3 055 249**	**585 579**
Short-term financing						
Zimbabwe Operations	8.5% - 50%	up to 365 days	24 474 570	13 212 220	24 474 570	4 531 521
Overdraft - Zimbabwe Operations	8.5% - 50%	On demand	651 621	4 205 086	651 621	1 442 258
Total short-term financing			**25 126 191**	**17 417 306**	**25 126 191**	**5 973 779**
Total interest-bearing borrowings		37.4	**28 181 440**	**19 124 636**	**28 181 440**	**6 559 358**

As at 30 June 2022, the Board of Directors had authorised aggregate borrowing limits of ZW$50 billion (2021: ZW$16 billion)

Short-term borrowings expire at different dates during the year and are reviewed on maturity as shown on **note 37.4** with the relevant finacial institutions. Subsequent to year-end, ZW$ loans had their average cost adjusted by monetary authorities from 34% to an average of 100% to 200%.

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

		Note	INFLATION-ADJUSTED 30 June 2022 Audited ZW$'000	INFLATION-ADJUSTED 30 June 2021 Audited ZW$'000	HISTORICAL 30 June 2022 Supplementary ZW$'000	HISTORICAL 30 June 2021 Supplementary ZW$'000
29	**Interest-bearing borrowings** (continued)					
29.2	**Interest-bearing borrowings - reconciliation**					
	The movements in interest bearing borrowings which are included in financing activities are as follows:					
	Opening balance		**19 124 636**	**7 580 193**	**6 559 358**	**1 258 129**
	Drawdowns		50 724 492	20 081 627	24 479 583	5 409 810
	Repayments		(13 688 852)	(2 039 528)	(6 606 225)	(549 430)
	Arising from acquisition of a subsidiary	**22.1**	822 808	—	337 304	—
	Exchange movements		3 411 420	1 285 351	3 411 420	440 849
	Monetary gain		(32 213 064)	(7 783 007)	—	—
	Closing balance		**28 181 440**	**19 124 636**	**28 181 440**	**6 559 358**
30	**Trade and other payables**					
	Trade payables		28 948 392	7 855 874	28 948 392	2 694 404
	Accruals		9 216 422	3 310 524	9 216 422	1 135 442
	Other payables		15 242 837	13 702 609	15 242 837	5 116 503
		37.4	**53 407 651**	**24 869 007**	**53 407 651**	**8 946 349**
	Trade payables are non-interest bearing and are normally settled within 7 to 45 days.					
	Included in other payables are transactions with Directors as highlighted in **note 36.3** and have varying settlement terms.					
31	**Provisions**					
	Leave pay provision		**1 102 769**	**642 339**	**1 102 769**	**220 309**

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

		Note	PROVISION FOR LEAVE PAY Inflation-Adjusted ZW$'000	PROVISION FOR LEAVE PAY Historical ZW$'000
31	**Provisions** (continued)			
31.1	**Reconciliation of leave pay provision**			
	At 1 July 2020		**388 668**	**64 510**
	Charge for the year	**A.1**	539 620	185 079
	Less paid	**A.1**	(116 285)	(29 280)
	Monetary gain		(169 664)	—
	At 30 June 2021		**642 339**	**220 309**
	Charge for the year	**A.1**	919 236	919 236
	Less paid	**A.1**	(76 204)	(36 776)
	Monetary gain		(382 602)	—
	At 30 June 2022		**1 102 769**	**1 102 769**

		Note	INFLATION-ADJUSTED 30 June 2022 Audited ZW$'000	INFLATION-ADJUSTED 30 June 2021 Audited ZW$'000	HISTORICAL 30 June 2022 Supplementary ZW$'000	HISTORICAL 30 June 2021 Supplementary ZW$'000
32	**Current tax liabilities**					
32.1	**Reconciliation**					
	Opening balance		**3 581 680**	**3 675 730**	**1 227 294**	**608 409**
	Current tax charged to profit or loss	**12.1**	15 092 509	16 221 741	10 032 572	2 608 916
	Withholding tax charged to profit or loss	**12.1**	185 515	4 287	185 515	4 287
	Tax paid		(7 247 722)	(5 365 407)	(3 497 743)	(2 034 902)
	Other		(11 274)	118 325	(11 274)	40 584
	Monetary gain		(3 664 344)	(11 072 996)	—	—
	Closing balance		**7 936 364**	**3 581 680**	**7 936 364**	**1 227 294**

32.2 Pending tax matters

The Zimbabwe Revenue Authority ("ZIMRA") raised tax assessments of ZW$828 075 in respect of Innscor Bread Company (Private) Limited ("IB") based on disallowing expenditure on canteen meals provided to staff and management fees services provided by Innscor Africa Limited. During the year, ZIMRA further issued several assessments to the Group's subsidiaries and associates over the management fees paid by the businesses to the Group as well as assessments on Technical Fees paid to some related parties. As at 30 June 2022, the total assessments issued on the Group amount to US$4.905mn . During the financial year, judgement was passed in the Group's favour with respect to canteen meals for factory workers, however, the issue of management fees is still with the Courts to determine ZIMRA's claim which includes interest and penalties. The Board has sought legal advice and is of the view that the Group acted within the confines of the existing statutes. No provision has been made in the Group financial statements pending the resolution of these matters.

32.3 Uncertain tax positions

The significant currency changes in Zimbabwe since 2018 have created some uncertainities in the treatment of taxes due to the absence of clear guidance and transitional measures from the tax authorities. Complications arose from the wording of the tax legislation in relation to the currency of settlement for certain taxes which gives rise to varying interpretations within the economy. The Group has several unresolved tax matters with ZIMRA arising from the differences in interpretation of the tax legislation. Some of these matters are in the courts while some are being discussed between the Group and ZIMRA.

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

	Note	INFLATION-ADJUSTED 30 June 2022 Audited ZW$'000	INFLATION-ADJUSTED 30 June 2021 Audited ZW$'000	HISTORICAL 30 June 2022 Supplementary ZW$'000	HISTORICAL 30 June 2021 Supplementary ZW$'000
33 Capital expenditure commitments					
Authorised and contracted		6 901 715	7 704 600	6 901 715	2 642 520
Authorised but not yet contracted		7 387 642	2 767 917	7 387 642	949 339
		14 289 357	**10 472 517**	**14 289 357**	**3 591 859**

The capital expenditure will be financed from the Group's own resources and from existing borrowing facilities if need be.

34 Segmental analysis

The Group's operating segments are based on the information reviewed by the Board for the purposes of allocating resources and assessing performance. The revenue, operating profit, assets and liabilities reported to the Board are measured consistently and are in accordance with what has been reported in the consolidated inflation-adjusted financial statements in respect of the segments listed below.

Business Segments

The Group's operations comprise of Mill-Bake, Protein, Other Light Manufacturing and the Head Office Services and Other Services.

Significant Customers

The Group does not have any significant customers from which it derives more than 10% of its total revenue.

Mill-Bake

This segment reports the Group's interests in National Foods Holdings Limited, the Bakers Inn Manufacturing ("BIM"), Superlinx Logistics (Private) Limited, and the non-controlling interests in Profeeds (Private) Limited.

National Foods Holdings Limited is involved in the milling of flour and maize, the manufacture of stockfeeds, soft snacks, and downpacking of grocery products, as well as ownership and rental of properties.

The Group's Bakery Division (BIM) operates bread lines in Harare and Bulawayo.

Superlinx Logistics (Private) Limited t/a Bakers Inn Sales and Distribution sales and distribute bread manufactured by BIM across the country.

Profeeds (Private) Limited is involved in the manufacture of stock feeds and the retail of day old chicks, stockfeeds and farming accessories.

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

34 Segmental analysis (continued)

Protein

This segment reports the Group's interest in the Colcom Division, Irvine's Zimbabwe (Private) Limited, Associated Meat Packers (Private) Limited "AMP" and Intercane Investments (Private) Limited.

- Irvine's Zimbabwe (Private) Limited is involved in the production of frozen chicken, table eggs and day-old chicks.
- Colcom is involved in the production, processing and marketing of pork and related food products.
- AMP is involved in feed lotting and slaughter of cattle, retailing and wholesaling of beef and beef products.
- Intercane is involved in the retail of poultry products.

Other Light Manufacturing

The main operations in this reporting segment are the Group's controlling interests in Natpak (Private) Limited, Probottlers (Private) Limited, Prodairy (Private) Limited, Sabithorn (Private) Limited, Saxin Enterprises (Private) Limited, The Buffalo Brewing Company (Private) Limited (TBBC) and associated interests in Probrands (Private) Limited.

- Natpak (Private) Limited produces a variety of bags for packaging such as open mouth bags, general purpose bags, carrier bags and BOPP bags.
- Prodairy (Private) Limited is involved in production and sale of dairy based products which include fresh milk and dairy juice products.
- Probottlers (Private) Limited is involved in production and sale of carbonated soft drinks and cordials.
- Sabithorn (Private) Limited is involved in the grading, storage and marketing of potatoes.
- Saxin Enterprises (Private) Limited is involved in the distribution of fast moving consumer goods.
- The Buffalo Brewing Company (Private) Limited is involved in the brewing and marketing of sorghum beer.
- Probrands (Private) Limited is involved in the down-packing and manufacture of a number of grocery products.

Head Office Services and Other Services

This segment reports the Group's shared services functions namely treasury, internal audit, legal, company secretarial services, Providence Human Capital and MyCash Financial Services (Private) Limited. The segment also includes associated interests in Paperhole Investments (Private) Limited and Afrigrain (Private) Limited and the remaining SPAR Zimbabwe operations balances which are being collected and settled as part of ongoing Head Office Services activities

Geographical Segments

The Group is also organised into parcels of businesses incorporated in Zimbabwe, and those incorporated in countries outside Zimbabwe. Note **34.1** provides financial details of the geographical spread.

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

	Note	Mill-Bake ZW$'000	Protein ZW$'000	Other Light Manufacturing ZW$'000	Head Office Services & Other Services ZW$'000	Inter-segment Adjustments ZW$'000	Total Operations ZW$'000
34 Segmental analysis (continued)							
INFLATION-ADJUSTED - AUDITED							
Revenue							
30 June 2022	**8.2**	165 767 088	92 869 945	70 601 236	7 656 146	(46 114 317)	290 780 098
30 June 2021	**8.2**	118 424 393	64 428 892	29 438 453	1 719 639	(18 929 331)	195 082 046
Operating profit/(loss) before depreciation, amortisation and fair value adjustments							
30 June 2022		51 549 912	23 464 946	14 075 492	(1 257 412)	—	87 832 938
30 June 2021		12 053 915	8 967 608	3 852 953	121 856	—	24 996 332
Depreciation and amortisation							
30 June 2022	**10.3**	1 450 662	956 441	965 726	433 168	857	3 806 854
30 June 2021	**10.3**	887 545	1 232 309	983 842	219 771	4 043	3 327 510
Equity accounted earnings							
30 June 2022	**16**	1 579 418	—	(124 810)	6 712 153	—	8 166 761
30 June 2021	**16**	2 211 470	567 331	219 625	2 697 575	—	5 696 001
Profit before tax							
30 June 2022		30 738 505	14 239 417	2 293 074	23 202 146	(200 702)	70 272 440
30 June 2021		9 325 227	6 436 877	2 442 811	1 846 724	—	20 051 639
Segment assets							
30 June 2022		92 923 188	48 491 702	44 203 562	79 837 353	(15 690 850)	249 764 955
30 June 2021		57 706 709	34 804 196	20 279 814	30 808 104	(9 747 355)	133 851 468
Segment liabilities							
30 June 2022		45 859 956	25 637 306	31 332 251	14 092 387	(10 215 273)	106 706 627
30 June 2021		24 682 245	15 275 588	10 781 119	6 333 917	(1 588 776)	55 484 093
Capital expenditure							
30 June 2022	**13.1 & A.2**	12 289 651	4 400 318	6 430 377	1 961 442	—	25 081 788
30 June 2021	**13.1 & A.2**	3 157 602	4 505 679	3 451 323	309 642	—	11 424 246
Cash flow from operating activities							
30 June 2022	**A.1**	4 829 559	42 037 055	19 462 738	17 159 768	(22 610 488)	60 878 632
30 June 2021	**A.1**	12 814 159	6 839 108	2 926 456	2 236 640	(45 555)	24 770 808
Investing activities							
30 June 2022	**A.2**	(295 445)	5 561 930	7 672 880	1 968 295	(2 177 288)	12 730 372
30 June 2021	**A.2**	3 143 601	4 121 653	4 264 683	611 492	(647 382)	11 494 047
Financing activities							
30 June 2022		12 236 034	2 615 194	10 835 232	13 133 320	(10 138 191)	28 681 589
30 June 2021		6 421 986	6 718 730	5 782 691	3 168 033	(11 482 469)	10 608 971

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

	Note	Mill-Bake ZW$'000	Protein ZW$'000	Other Light Manufacturing ZW$'000	Head Office Services & Other Services ZW$'000	Inter-segment Adjustments ZW$'000	Total Operations ZW$'000
34 Segmental analysis (continued)							
HISTORICAL: SUPPLEMEMENTARY							
Revenue							
30 June 2022	**8.2**	90 970 495	50 965 635	38 744 900	4 201 580	(25 306 847)	159 575 763
30 June 2021	**8.2**	34 289 538	18 655 252	8 523 843	497 918	(5 480 948)	56 485 603
Operating profit/(loss) before depreciation, amortisation and fair value adjustments							
30 June 2022		22 811 956	10 383 748	6 228 711	(556 432)	—	38 867 983
30 June 2021		5 478 099	4 075 477	1 751 038	75 227	—	11 379 841
Depreciation and amortisation							
30 June 2022	**10.3**	374 995	247 239	249 639	111 974	221	984 068
30 June 2021	**10.3**	48 626	67 515	53 902	12 041	221	182 305
Equity accounted earnings							
30 June 2022	**16**	899 447	—	(71 077)	3 822 436	—	4 650 806
30 June 2021	**16**	640 405	164 290	63 600	1 012 276	—	1 880 571
Profit before tax							
30 June 2022		24 357 782	11 283 587	1 817 076	18 385 825	(159 039)	55 685 231
30 June 2021		6 018 692	4 154 492	1 576 640	1 191 914	—	12 941 738
Segment assets							
30 June 2022		63 840 158	33 314 805	30 368 764	54 849 918	(10 779 938)	171 593 707
30 June 2021		13 771 646	8 305 985	4 839 756	7 352 321	(416 117)	33 853 591
Segment liabilities							
30 June 2022		40 725 423	22 766 925	27 824 257	12 514 587	(9 071 558)	94 759 634
30 June 2021		7 590 923	4 697 944	3 315 689	1 947 970	(115 922)	17 436 604
Capital expenditure							
30 June 2022	**13.1 & A.2**	8 100 064	2 900 234	4 238 238	1 292 781	—	16 531 317
30 June 2021	**13.1 & A.2**	1 019 589	1 454 880	1 114 431	99 984	—	3 688 884
Cash flow from operating activities							
30 June 2022	**A.1**	685 995	5 970 980	2 764 504	2 437 388	(3 211 615)	8 647 252
30 June 2021	**A.1**	3 034 442	1 619 527	692 996	529 645	(10 788)	5 865 822
Investing activities							
30 June 2022	**A.2**	(156 946)	2 954 592	4 075 965	1 045 592	(1 156 610)	6 762 593
30 June 2021	**A.2**	996 244	1 306 200	1 351 528	193 789	(205 163)	3 642 598
Financing activities							
30 June 2022		6 045 842	1 292 171	5 353 704	6 489 193	(4 985 613)	14 195 297
30 June 2021		1 605 861	1 680 064	1 446 001	792 188	(2 871 269)	2 652 845

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

	Revenue ZW$'000	Profit before tax ZW$'000	Total assets ZW$'000	Total liabilities ZW$'000
34 Segmental analysis (continued)				
34.1 Geographical segments				
INFLATION-ADJUSTED - AUDITED				
Zimbabwe Operations				
30 June 2022	287 849 646	69 043 558	219 549 503	98 234 086
30 June 2021	195 082 046	19 932 219	129 406 840	54 861 836
Regional Operations				
30 June 2022	2 930 452	1 228 882	30 215 452	8 472 541
30 June 2021	—	119 420	4 444 628	622 257
HISTORICAL - SUPPLEMENTARY				
Zimbabwe Operations				
30 June 2022	156 645 310	54 456 349	141 378 254	86 287 093
30 June 2021	56 485 603	12 822 618	29 408 963	16 814 348
Regional Operations				
30 June 2022	2 930 452	1 228 882	30 215 452	8 472 541
30 June 2021	—	119 420	4 444 628	622 257

35 Pension funds

National Social Security Authority Scheme (NSSA)

The scheme was established and is administered in terms of Statutory Instrument 393 of 1993. This is a defined contribution plan based on a 50/50 contribution from the employers and employees and limited to specific contributions legislated from time-to-time.

Innscor Africa Limited Pension Fund

This is a self-administered, defined contribution fund. The Fund has been operational since 2000. Membership is compulsory for employees of the Group who are not members of other occupational pension funds. Contributions are at the rate of 14% of pensionable emoluments after NSSA and members pay 7% and the employer 7%.

National Foods Pension Fund

This is a defined contribution fund, administered by an insurance company which covers eligible employees of National Foods Limited and Natpak (Private) Limited. Contributions are at the rate of 17.5% of pensionable emoluments after NSSA and members pay 7% while the employer pays 10.5%.

Colcom Pension Fund

This is a self administered, defined contribution fund where all permanent employees are eligible to become members. Contributions are at the rate of 22.5% of pensionable emoluments less NSSA contributions of which members contribute 7.5% for all those who joined the fund prior to 1 June 2012. Contributions for new entrants after 1 June 2012 are at the rate of 15% with members contributing 7.5%. As a result of Colcom Foods Limited divisionalisation, with effect from 1 January 2019, the Colcom Pension Fund was merged with Innscor Africa Limited Pension Fund, effective 1 July 2019, resulting in employees joining Colcom from this date assuming the benefit detailed under the Innscor Africa Limited Pension Fund whilst those employees on the Colcom Pension Fund at 30 June 2019, retaining the benefits and contributions under the Colcom Pension Fund.

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

	INFLATION-ADJUSTED		HISTORICAL	
	30 June 2022 Audited ZW$'000	30 June 2021 Audited ZW$'000	30 June 2022 Supplementary ZW$'000	30 June 2021 Supplementary ZW$'000
35 Pension funds (continued)				
Pension costs recognised as an expense for the year:				
Innscor Africa Limited Pension Fund	172 459	163 972	91 118	46 591
National Social Security Authority Scheme & Workers' Compensation Insurance Fund	243 640	71 045	128 727	20 187
National Foods Pension Fund	215 202	91 720	113 701	26 061
Colcom Pension Fund	179 186	41 997	94 673	11 933
	810 487	**368 734**	**428 219**	**104 772**

36 Related party transactions

36.1 Trading transactions

Related party activities consist of transactions between Innscor Africa Limited's subsidiaries, its associates and joint ventures.

The table below summarises transactions and balances from the perspective of the related party:

	Sales ZW$'000	Purchases ZW$'000	Rent received/ (paid) ZW$'000	Interest received/ (paid) ZW$'000	Trade & other accounts receivables ZW$'000	Trade & other accounts payables ZW$'000
INFLATION-ADJUSTED - AUDITED						
Name of related party						
Profeeds (Private) Limited						
30 June 2022	8 523 259	(150 010)	4 078	—	542 710	—
30 June 2021	3 146 777	(311 785)	5 024	—	135 373	(9 741)
Paperhole Investments (Private) Limited						
30 June 2022	—	(11 888 808)	2 802	18 873	9 575	(3 425 317)
30 June 2021	—	(2 681 434)	—	—	219 229	(1 023 011)
Probrands (Private) Limited						
30 June 2022	394 772	(190 028)	—	(1 143)	49 389	(4 076)
30 June 2021	30 833	(230)	—	(172)	—	—
National Foods Logistics (Private) Limited						
30 June 2022	9 747	(5 612 459)	23 533	—	732	(91 939)
30 June 2021	118 331	(4 490 944)	—	—	531	(73 360)
Afrigrain Trading Limited						
30 June 2022	—	(11 043 006)	—	—	—	(4 634 088)
30 June 2021	—	(3 554 839)	—	8 501	—	(2 515 812)
Bakers Inn Logistics (Private) Limited						
30 June 2022	—	—	—	—	—	—
30 June 2021	—	(30 658)	—	—	—	(536)
Pure Oil Industries (Private) Limited						
30 June 2022	1 797 438	(7 741 228)	—	—	2 817	(673 425)
30 June 2021	—	(5 780 593)	—	—	—	(196 598)

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

	HISTORICAL					
	Sales ZW$'000	Purchases ZW$'000	Rent received/ (paid) ZW$'000	Interest received/ (paid) ZW$'000	Trade & other accounts receivables ZW$'000	Trade & other accounts payables ZW$'000
36 Related party transactions (continued)						
36.1 Trading transactions (continued)						
Name of related party						
Profeeds (Private) Limited						
30 June 2022	4 113 315	(72 395)	1 968	—	542 710	—
30 June 2021	894 139	(88 592)	1 428	—	46 430	(3 341)
Paperhole Investments (Private) Limited						
30 June 2022	—	(5 737 526)	1 352	9 108	9 575	(3 425 317)
30 June 2021	—	(761 915)	4 688	—	75 191	(350 872)
Probrands (Private) Limited						
30 June 2022	190 517	(91 707)	—	(552)	49 389	(4 076)
30 June 2021	8 761	(66)	—	(49)	—	—
National Foods Logistics (Private) Limited						
30 June 2022	4 704	(2 708 567)	11 357	—	732	(91 939)
30 June 2021	33 623	(1 276 077)	—	—	182	(25 161)
Afrigrain Trading Limited						
30 June 2022	—	(11 043 006)	—	—	—	(4 634 088)
30 June 2021	—	(3 554 839)	—	8 501	—	(2 515 812)
Bakers Inn Logistics (Private) Limited						
30 June 2022	—	—	—	—	—	—
30 June 2021	—	(10 515)	—	—	—	(184)
Pure Oil Industries (Private) Limited						
30 June 2022	867 441	(3 735 908)	—	—	2 817	(673 425)
30 June 2021	—	(1 642 524)	—	—	—	(67 429)

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

		INFLATION-ADJUSTED		HISTORICAL	
		30 June 2022 Audited ZW$'000	30 June 2021 Audited ZW$'000	30 June 2022 Supplementary ZW$'000	30 June 2021 Supplementary ZW$'000
36 Related party transactions (continued)					
36.2 Compensation of key personnel to the Group					
Short-term employee benefits	**10.2**	4 321 183	4 381 500	2 085 412	1 180 288
Fees for other services paid directly or indirectly to independent non-executive directors		1 386 116	540 384	668 943	153 553
Total		**5 707 299**	**4 921 884**	**2 754 355**	**1 333 841**

36.3 Transactions with Directors

From time-to-time the Group receives loans at arms length terms from Directors and/or entities where Directors have a direct or beneficial interest. The loans are short-term and bear interest at the Group's average borrowing rate which varies from time-to-time.

	INFLATION-ADJUSTED		HISTORICAL	
	30 June 2022 Audited ZW$'000	30 June 2021 Audited ZW$'000	30 June 2022 Supplementary ZW$'000	30 June 2021 Supplementary ZW$'000
Loans from Director related entities	305 352	463 855	305 352	159 018
36.4 Other Related Party Balances				
Other related party balances as at 30 June are as follows:				
Amount payable to:				
Innscor Africa Limited Employee Share Trust (Private) Limited	16 013	9 457	16 013	3 242

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

37 Financial risk management objectives and policies

The Group's principal financial instruments comprise interest-bearing borrowings, overdrafts, financial assets, cash and short-term deposits. The main purpose of these financial instruments is to raise finance for the Group's operations or to achieve a return on surplus short-term funds. The Group has various other financial assets and financial liabilities such as trade receivables and trade payables, which arise directly from its operations.

The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, credit risk, liquidity risk and equity price risk. The Board reviews and agrees policies for managing each of these risks and the Group's management of these are summarised below:

37.1 Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to variable short-term overdraft rates. The Group's policy is to manage its interest cost by limiting exposure to borrowings to borrow at favourable and fixed rates of interest as well as to take up overdraft positions.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on short-term overdrafts. There is an immaterial impact on the Group's equity.

		INFLATION-ADJUSTED		HISTORICAL	
	Note	30 June 2022 Audited ZW$'000	30 June 2021 Audited ZW$'000	30 June 2022 Supplementary ZW$'000	30 June 2021 Supplementary ZW$'000
Effect on profit before tax					
Increase of 3%		(19 549)	(126 153)	(19 549)	(43 268)
Decrease of 3%		19 549	126 153	19 549	43 268

37.2 Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. As a result of significant imports, the Group's statement of financial position can be affected significantly by movements in foreign currency exchange rates. The Group also has transactional currency exposures. Such exposure arises from the sale or purchase by an operating unit in currencies other than the unit's functional currency. The Group limits exposure to exchange rate fluctuations by either pre-paying for purchases or retaining stock until the foreign currency to settle the related liability has been secured.

The inflation-adjusted carrying amounts of the Group's foreign currency denominated monetary assets and liabilities at the reporting date are as follows:

	INFLATION -ADJUSTED		
30 June 2022	Liabilities ZW$'000 Equivalent	Assets ZW$'000 Equivalent	Net position ZW$'000 Equivalent
Currency			
South African Rand	(559 300)	239 359	(1 153 434)
Euro	(71 363)	—	(3 515 578)
US$	(22 862 333)	8 720 836	(6 947 669)
30 June 2021			
Currency			
South African Rand	(713 226)	89 830	(623 396)
Great Britain Pound	—	1 277	1 277
Euro	(36 393)	53 758	17 365
US$	(12 321 391)	9 539 549	(2 781 842)

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

37 Financial risk management objectives and policies (continued)

37.2 Foreign currency risk (continued)

	HISTORICAL: SUPPLEMENTARY		
30 June 2022	Liabilities ZW$'000 Equivalent	Assets ZW$'000 Equivalent	Net position ZW$'000 Equivalent
Currency			
South African Rand	(1 392 793)	239 359	(1 153 434)
Euro	(71 363)	—	(71 363)
US$	(22 862 333)	8 720 836	(14 141 497)
30 June 2021			
Currency			
South African Rand	(244 622)	30 810	(213 812)
Great Britain Pound	—	438	438
Euro	(12 482)	18 438	5 956
US$	(4 225 985)	3 271 870	(954 115)

The following table demonstrates the sensitivity of the Group's results to a reasonably possible change in the ZW$ closing exchange rate against the following currencies, with all other variables held constant.

	INFLATION-ADJUSTED		
30 June 2022	Change in rate %	Effect on profit before tax ZW$'000	Effect on equity ZW$'000
South African Rand	+10%	(115 343)	(86 830)
	-10%	115 343	86 830
Euro	+10%	(7 136)	(5 372)
	-10%	7 136	5 372
US$	+10%	(1 414 150)	(1 064 571)
	-10%	1 414 150	1 064 571
30 June 2021			
South African Rand	+10%	(62 339)	(46 930)
	-10%	62 339	46 930
Great Britain Pound	+10%	128	96
	-10%	(128)	(96)
Euro	+10%	1 738	1 306
	-10%	(1 738)	(1 306)
US$	+10%	278 183	209 415
	-10%	(278 183)	(209 415)

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

37 Financial risk management objectives and policies (continued)

37.3 Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or a customer contract, leading to a financial loss.

The Group trades only with recognised, creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to debt impairment is managed within acceptable levels. For transactions that are not denominated in the functional currency of the relevant operating unit, credit terms are specified contractually within the regulations laid down by the Reserve Bank of Zimbabwe.

There is no concentration risk as the Group trades with a wide range of customers with different risk profiles. Credit limits are set by the Group to avoid exposure to a single customer.

Where it sees fit, the Group can from time to time ask for collateral security from debtors. This is done after assessing the customers' ability to honour their obligations and the level of exposure. Collateral can be bank guarantees, holding company guarantees, properties, listed shares or other assets.

With respect to credit risk arising from the other financial assets of the Group, which comprise cash and cash equivalents and held for trading financial assets, the Group's Finance and Investment Committee approves all counterparties, sets and monitors exposure limits and terms of engagement.

Trade receivables and contract assets

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on individual credit limits defined in accordance with this assessment.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customers with similar loss patterns The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written-off if past due for more than one year and are not subject to enforcement activity. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are granted short term credit terms.

Set out below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix:

30 June 2022	Note	<30 days ZW$'000	30-90 days ZW$'000	>91 days ZW$'000	Total ZW$'000
Estimated total gross carrying	**21.1 & 21.2**	25 787 240	1 561 646	800 780	28 149 666
Expected credit loss	**21.1 & 21.2**	(77 939)	(41 650)	(21 357)	(140 946)
Expected credit loss rate		0.30%	2.67%	2.675%	0.50%

The maximum exposure arising from default equals the carrying amount.

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

37 Financial risk management objectives and policies (continued)

37.4 Liquidity risk

The Group's objective is to maintain a balance between continuity of funding through a well managed portfolio of short-term investments and/or flexibility through the use of bank overdrafts and interest-bearing borrowings.

The table below summarises the maturity profile of the Group's financial assets and liabilities (the maturity profile for interest bearing borrowings is stated at face value).

		INFLATION-ADJUSTED: AUDITED			
30 June 2022	**Note**	**Within 3 months ZW$'000**	**Between 4 -12 months ZW$'000**	**More than 12 months ZW$'000**	**Total ZW$'000**
Liabilities					
Interest-bearing borrowings	**29.1**	(4 835 569)	(20 290 622)	(3 055 249)	(28 181 440)
Lease liabilities	**28.1**	(129 952)	(389 859)	(27 477 437)	(27 997 248)
Trade and other payables	**30**	(31 745 012)	(21 662 639)	—	(53 407 651)
Total		**(36 710 533)**	**(42 343 120)**	**(30 532 686)**	**(109 586 339)**
Assets					
Cash and cash equivalents	**22.4**	20 127 751	—	—	20 127 751
Trade and other receivables excluding prepayments	**21**	24 350 852	9 589 021	—	33 939 873
Other assets	**18.1**	572 257	6 456 685	7 598 526	14 627 468
Total		**44 050 860**	**16 045 706**	**7 598 526**	**68 695 092**

		INFLATION-ADJUSTED: AUDITED			
30 June 2021	**Note**	**Within 3 months ZW$'000**	**Between 4 -12 months ZW$'000**	**More than 12 months ZW$'000**	**Total ZW$'000**
Liabilities					
Interest-bearing borrowings	**29.1**	(6 969 118)	(10 448 186)	(1 707 332)	(19 124 636)
Lease liabilities	**28.1**	(253 359)	(760 086)	(9 989 170)	(11 002 615)
Trade and other payables	**30**	(18 384 202)	(6 484 805)	—	(24 869 007)
Total		**(25 606 679)**	**(17 693 077)**	**(11 696 502)**	**(54 996 258)**
Assets					
Cash and cash equivalents	**22.4**	9 921 595	—	—	9 921 595
Trade and other receivables excluding prepayments	**21**	16 122 888	763 725	—	16 886 613
Other assets	**18**	—	—	3 928 920	3 928 920
Total		**26 044 483**	**763 725**	**3 928 920**	**30 737 128**

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

37 Financial risk management objectives and policies (continued)

37.4 Liquidity risk (continued)

		HISTORICAL: SUPPLEMENTARY			
30 June 2022	**Note**	**Within 3 months ZW$'000**	**Between 4 -12 months ZW$'000**	**More than 12 months ZW$'000**	**Total ZW$'000**
Liabilities					
Interest-bearing borrowings	29.1	(4 835 569)	(20 290 622)	(3 055 249)	(28 181 440)
Lease Liabilities	28.1	(129 952)	(389 859)	(27 477 437)	(27 997 248)
Trade and other payables	30	(31 745 012)	(21 662 639)	—	(53 407 651)
Total		**(36 710 533)**	**(42 343 120)**	**(30 532 686)**	**(109 586 339)**
Assets					
Cash and cash equivalents	22.4	20 127 751	—	—	20 127 751
Trade and other receivables excluding prepayments	21	24 350 852	9 589 021	—	33 939 873
Financial assets	18	572 257	6 456 685	7 36 824	14 390 766
Total		**45 050 860**	**16 045 706**	**7 361 824**	**68 458 390**

30 June 2021	**Note**	**Within 3 months ZW$'000**	**Between 4 -12 months ZW$'000**	**More than 12 months ZW$'000**	**Total ZW$'000**
Liabilities					
Interest-bearing borrowings		(2 390 265)	(3 583 514)	(585 579)	(6 559 358)
Lease liabilities	28.1	(86 897)	(260 694)	(3 426 081)	(3 773 672)
Trade and other payables	30	(6 305 405)	(2 640 944)	—	(8 946 349)
Total		**(8 782 567)**	**(6 485 152)**	**(4 011 660)**	**(19 279 379)**
Assets					
Cash and cash equivalents	22.4	4 389 036	—	—	4 389 036
Trade and other receivables excluding prepayments	21	4 857 470	754 604	—	5 612 074
Other assets	18	—	—	1 268 162	1 268 162
Total		**9 246 506**	**754 604**	**1 268 162**	**11 269 272**

37.5 Commodity price risk

The Group is continuously exposed to commodity price risks resulting from hyperinflation. The Board and management have put in place strategies and policies to address this risk on a day-to-day basis.

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

37 Financial risk management objectives and policies (continued)

37.6 Equity price risk

The Group is exposed to movement in fair value of quoted equities. Investments in quoted equities are valued at fair value and are therefore susceptible to market fluctuations. Comprehensive measures and limits are in place to control the exposure of the Group's equity investments to fair value risk. The carrying value of such quoted equities at reporting date was not material.

The Group's Finance and Investment Committee is tasked with the responsibility of performing research into potential opportunities in order to provide suggestions for investment to the Board of Directors. This Committee monitors the performance of the current investment portfolio and reports to the Board of Directors.

The following table demonstrates the sensitivity to a reasonably possible change in the share price of quoted investments.

	INFLATION-ADJUSTED		HISTORICAL	
	30 June 2022 Audited ZW$'000	**30 June 2021 Audited ZW$'000**	**30 June 2022 Supplementary ZW$'000**	**30 June 2021 Supplementary ZW$'000**
Effect on period profit before tax				
Increase of 3%	133 779	76 098	133 779	26 100
Decrease of 3%	(133 779)	(76 098)	(133 779)	(26 100)
Effect on equity				
Increase of 3%	100 708	57 286	100 708	19 648
Decrease of 3%	(100 708)	(57 286)	(100 708)	(19 648)

38 Fair value of financial instruments

The estimated net fair values of all financial instruments approximate the carrying amounts shown in the financial statements.

39 Capital management

The primary objective of the Group's capital management is to ensure that all its companies maintain healthy capital ratios in order to support the business and maximise shareholder value.

The Group manages its capital (total equity) and makes adjustment to it in light of changes in the economic environment. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return on capital to shareholders, or issue new shares. No changes were made to the objectives, policies or processes during the years ended 30 June 2022 and 30 June 2021. The Group manages capital using gross gearing and net gearing ratios. The gross gearing ratio is calculated as total borrowings divided by the total of borrowings and total shareholders equity. The net gearing ratio adjusts the borrowings in this formula for cash and cash equivalents.

Notes to the Financial Statements (continued)

for the year ended 30 June 2022

		Note	INFLATION-ADJUSTED 30 June 2022 Audited ZW$'000	30 June 2021 Audited ZW$'000	HISTORICAL 30 June 2022 Supplementary ZW$'000	30 June 2021 Supplementary ZW$'000
39	**Capital management** (continued)					
	Total borrowings	**29.1**	28 181 440	19 124 636	28 181 440	6 559 358
	Total equity		143 058 328	78 367 375	76 834 073	16 416 987
	Total cash and cash equivalents	**22.4**	20 127 751	9 921 595	20 127 751	4 389 036
	Gross debt - equity ratio		16%	20%	27%	29%
	Net debt - equity ratio		5%	11%	9%	12%
40	**Contingent liabilities**					
40.1	**Guarantees**		5 053 250	8 654 516	5 053 250	2 968 322

The contingent liabilities relate to bank guarantees provided in respect of the Group's associate companies and subsidiary companies as at 30 June 2022.

40.2 Competitions and Tariff Commission

In May 2020, the Competitions and Tariff Commission ("CTC") directed that the Group's noncontrolling investment in Profeeds be disallowed, and that the Group disinvest from the business; additionally, it levied a fine against the Group in the amount of ZW$40.594m for late notification of the investment. The Group appealed to the Administrative Court against the CTC directives. In January 2022, the Administrative Court overturned the CTC's directive for the Group to disinvest from Profeeds, and it further directed that the fine be withdrawn and replaced with a caution. The CTC has since appealed the judgement to the Supreme Court.

41 Events After Reporting Date

41.1 Final Dividend Declaration

The Board is pleased to declare a final dividend of US$1.56cents per share payable in respect of all ordinary shares of the Company. The dividend is in respect of the financial year ended 30 June 2022 and will be payable in full to all the shareholders of the Company registered at the close of business on Friday 11 November 2022. The payment of this dividend will take place on or about 25 November 2022. The shares of the Company will be traded cum-dividend on the Zimbabwe Stock Exchange up to the market day of 8 November 2022 and ex–dividend as from the 9 November 2022.

On the same date, the Board also declared a final dividend totalling US$453 588 to Innscor Africa Employee Share Trust (Private) Limited.

41.2 Treasury Bills

In July 2022 the Directors received a notification from the Group's Bankers indicating that the Group had been issued Treasury Bills in lieu of the Statutory Receivables referred in **note 2.5** above. The Treasury Bills mature in 2025 and no additional information was received from the authorities. The Group will hold these Bills to maturity..

Company Statement of Financial Position

as at 30 June 2022

	Note	INFLATION-ADJUSTED 30 June 2022 ZW$'000	30 June 2021 ZW$'000	HISTORICAL 30 June 2022 ZW$'000	30 June 2021 ZW$'000
ASSETS					
Non-current assets					
property, plant and equipment		19 457 585	13 118 557	6 162 860	693 544
right-of-use assets		848 924	484 478	189 097	62 759
investments in subsidiaries and associates		17 293 322	14 666 084	1 551 797	237 060
loans to related parties		4 999 079	747 249	4 999 078	256 285
other financial assets		5 025 062	2 972 429	4 788 360	940 081
biological assets		1 150 057	707 422	970 169	225 411
		48 774 029	**32 696 219**	**18 661 361**	**2 415 140**
Current assets					
biological assets		3 527 848	3 617 643	2 224 554	435 262
inventories		12 387 043	6 055 118	7 888 958	2 072 678
trade and other receivables		12 309 578	4 188 149	12 309 578	1 419 915
cash and cash equivalents		2 398 309	2 947 751	2 398 309	1 010 994
		30 622 778	**16 808 661**	**24 821 399**	**4 938 849**
Total assets		**79 396 807**	**49 504 880**	**43 482 760**	**7 353 989**
EQUITY AND LIABILITIES					
Capital and reserves					
ordinary share capital	**24.2**	761 489	761 331	5 760	5 699
share premium	**24.2**	2 652 625	2 547 630	36 351	25 892
other reserves		(469 115)	(385 225)	(112 418)	(110 049)
distributable reserves		53 779 654	33 777 318	25 279 296	3 988 490
Total equity		**56 724 653**	**36 701 054**	**25 208 989**	**3 910 032**
Non-current liabilities					
deferred taxation		5 496 002	3 052 932	1 097 619	99 680
lease liabilities		174 564	170 102	174 564	58 340
interest-bearing borrowings		—	285 272	—	97 840
		5 670 566	**3 508 306**	**1 272 183**	**255 860**
Current liabilities					
lease liabilities		17 526	21 801	17 526	7 477
interest-bearing borrowings		4 261 855	2 457 057	4 261 855	842 700
trade and other payables		8 315 158	5 146 486	8 315 158	1 765 097
provisions		263 468	225 287	263 468	77 267
current taxation		4 143 581	1 444 889	4 143 581	495 556
		17 001 588	**9 295 520**	**17 001 588**	**3 188 097**
Total liabilities		**18 273 771**	**12 803 826**	**18 273 771**	**3 443 957**
Total equity and liabilities		**79 396 807**	**49 504 880**	**43 482 760**	**7 353 989**

A B C CHINAKE
Independent, Non-Executive Chairman
Harare
28 October 2022

G GWAINDA
Executive Director
CA (Z)
Registered Public Accountant

Glossary of Terms

- **Business Theme** – Subject of business action.
- **GRI Standards** – New formulated sustainability reporting standards effective 1 July 2018.
- **Government** – Government of the Republic of Zimbabwe.
- **IFRS** – International Financial Reporting Standards.
- **Inclusivity** – taking into account material concerns of stakeholders.
- **Operations** – strategic business units of Innscor Africa Limited.
- **Proxy** – person appointed to act on behalf of a shareholder or rights holder.
- **Responsiveness** – taking action or response to material issues raised by stakeholders.
- **SDGs** – United Nations supported Sustainable Development Goals.
- **Shareholder** – A holder of equity in the company or Group.
- **Stakeholders** – Persons whom we can impact or who can impact of us.
- **Sustainable Development** – development that meets the needs of the present without compromising the ability of future generations to meet their own needs. It is about integrating the goals of a high quality of life, health and prosperity with social justice and maintaining the earth's capacity to support life in all its diversity. The social, economic and environmental goals are interdependent and mutually reinforcing.
- **The Group** – Innscor Africa Limited divisions, subsidiaries and associates units.
- **ZIMCODE** – The National Code on Corporate Governance Zimbabwe.

Shareholders' Analysis

INNSCOR AFRICA LIMITED: SHAREHOLDERS ANALYSIS BY VOLUME AS AT: 30-June-2022

Range	Shares	Shares %	Shareholders	Shareholders %
1 - 5 000	3 952 084	0.69	5 721	83.19
5001 - 10 000	2 200 559	0.38	300	4.36
10 001 - 25 000	4 393 647	0.76	274	3.98
25 001 - 50 000	5 357 109	0.93	152	2.21
50 001 - 100 000	9 173 403	1.59	127	1.85
100 001 - 200 000	13 745 167	2.39	93	1.35
200 001 - 500 000	31 037 402	5.39	97	1.41
500 001 - 1 000 000	31 492 796	5.47	46	0.67
1 000 001 and Above	474 574 283	82.40	67	0.98
Totals	**575 926 450**	**100.00**	**6 877**	**100.00**

INNSCOR AFRICA LIMITED: SHAREHOLDERS ANALYSIS BY INDUSTRY AS AT: 30-June-2022

Industry	Shares	Shares%	Shareholders	Shareholders%
Local Companies (LC)	342 245 240	59.44	837	12.17
Local Nominees (LN)	89 008 072	15.46	243	3.51
Pension Funds (PF)	67 971 432	11.81	220	3.20
Local Individual Residents	26 642 323	4.63	4 814	70.00
Foreign Companies (FC)	15 635 236	2.72	10	0.15
Banks	14 291 023	2.48	06	0.09
Non Residents	4 430 713	0.77	132	1.92
Fund Managers	3 896 204	0.68	10	0.15
Other Investments & Trust Companies	3 805 428	0.66	256	3.72
Insurance Companies	3 093 557	0.54	43	0.63
Trusts	2 574 511	0.42	47	0.68
Individual Residents	1 098 833	0.19	21	0.31
Charitable Organisations	859 354	0.15	90	1.31
Deceased Estates	264 474	0.05	138	2.01
Foreign Nominees	62 354	0.01	06	0.09
Government	47 696	0.01	04	0.06
Totals	**575 926 450**	**100.00**	**6 877**	**100.00**

INNSCOR AFRICA LIMITED TOP 10: SHAREHOLDERS SCHEDULE AS AT: 30-June-2022

Names	Country	Industry	Shares	Percentage
ZMD Investments (Pvt) Ltd	ZIM	LC	107 673 356	18.70
H M Barbour (Pvt) Ltd	ZIM	LC	100 974 000	17.54
Stanbic Nominees (Pvt) Ltd	ZIM	LN	94 937 827	16.49
Old Mutual Life Ass Co Zim Ltd	ZIM	LC	31 012 160	5.39
Sarcor Investments (Pvt) Ltd	ZIM	LC	22 484 058	3.90
Pharaoh Limited	BVG	FC	14 790 570	2.57
SCB Nominees 033663900002	ZIM	LC	14 725 667	2.56
NSSA POBS-Platinum	ZIM	PF	11 676 757	2.03
Mining Industry Pension Fund	ZIM	PF	8 271 217	1.44
Music Ventures (Pvt) Ltd	ZIM	LC	7 465 382	1.30
Selected Shares			**414 010 994**	**71.92**
Non-Selected Shares			**161 915 456**	**28.08**
Issued Shares			**575 926 450**	**100.00**

Notice to **Members**

NOTICE IS HEREBY GIVEN that the Twenty-Sixth Annual General Meeting of members will be held at the Royal Harare Golf Club, 5th Street extension, Harare, on Friday 9 December 2022 at 08h15, for the purpose of transacting the following business:-

Ordinary Business

1. To receive, consider and adopt the audited consolidated Group inflation-adjusted financial statements for the financial year ended 30 June 2022 together with the reports of the Directors and Auditors thereon.

2. To re-elect the following Director, Mr T.N. Sibanda, who retires by rotation in terms of the Articles of Association of the Company, and being eligible, offers himself for re-election.

   Mr Sibanda is a Chartered Accountant, with over thirty-seven years' experience in the profession and he is a highly respected director of companies in Zimbabwe.

3. To re-elect the following Director, Mrs D.K. Shinya, who retires by rotation in terms of the Articles of Association of the Company, and being eligible, offers herself for re-election.

   Mrs Shinya is a Chartered Accountant, with over twenty years' experience in the profession and she is also a highly respected director of companies in Zimbabwe and in addition, she is currently the Chief Finance Officer of the Zimbabwe Investment and Development Agency (ZIDA).

4. To approve Directors' fees for the financial year ended 30 June 2022.

5. To approve the remuneration of the Auditors, Deloitte & Touche Chartered Accountants (Zimbabwe), for the past audit.

6. To confirm the final dividend of US$1.56 cents per share declared on 23 September 2022 together with a dividend payment of US$453 588 to Innscor Africa Employee Share Trust (Private) Limited, and to confirm the interim dividend of ZW$300 cents cents per share declared on 18 March 2022 together with a dividend payment of ZW$85.69 million to Innscor Africa Employee Share Trust (Private) Limited.

Special Business

7. Share Buy-Back

To consider and, if deemed fit, to pass with or without modification, the following special resolution: "That the Company authorises in advance, in terms of Section 129 of the Companies and Other Business Entities Act (Chapter 24:31) and the Zimbabwe Stock Exchange (ZSE) Listing Requirements, the purchase by the Company of its own shares upon such terms and conditions and in such amounts as the Directors of the Company may from time to time determine and such authority hereby specifies that:-

i) the authority in terms of this resolution shall expire on the date of the Company's next Annual General Meeting; and

ii) acquisitions shall be of ordinary shares which, in the aggregate in any one financial year, shall not exceed 10% (ten percent) of the Company's issued ordinary share capital; and

iii) the maximum and minimum prices, respectively, at which such ordinary shares may be acquired will be not more than 5% (five percent) above and 5% (five percent) below the weighted average of the market price at which such ordinary shares are traded on the ZSE, as determined over the 5 (five) business days immediately preceding the date of purchase of such ordinary shares by the Company; and

iv) a press announcement will be published as soon as the Company has acquired ordinary shares constituting, on a cumulative basis in the period between annual general meetings, 3% (three percent) of the number of ordinary shares in issue prior to the acquisition; and

Notice to **Members** (continued)

Special Business (continued)

7. Share Buy-Back (continued)

v) if during the subsistence of this resolution the Company is unable to declare and pay a cash dividend then this resolution shall be of no force and effect."

(**Note:-** ***In terms of this special resolution, the Directors are seeking authority to allow use of the Company's available cash resources to purchase its own shares in the market in terms of the Companies Act and the regulations of the ZSE. The Directors will only exercise the authority if they believe that to do so would be in the best interests of shareholders generally. In exercising this authority, the Directors will duly take into account following such repurchase, the ability of the Company to pay its debts in the ordinary course of business, the maintenance of an excess of assets over liabilities, and for the Company and Group, the adequacy of ordinary capital and reserves as well as working capital).***

8. Loans to Executive Directors

To resolve as an ordinary resolution, with or without amendments: "That the Company be and is hereby authorised to make any loan to any Executive Director or to enter into any guarantee or provide any security in connection with a loan to such Executive Director for the purpose of enabling him to properly perform his duty as an officer of the Company, as may be determined by the Remuneration Committee of the Board of Directors, provided that the amount of the loan or the extent of the guarantee or security shall not exceed the annual remuneration of that Director.

Any Other Business

9. To transact any other business competent to be dealt with at the Annual General Meeting.

Proxies

Members are entitled to appoint one or more proxies to act in the alternative and to attend and vote and speak in their place. A proxy need not be a member of the Company.

Proxy forms must reach the Company's registered office not less than 48 hours before the meeting.

The Innscor Africa Limited Annual Report for 2022 and the Proxy Form are available for download at http://www.innscorafrica.com/investor/financial-reporting/

COVID-19 Measures

Due to the public health measures adopted by Government to combat the spread of the COVID-19 virus, all requisite steps will be taken to protect the health and safety of shareholders and attendees at the Annual General meeting, including the following:-

i. Entry to the venue will be restricted to the number permissible by law, and seating will be arranged appropriately.
ii. Registration will commence 30 minutes before the meeting starts, and shareholders are encouraged to register early to avoid congestion at the registration desk.
iii. Temperature checks will be conducted at points of entry to the venue.
iv. No-one will be permitted entry without a face mask.
v. Alcohol-based hand sanitisers will be placed in strategic locations to ensure attendees properly sanitise their hands as they arrive and leave the venue.
vi. Contact details of attendees will be collected to assist in contact tracing in the unlikely event of infections.
vii. Attendees are encouraged to ask questions formally during the meeting and to ensure minimal interactions before and after the formal proceedings.
viii. In order to reduce social contact, it is regretted that no refreshments will be provided before and after the meeting.

By order of the Board
INNSCOR AFRICA LIMITED

A. D. Lorimer
Company Secretary
Harare
18 November 2022

Company **Calendar**

Shareholders' Calendar

Twenty-Sixth Annual General Meeting	9 December 2022
Financial Year End	30 June
Interim Reports	
3 months to 30 September 2022	November 2022
6 months to 31 December 2022	March 2023
9 months to 31 March 2023	May 2023
12 months to 30 June 2023	September 2023
Annual Report Published	November 2023
Twenty-Seventh Annual General Meeting	December 2023

Registered Office
Innscor Africa Limited
Edward Building, Corner 1st Street/Nelson Mandela Ave Harare, Zimbabwe

Transfer Secretaries
Corpserve Transfer Secretaries (Private) Limited
2nd Floor, ZB Centre, 1st Street/Kwame Nkrumah Avenue
Harare, Zimbabwe
email: corpserve@escrowgroup.org

Corporate **Information**

Domicile
The Company is incorporated and domiciled in Zimbabwe.

Core Business
Light Manufacturer of Fast Moving Consumer Goods

Registered Office
Edward Building
1st Street/Nelson Mandela Avenue
Harare, Zimbabwe

Postal Address
1 Ranelagh Road
Highlands
P O Box A88 Avondale
Harare, Zimbabwe

Contact Details
Telephone: +263 242 496886 / 496790
Fax: +263 242 496845
email: admin@innscorafrica.com

Company Secretary
A D Lorimer

Auditors
Deloitte & Touche
Chartered Accountants (Zimbabwe)

Legal Advisors
Dube, Manikai and Hwacha;
Gill, Godlonton & Gerrans;
Kantor and Immerman

Principal Bankers
AFC Bank
Banc ABC
CABS
CBZ Bank
Ecobank Zimbabwe
FBC Bank Zimbabwe
First Capital Bank Zimbabwe
Nedbank Zimbabwe
NMB Bank Limited
POSB
Stanbic Bank Zimbabwe
Steward Bank
Standard Chartered Bank Zimbabwe

Transfer Secretaries
Corpserve Transfer Secretaries (Private) Limited
2nd Floor, ZB Centre
1st Street/Kwame Nkrumah Avenue
Harare, Zimbabwe
email: corpserve@escrowgroup.org

Sustainability Advisors
Black Crystal Consulting (Private) Limited
33 Bayswater Road
Highlands, Harare, Zimbabwe
email: infor@blackcrystal.co.zw

Form of Proxy **26th Annual General Meeting**

I /We, ______________________ (full names)

of ______________________ (full address)

being the registered holder/s of ______________________ ordinary shares in INNSCOR AFRICA LIMITED, do hereby appoint:

______________________ (full names)

of ______________________ (full address)

or failing him/her, do hereby appoint: ______________________ (full names)

of ______________________ (full address)

as my/our proxy to vote for me/us on my/our behalf at the **TWENTY-SIXTH ANNUAL GENERAL MEETING** of the Company to be held on **9 December 2022** at 08.15 am and at any adjournment thereof.

I/We instruct my/our proxy or proxies to vote in the following way: ***(Please mark the appropriate box with an "X" next to each resolution)***

	ORDINARY BUSINESS	For	Against	Abstain
1	THAT the Audited Financial Statements and Reports of the Directors and Auditors for the financial year ended 30 June 2022 be adopted.			
2	THAT Mr T.N Sibanda be re-elected as a Director of the Company in terms of the Articles of Association.			
3	THAT Mrs D.K Shinya be re-elected as a Director of the Company in terms of the Articles of Association.			
4	THAT the remuneration of the Directors be confirmed.			
5	THAT the remuneration of the Auditors, Messrs Deloitte & Touche for the past audit be confirmed.			
6	THAT the final dividend of US$1.56cents per share declared on 23 September 2022 together with a dividend payment of US$453 588 to Innscor Africa Employee Share Trust (Private) Limited, and the interim dividend of ZW$300 cents per share declared on 18 March 2022 together with a dividend payment of ZW$85.69 million to Innscor Africa Employee Share Trust (Private) Limited be and are hereby confirmed.			
	SPECIAL BUSINESS			
7	As a Special Resolution THAT the Company be authorised in terms of Section 129 of the Companies and Other Business Entities Act (Chapter 24:31) to purchase its own shares, subject to certain conditions.			
8	THAT the Company be authorised to make loans to Executive Directors in terms of Section 208 of the Companies and Other Business Entities Act (Chapter 24:31), subject to certain conditions.			

Details of the above resolutions are set out in the Notice of the Annual General Meeting.

Signed this ____________ day of ________________ 2022

____
SIGNATURE OF SHAREHOLDER

NOTES:
1. In terms of Section 171 of the Companies and Other Business Entities Act (Chapter 24:31), a member of the Company is entitled to appoint one or more persons to act in the alternative as his proxy, to attend and vote and speak in his stead. A proxy need not be a shareholder of the Company.
2. Unless otherwise instructed, the proxy will vote as he/she thinks fit.
3. This proxy form must be deposited at the Registered Office of the Company so as to be received by the Company Secretary not less than 48 hours before the meeting.
4. The proxy form must be signed and dated for it to be valid. Any alterations or corrections to this form must be initialled.
5. Anyone signing this proxy form in a representative capacity must be authorised to do so. Please stamp this form with your company or organisation's stamp and enclose proof of authorisation.
6. The return of this proxy form will not prevent you from attending the meeting and voting in person. However, should this happen, the proxy will be revoked.

Notes

www.innscorafrica.com