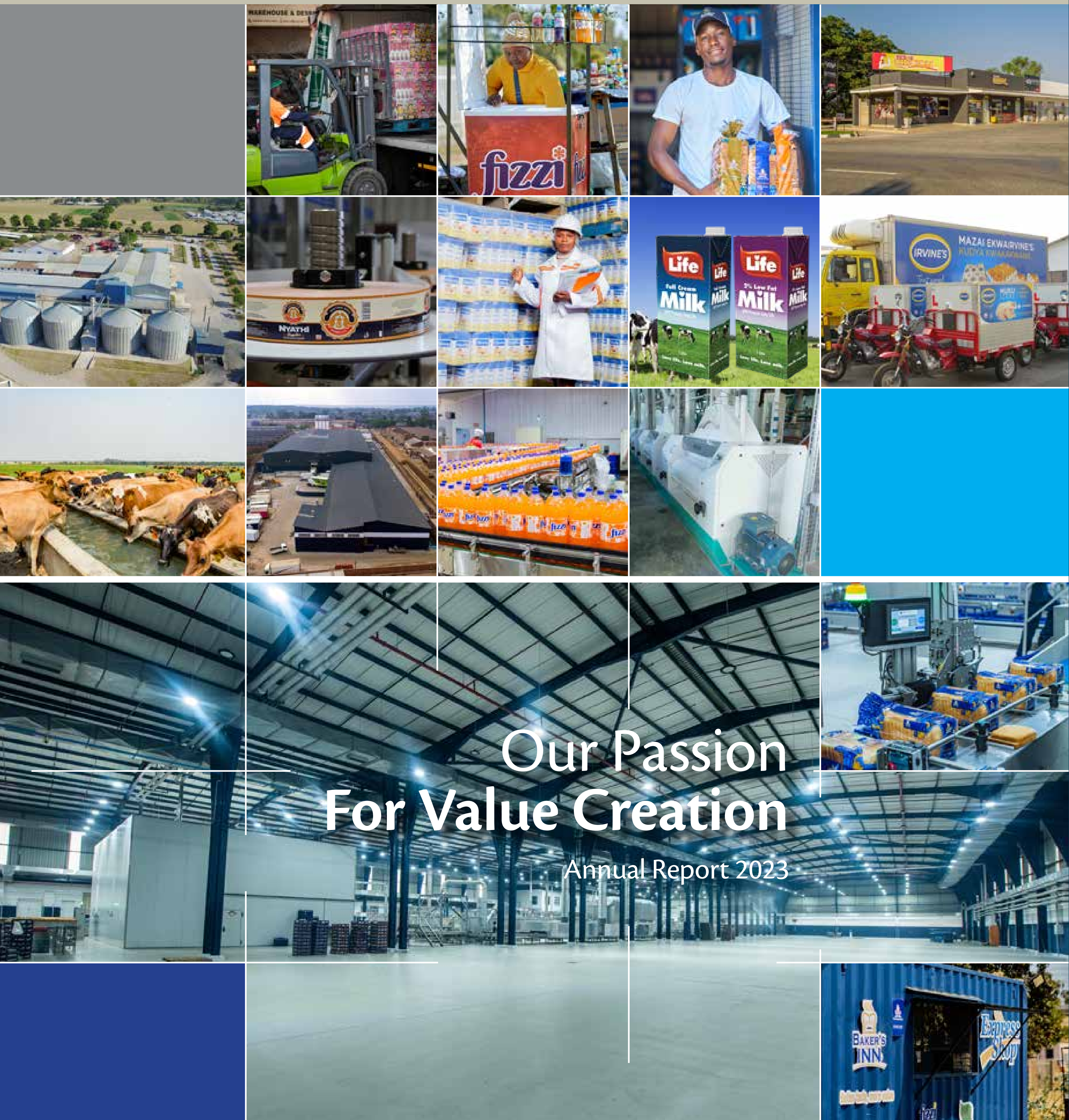
INNSCOR
Africa Limited



Our Passion For Value Creation

Annual Report 2023

Innscor Africa in Our Communities...

Our Passion for Supporting & Empowering Our Communities

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, a Company listed on Victoria Falls Stock Exchange (VFEX), presents its annual report for the year ended 30 June 2023. This 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 value creation for our stakeholders and shareholders.

All references to a year refer to the Group's financial year which is 30 June, for instance 2023 refers to the financial year ended 30 June 2023.

Reporting Frameworks

The consolidated annual 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 Victoria Falls Stock Exchange ("VFEX")
- 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 annual financial statements were audited by Messrs BDO Zimbabwe Chartered Accountants ("BDO") in accordance with International Standards of Auditing ("ISA"). The independent auditor's report on the financial statements is contained on **page 242**.

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 with 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.

These 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 +263 242 496 790/496 886.

Addington Chinake
Chairman

Julian Schonken
Group Chief Executive Officer

Contents

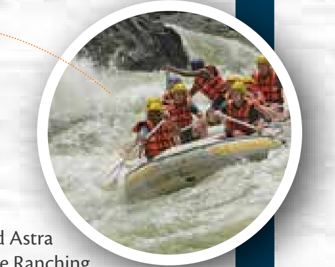
Overview

INNSCOR Africa Limited

History and Evolution of the Group

1987

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

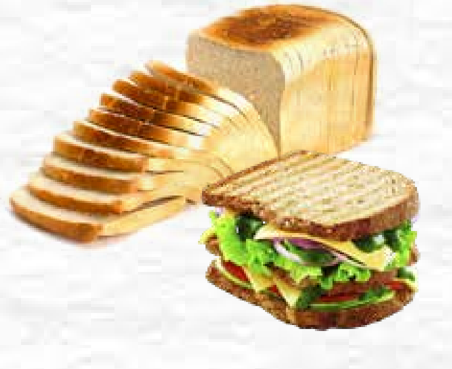


1993

- 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, Baker's 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.

FLAME-GRILLED, IT JUST TASTES BETTER

- 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.vx), a leading supplier of Zimbabwean FMCGs (**www.nationalfoods.co.zw**).

2004

Acquired shareholding in Colcom Holdings Limited, 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 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

Trust earned

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

2010

PADENGA HOLDINGS LIMITED

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.vx) (**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

PROfeeds

The Performance Feed

- Acquired a non-controlling interest in a leading stockfeeds business, Profeeds (Private) Limited (**www.profeeds.co.zw**).

Simbisa Brands LIMITED

- Unbundled QSR operations through a dividend in-specie and listed it separately on the ZSE as Simbisa Brands Limited (SIM.vx), (**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.

TRANSERV

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**).

AXIA CORPORATION LIMITED

- 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.vx). (**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**).

PROdairy

2019

PRObottlers

- 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

PHI FARMING

- Set target of 100 000 hectares under irrigation, to meet the Country's given requirements. (**www.phizim.com**).

2021

MyCash

- Invested in Financial Services - MyCash Financial Services. (**www.mycash.co.zw**).

nutrimaster

- Invested in fertiliser blending plant - 'Nutrimaster' through the Profeeds business. (**nutrimaster.co.zw**).

2022

SABI THORN

- Invested in a potato grading plant under Sabithorn (Private) Limited.

The Buffalo Brewing Co

- Invested in a sorghum beer manufacturing plant under The Buffalo Brewing Company. (**www.nyathi.co.zw**).

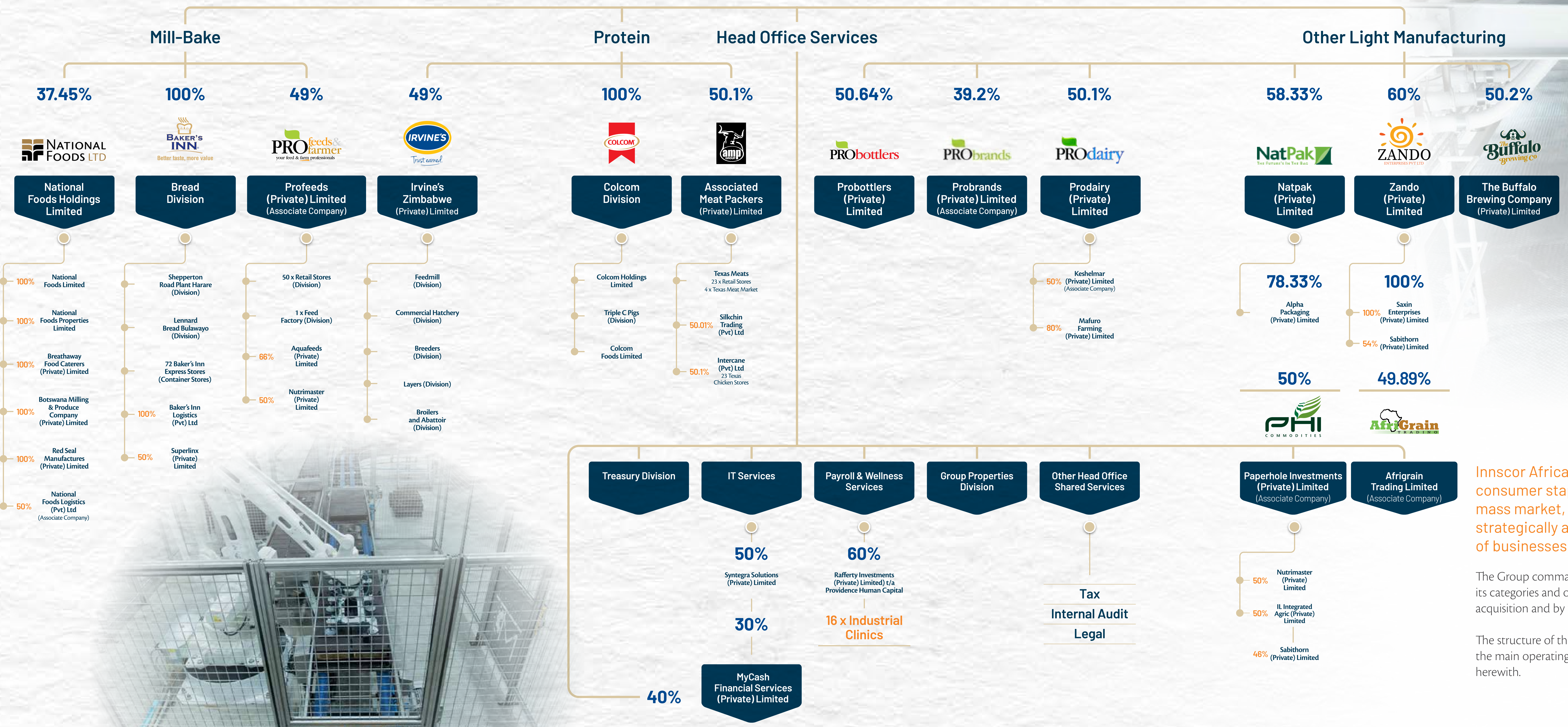
MAFURO Farming

- 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.

2023

- Commissioned state-of-the art fully automated bread production line in Bulawayo for our Bakeries business.
- Installation of a new Buhler mill in Bulawayo increasing wheat milling capacity and operational efficiency for National Foods.
- Acquired additional breakfast cereal plant at National Foods Limited.

Group Structure **and Profile**



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 its effective shareholding 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 The Performance Feed
- PROfarmer your feed & farm professionals
- aquafeeds
- titan
- Red Seal
- Irvine's Trust earned
- BowWow
- Kenergy
- animax Superior
- Colcom

Flour
- National Foods Ltd
- Gloria Trusted Since 1920
- Gloria Quick Mix
- Red Seal
- Better Buy

Chicken
- Irvine's Trust earned
- Texas Meats
- Texas Chicken

Table Eggs and Day-Old Chicks
- Irvine's Trust earned

Bread and Pies
- Baker's Inn Better taste, more value
- Colcom

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

FMCG
- Red Seal
- Ma-Hat-Ma Rice
- Nutri Active
- Smart Carbs
- Mama Africa
- Organica
- Better Buy
- PRObrands
- ideal
- Royal Family Products
- Makleena

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

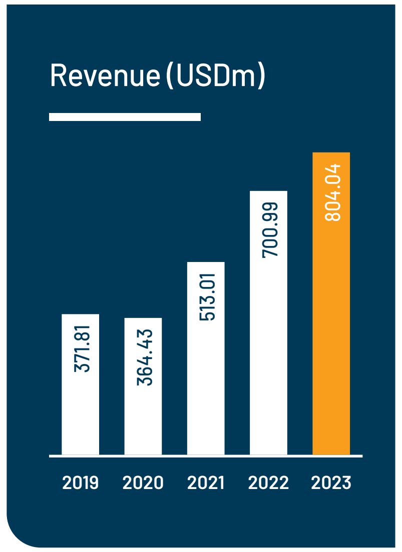
Dairy and Dairy Blends
- Texas Dairy
- PROdairy
- Life
- Revive
- Sip-e
- KSM Beverages
- Kershelmar Dairies
- Mafuro Farming

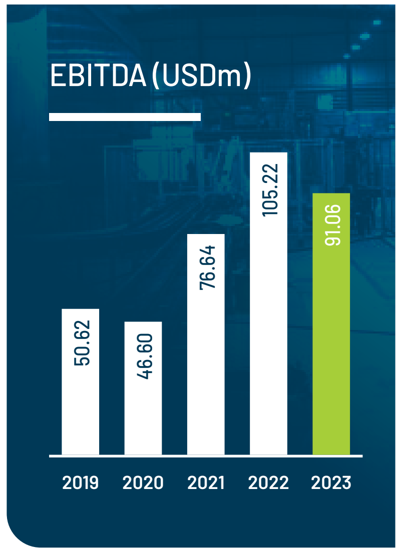
Packaging
- NatPak
- Alpha Packaging

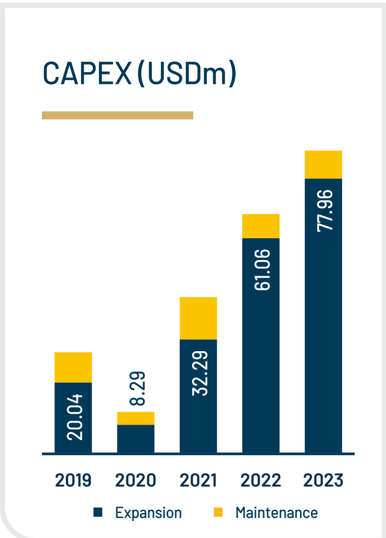
Beverages
- PRObottlers
- Bally House
- fizzi
- Treetops
- St. Clairs
- The Buffalo Brewing Co

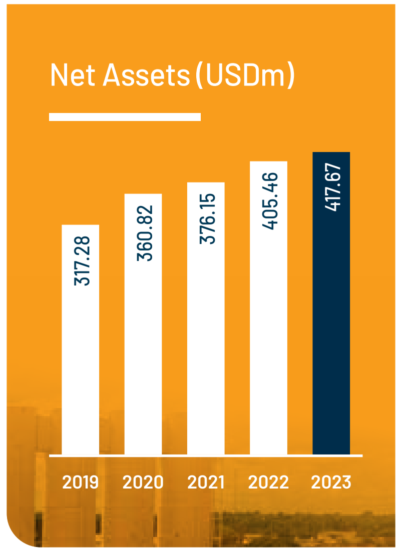
Farming Products
- nutrimaster Grow like a Pro
- PHI Commodities
- kukura
- Sabi Thorn

Five-Year Performance Highlights*



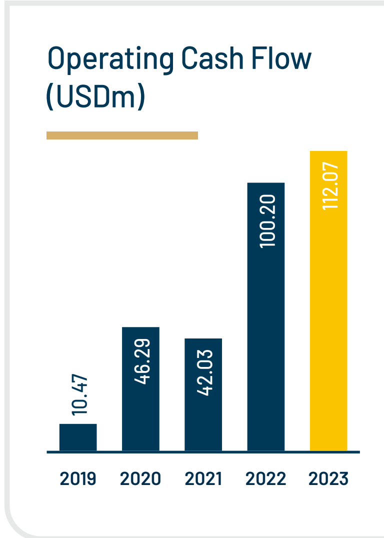






* These are to be read with caution in light of the significant currency distortions that started in 2016 through to the current reporting period as fully reported on **page 12**

Five Year Performance **Highlights** (continued)



Sustainability Performance

	2023	2022	2021	2020	2019
Environmental Performance					
Water usage (m3)	1 659 748	1 373 509	1 772 380	1 691 187	1 626 961
% change	21%	-22%	5%	4%	8%
Carbon Footprint: Scope 1 Fuels (tonnes CO_2e)	76 548	42 455*	38 079*	33 739*	30 113*
% change	80%	11%	13%	12%	9%
Carbon Footprint: Scope 2 Electricity (tonnes CO_2e)	39 753	97 540	71 590	58 535	73 176
% change	-59%	36%	22%	-20%	7%
Social Performance					
Number of employees	10 806	10 629	8 805	7 579	7 730
% change	2%	21%	16%	-2%	2%

Note: The 80% increase in the total Scope 1 Carbon Footprint and 59% decrease in the total Scope 2 Carbon Footprint in 2023 was as a result of the significant number of power cuts experienced during the financial year. This resulted in the drop in the use of electricity (Scope 2) and the increase in the use of diesel to run generators (Scope 1).

* The historical data has been recalculated using the DEFRA 2023 factors to allow the historical data to be comparable with the 2023 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 audited annual financial statements. These audited Group annual financial statements are presented in accordance with the disclosure requirements of the Victoria Falls Stock Exchange ("VFEX") Listing Requirements and, except where stated, in accordance with the measurement and recognition principles of International Financial Reporting Standards ("IFRS") and the manner required by the Companies and Other Business Entities Act [Chapter 24:31].

Volumes Growth

9.6%

Average Across All Business Units

Revenue (million)

USD804.04

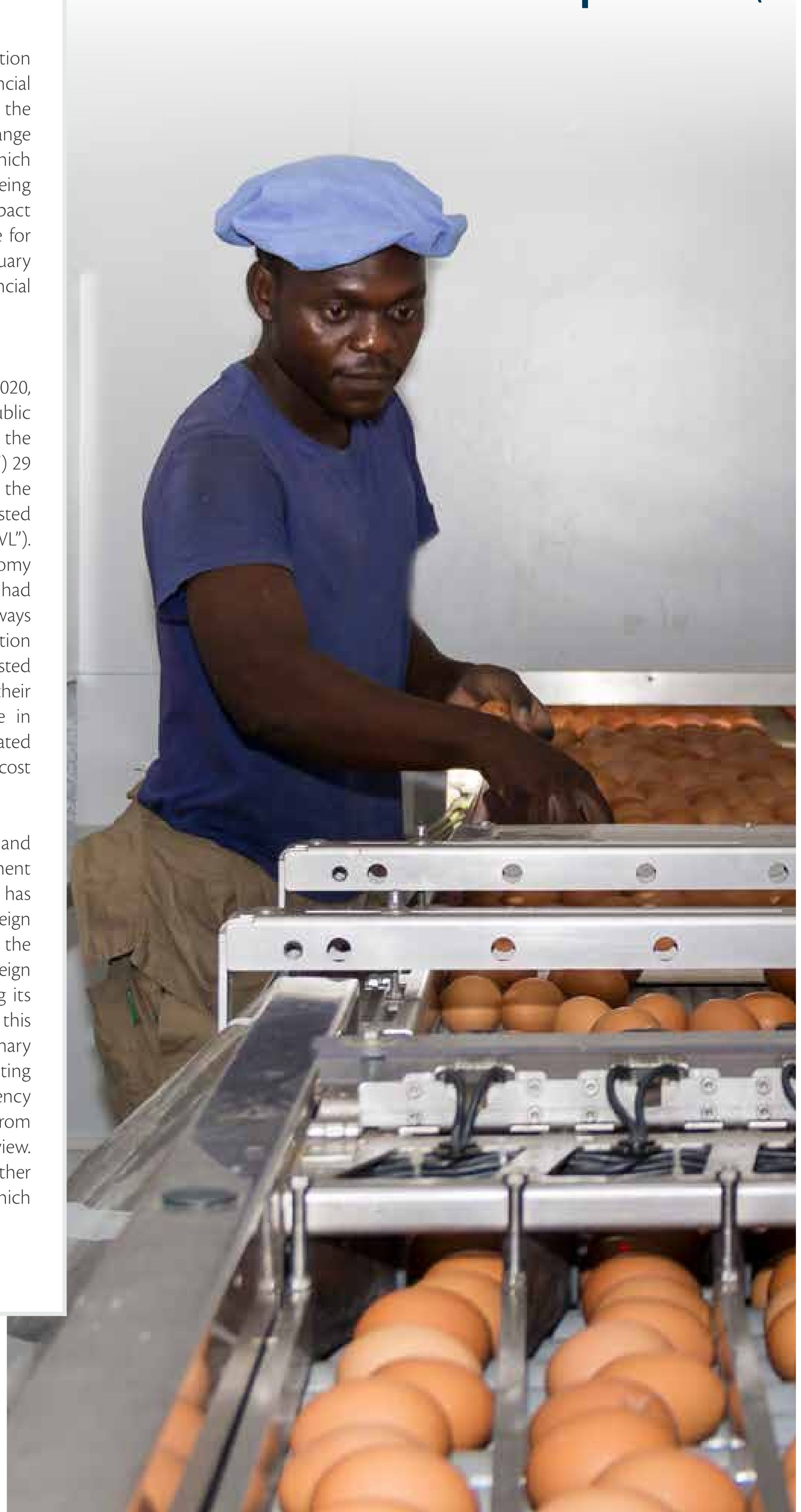
+14.7% Growth over F2022

The principal accounting policies applied in the preparation of these Group consolidated, audited, annual financial statements are consistent with those applied in the previous year's financial statements, except for the change in measurement of property, plant and equipment, which was previously measured at historical cost and is now being measured under the revaluation model. There is no impact arising from the revised IFRS, which became effective for the reporting period commencing on or after 1 January 2022 on the Group's consolidated, audited, annual financial statements.

Change In Functional Currency

Commencing with the financial year ended 30 June 2020, and in line with previous guidance issued by the Public Accountants and Auditors Board ("PAAB") and the provisions of International Accounting Standard ("IAS") 29 (Financial Reporting in Hyperinflationary Economies), the Directors have been presenting Group inflation-adjusted financial statements in Zimbabwe Dollars ("ZWL"). Due to the considerable distortions in the economy and the material and pervasive effects that these had in the application of IAS 29, the Directors have always advised users to exercise caution in the interpretation and use of these Group consolidated inflation-adjusted financial statements; in an effort to assist users with their interpretation of the Group's financial performance in previous years, the Directors also issued consolidated financial statements prepared under the historical cost convention, as supplementary information.

As previously advised in the Group's Interim Report and following the promulgation of Statutory Instrument ("SI") 185 of 2020, issued on 24 July 2020, the Group has continued to see a steady increase in the use of foreign currency across its businesses and, in accordance with the requirements of IAS 21 (The Effects of Changes in Foreign Exchange Rates), went through a process of assessing its functional currency. Following the completion of this process, the Group concluded that based on the primary operating environment and the Group's own operating activities, there has been a change in its functional currency from ZWL to United States Dollars ("USD") with effect from the beginning of the current financial year under review. The change in the Group's functional currency is further supported by the Listing Requirements of the VFEX, which requires issuers to present financial statements in USD.



IAS 21 directs that entities operating in hyperinflationary economies should translate their last reported inflation-adjusted financial statements using the closing rate of exchange at the reporting date in order to derive and present comparative financial statements under a newly assessed functional currency.

The Directors are of the opinion that using the provisions of IAS 21 to convert the Group's consolidated inflation-adjusted Financial Statements from previous periods as a basis for presenting comparative and opening Statement of Financial Position information, in terms of the new functional currency, will result in the material misstatement of the Group's comparative Financial Statements and information.

In an endeavour to present a true and fair view of the comparative financial performance and position of the Group, stakeholders will recall that the Group used alternative procedures and techniques in the translation process in the preparation of its Interim Report, where it reported total closing shareholders' equity of USD 439.085m in its comparative Statement of Financial Position.

In an effort to move towards full compliance with IFRS, and with the objective of ensuring a return to an unqualified audit opinion on the Group's Financial Statements for the 2024 financial year, the Group further refined its conversion procedures and techniques in translating its previously reported ZWL financial statements to USD; this resulted in closing shareholders equity in the comparative Statement of Financial Position reducing from the USD 439.085m reported in the Interim Report, to USD 405.464m.

This reduction was largely due to the re-calculation of deferred tax provisions, taking account of the recently revised legislation in income tax provisions (reduction in equity of USD 27.924m), the effects of the changes in the accounting policy on property, plant and equipment, now measured under the revaluation method (increase in equity of USD 10.602m), with other adjustments combining to reduce opening equity by a further USD 16.299m; with these other adjustments relating mainly to the carrying value of associate entities (applying the refined Group translation policies), and adjustments required to bring the conversion of other assets and liabilities in line with the provisions of IAS 21.

Chairman's Statement and Review of Operations (continued)

Change In Functional Currency (continued)

The Directors have always exercised reasonable due care and applied judgments that they considered to be appropriate in the preparation and presentation of the Group's financial statements, and whilst they believe that the alternative procedures and techniques used in the translation process, as described above, provide users with the best possible view of the comparative financial performance and position of the Group, attention is drawn to the inherent subjectivities and technicalities involved in the translation of ZWL financial statements to USD financial statements.

Further detail on the Group's change in functional currency is contained in **Note 2.3** to the audited Group annual financial statements, **page 252**.

Change in Accounting Policy on Property, Plant and Equipment

The Group's property, plant and equipment ("PPE") has always been measured at historical cost, and as the Group changed its functional currency from ZWL to USD as described in the preceding paragraph, applying the provisions of IAS 21 to convert the Group's comparative and opening PPE values would have resulted in the material distortion of these values at the date of change in functional currency. Therefore, and in order to ensure future compliance with IFRS, the Directors chose to revalue the Group's PPE at 30 June 2022 so as to reflect the correct PPE values at this date and further details are provided in **Note 2.4**.

Effecting the change in accounting policy for PPE from the historical cost model to the revaluation model in the prior year is contrary to the provisions of IAS 8 (Accounting Policies, Changes in Accounting Estimates and Errors), which does not permit the retrospective application of a change in accounting policy to revalue PPE. The Directors are, however, of the view that effecting the change in the PPE accounting policy from the historical cost model to the revaluation model in the comparative year, will more fairly present PPE values, enhance comparability between the Group's current and comparative Statements of Financial Position, and additionally, will assist users with their interpretation of the Group's financial position and performance.

External Auditor's Statement

These audited Group annual financial statements should be read in conjunction with the complete set of the Group audited, annual financial statements for the year ended 30 June 2023. The Group's annual financial statements have been audited by Messrs BDO Zimbabwe Chartered Accountants, who have issued an "except for" audit opinion as a result of non-compliance with the provisions of IAS 21 which relates to the translation of opening balances and comparative financial information as noted above, and non-compliance with IAS 8 which results from the changing of the Group's PPE policy from the historical cost model to the revaluation model retrospectively, for the reasons described above. The External Auditor's Report on the Group's audited, annual financial statements, is shown on **page 242**. The Engagement Partner responsible for the audit was Mr Martin Makaya, PAAB Practice Number 0407.

Sustainability Reporting

The Group continues to apply the Global Reporting Initiative ("GRI") protocol linked to the ISO 26000 standard and, over the years, has aligned its sustainability reporting, using ISO 26000, with corresponding Sustainable Development Goals ("SDGs"). This demonstrates the Group's commitment to sustainable development within the environment in which it operates as well as its contribution to sustainability in its wider sphere of influence. The Group continues to strengthen its sustainability practices and values across its operations, with continuous improvement, to ensure long-term business success.

Uncertain Tax Positions

There have been substantial changes in the currency environment in Zimbabwe in recent years, including the reintroduction of the ZWL as the Country's functional currency in February 2019 through SI 33 of 2019, followed by the promulgation of SI 185 of 2020, which reintroduced the use of foreign currency for domestic transactions.

Chairman's Statement and Review of Operations (continued)

OPEX

USD197.54mn

+16.8% growth, vs Revenue Growth of 14.7%

EBITDA

USD91.06mn

-13.5% vs. F2022
-3.7% Margin Contraction

Headline Earnings Per Share

USc5.63 per share

-26% vs F2022

These significant changes have created numerous uncertainties in the treatment of taxes due across the economy and have been compounded by a lack of clear statutory and administrative guidance or practical transitional measures from the tax authorities. The wording of existing tax legislation has given rise to varying interpretations of tax law within the Country. Over time, it has become apparent that the Group's interpretation of the law regarding the currency of settlement for taxes, as well as the methodology for tax computation, has differed from that of the authorities, and this has resulted in a number of uncertainties in the Group's tax position. The Group continues to seek adjudication by the courts on these matters.

Operating Environment and Overview

The financial year under review was initially characterised by reduced inflationary pressure and market volatility as authorities sought to moderate money supply growth, instituting a considerable increase in local currency lending rates. This achieved the desired impact of arresting inflation and local currency devaluation, resulting in improved business and trading sentiment, albeit with significantly reduced market liquidity.

The second half of the financial year under review saw a rapid devaluation of the local currency with complex and unpredictable market conditions prevailing before liquidity was controlled, and refinements made to the Reserve Bank of Zimbabwe ("RBZ") foreign currency auction system. Pricing distortions and resultant arbitrage in the trade persisted for much of the year, negatively impacting consumer demand and confidence in formal retail channels; despite this however, consumer demand across the informal market remained buoyant, supported by increases in mining and agricultural output, diaspora remittances, and Government infrastructure spending during the year.

Notwithstanding the erratic trading environment, especially in the second half of the financial year under review, the Group's Protein, Stockfeeds, Beverage and Light Manufacturing segments all delivered positive volume growth over the comparative year, whilst the impact of international wheat pricing carried over from the previous financial year, had an adverse impact on the Mill-Bake segment. The Group's investment drive underpinned the overall volume trajectory, with focus being deployed on expanding plant capacities, enhancing manufacturing capabilities and product extensions; whilst route-to-market initiatives continued to be refined in order to drive volume into new markets.

Chairman's Statement and Review of Operations (continued)

Financial Review

The Group recorded revenue of USD 804.040m during the financial year under review, representing a growth of 14.7% over the comparative year. Revenue performance was driven by improved capacity utilisation across the Group's core manufacturing businesses, and further supported via the introduction of new product categories, category extensions, and route-to-market optimisation strategies undertaken during the financial year under review.

At operating profit before depreciation, amortisation, and fair value adjustments ("EBITDA") level, the Group saw a mild contraction in margin efficiency terms of 3.7%. This resulted mainly from reduced gross margin yield where the full increase in the core bills of materials could not be fully recovered in the sales price, as our units sought to minimise the impact of price increases on the consumer and maintain volume momentum. Operating expenditure ("Opex") also saw a significant correction in the financial year under review, as many cost buckets fully dollarised, which, when combined with international cost-push pressure, resulted in Opex growing 16.8% ahead of the comparative year. EBITDA for the year closed at USD 91.061m, 13.5% lower than the comparative year.

Currency losses dominated the financial loss line of USD 15.404m as the Group faced a diminishing ability to adequately hedge against the rapid local currency devaluation experienced during the latter part of the financial year. Depreciation and Amortisation increased by 12% versus the comparative year, driven by the significant investment across the Group in the F2022 to F2023 financial periods. Despite the significant increase in local currency lending rates in the first quarter of the financial year under review, the Group managed to contain the annual interest expense to USD 13.443m, representing a 22% reduction on the comparative year.

Fair value adjustments of USD 7.822m emanate mainly from the Group's significant biological asset holdings in the Protein Segment and the application of the provisions of IAS 41 (Agriculture), which require cost of sales of agricultural produce to be fair-valued. The Group's associate businesses delivered positive earnings through the Equity Accounted Earnings line, albeit at considerably lower levels than seen in the comparative year.

Total Dividend
USc2.65 per share
12% Growth vs. F2022

Operating Cash Flow
USD112 million
12.4% Growth vs. F2022

Expansion Capex
USD70.25 million
29% Increase

Total Asset Growth
USD56.17 million
9% Growth

Chairman's Statement and Review of Operations (continued)

Profit Before Tax ("PBT") amounted to USD 48.315m, representing a decline against the comparative year and driven by the margin dynamics at a gross margin and EBITDA level, and compounded by exchange losses and weaker equity-accounted earnings. Headline Earnings Per Share ("HEPS") for the financial year under review amounted to 5.63 US cents per share, which was 26% lower than the comparative year.

The Group's Statement of Financial Position remained robust, with a strong asset base supported by fixed assets, efficient working capital positions, and negligible net gearing levels.

Cash generation was outstanding, and was further supported by improved efficiency across the Group's working capital positions, combining to deliver exceptional operating cash flows of USD 112.070m for the financial year under review, and representing a 12% increase over the comparative year. The strong operating cash flows enabled the Group's extensive investment programme to progress at pace, with USD 70.255m deployed toward capital expansion during the year.

Operations Review

Mill-Bake

This reporting segment consists of the Group's Bakery division, National Foods, and the Group's non-controlling interests in Profeeds and Nutrimaster.

Volume growth for the **Bakery** division was muted versus the comparative year, mainly on account of the pricing dynamics experienced early in quarter one, as inflated international wheat pricing resulted in an adverse effect on bread pricing to the consumer. Loaf volumes from quarter two through to quarter four increased substantially however, as local wheat stocks improved, and international pricing softened.

The operation has recently completed the commissioning of its USD 22m investment into a state-of-the-art, fully automated production line in Bulawayo. This investment has significantly improved loaf quality and is expected to enhance manufacturing efficiencies once all Southern region production is migrated to this new facility.

Further plant automation and capacity upgrades will occur at the Harare manufacturing facility in the year ahead, and this will be complemented by the ongoing delivery fleet recapitalisation programme.

At **National Foods**, aggregate volumes contracted by 3% versus the comparative period, mainly driven by the performance of the flour division;

- Volumes in the Flour unit contracted by 12.3% versus the comparative year, driven largely by significant increases in the price of wheat. International wheat prices peaked in the first half of the year, resulting in higher flour prices and a consequent volume reduction of 19.6% for the first quarter. The Flour division completed the installation of a new Buhler mill in Bulawayo, which will increase the wheat milling capacity and operational efficiency across the division.

- Maize volumes were disappointing, declining by 9.4% versus the prior year. The current year was characterised by various procurement-related distortions which hampered consistent trade. Initially, various distortions arose in purchasing the local maize crop in quarter one, before volumes recovered in the middle of the year as the local crop dried up, until finally, later in the year, volumes were impacted by the re-opening of the Country's borders to finished product.

- Stockfeed volumes were firm, increasing by 10% when compared to the comparative year, with the growth coming across all the major categories, and in particular the poultry, beef and dairy sectors, which all saw firm demand.

- Volumes in the Down-Packed unit, which primarily packs rice and salt, saw encouraging growth of 14% versus last year. Rice volume growth was largely driven by the informal sector and likely benefited from the elevated prices in the wheat-to-bread value chain. Planning for the construction of the new rice packing facility is progressing, and we will be looking to construct this facility in 2024.

- Volumes in the Snacks division increased by 25% against the prior period, as capacity enhancements came on stream and the "King" and "Zapnax" brands continued to show volume growth.

- Biscuit volumes declined marginally compared to last year. The category was under pressure due to flour price increases and the challenges faced by the formal retail market. As previously advised, the National Foods Board has approved the purchase of a new biscuit line, allowing the operation to extend its biscuit portfolio into more specialised products. The new line is expected to be operational in early 2024.

Chairman's Statement and Review of Operations (continued)

Operations Review (continued)

- The installation of the new pasta line in Harare is on track, and the line is expected to be commissioned toward the end of 2023. The line will be the only large-scale pasta line in the Country, and our objective is to meet the growing local demand for pasta. This represents, in our view, the exciting localisation of a key value chain, from the growing of wheat locally to the local production of pasta, which until now has mostly been imported.

- Volumes in the cereals unit grew by 47% over the comparative year. The second phase of National Foods' breakfast cereal investment was commissioned towards the end of the first half of the financial year under review, resulting in the launch of a new range of breakfast cereals, including corn flakes, bran flakes, wholegrain flakes and instant cereals.

Profeeds operated at full capacity for the year under review, delivering stockfeed volumes 9.5% ahead of the comparative year on the back of sustained demand in the poultry category. This was complemented by a 17% increase in day-old-chick volumes over the same period.

Looking ahead, the business will increase its capacity and improve service delivery to the Southern markets via a USD 7m investment into a new Stockfeed facility in Bulawayo; this facility is expected to be operational by the end of F2024.

In the "Profarmer" retail chain, sales of stockfeeds through the channel increased by 23% over the comparative year, driven by strong demand in the small to medium-scale farming segment. The division continued to grow its ancillary farming input offering with pleasing growth realised across the fertiliser, seed, and chemical categories. The division had expanded its nationwide footprint to 50 stores by the end of the financial year under review and has recently undertaken investment into a distribution centre to further unlock efficiencies across the platform.

At **Nutrimaster**, a subsidiary of Profeeds, sales volumes increased 35% over the comparative year, underpinned by a strong order book across the row-cropping, horticulture and tobacco segments. Diversification into a chemical offering under the "Optichem" brand is also underway and scheduled to be availed to the market in early F2024.

Protein

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

The **Colcom division**, comprising Triple C Pigs and Colcom Foods, delivered excellent results for the year under review. At Colcom Foods, demand for fresh pork remained firm, resulting in volume growth of 8%, supported by double-digit growth across the Sausage and Polony categories over the comparative year. Volume growth for the bacon and ham category was muted on the comparative year, reflective of the category's reliance on the formal retail channel.

Pig production at Triple C continued to be excellent with world-class performance benchmarks continuing to be achieved; volumes increased 3% against the comparative year, as prior investment into enhanced genetics and improved rearing sites continue to deliver positive results.

Considerable investment will be deployed into the Colcom operation in the period ahead, and will be focused on upstream capacity extensions of the Triple C production and breeding facilities, whilst at Colcom Foods, the focus remains on modernising and upgrading factory operations at Coventry Road, coupled with an expansionary drive of its branded retail outlets.

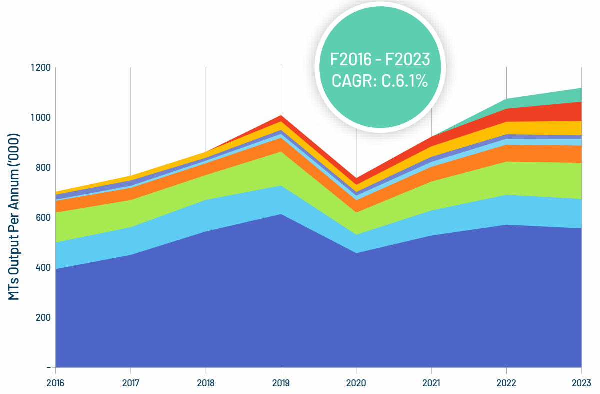
At **Irvine's**, volume growth was concentrated in the Table Egg and Day-old Chick categories, growing 14% and 7%, respectively, over the comparative year, whilst the Frozen Chicken category continued to operate at capacity, and volumes closed at the same level as the comparative year. Investments targeted at increasing breeder and laying capacity and hatchery extensions have been primary growth drivers, and the business looks ahead to initiating capacity enhancement investment for the Frozen Chicken category.

The **AMP Group** recorded a pleasing volume recovery of 13% over the comparative year, with both the chicken and beef categories contributing positively. The business continued to experience supply constraints in the beef category due to local disease controls and restrictions on the movement of cattle during the year.

Chairman's Statement and Review of Operations (continued)

Volume Growth & CAGR %: F2016 to F2023

IAL Group Volumes, Normalised to Metric Tonnes (MTs '000):



CAGR % SINCE 2016

National Foods	4.4%	Natpak	20.5%
Bakeries	1.2%	Probottlers	23%
Profeeds	2.6%	Prodairy (from 2018)	25%
Protein	5.4%	Nutrimaster (from 2019)	35%

Chicken demand remained firm throughout. The "Texas" retail network continued to expand and open stores in new locations across the Country, growing to 50 stores by the end of the financial year under review.

Beverage And Other Light Manufacturing

This reporting segment comprises Prodairy, Mafuro Farming, Probottlers, The Buffalo Brewing Company ("TBBC"), Natpak, and the Group's non-controlling interests in Probrands.

Prodairy continued to register solid volume growth, with overall volumes closing 44% ahead of the comparative year. The Dairy Blend category operating under the "Revive" brand benefited from prior capacity expansion investment, and volumes closed 83% ahead of the comparative year. A similar growth of 73% over the comparative year was registered in the Steri-milk category, whilst the "Life" UHT milk, butter and cream categories also delivered strong volume growth of 5% and 23%, respectively. Further investment into capacity enhancements across the operation's product portfolio will continue in the forthcoming financial year, complemented by product format extensions and innovative route-to-market initiatives.

At **Mafuro Farming**, raw milk production grew by 8% over the comparative year. The business has completed the initial investment phase to establish a modern dairy operation in the Midlands Province, and the herd is expected to enter full production early in the new financial year.

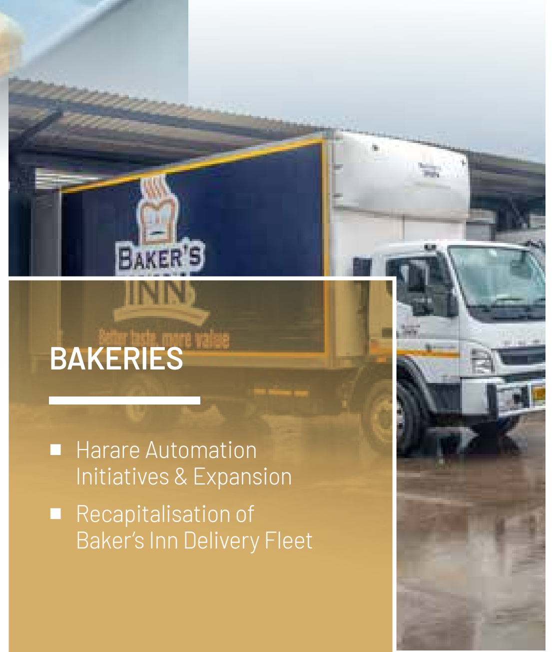
Probottlers' aggregate volumes increased 14% ahead of the comparative year, mainly driven by increased production capacity through the new "Fizzi" 500ml line. Volumes within the Cordial category under the "Tree Tips" and "Bally House" brands saw some contraction versus the comparative year, primarily due to grey-market imports evident in the trade, and challenging trading dynamics in the formal retail sector.

TBBC launched its sorghum beer product under the "Nyathi" brand in December 2022; market uptake has been positive, and initial overall volume performance has been aligned with target.

At **Natpak**, overall volumes closed 10% ahead of the comparative year, driven by capacity enhancements and product extensions with the Rigids and Corrugated divisions, which registered volume growth of 14% and 19%, respectively, ahead of the comparative year. The Flexibles and Sacks divisions also delivered growth over the comparative year, and both business units will see additional investment to expand operations in the forthcoming financial year.

Baker's Inn Container Store - Glen Norah Masimbi Container Express Shop Partner receiving his bread delivery

CAPEX of **USD 50 – 60m** Scheduled in F2024



NATIONAL FOODS

- Biscuit Plant (Jan 2024)
- Pasta Plant (Nov 2023)
- Snacks Expansion (Dec 2023)
- Rice Downpacking and Storage (Mar 2024)

BAKERIES

- Harare Automation Initiatives & Expansion
- Recapitalisation of Baker's Inn Delivery Fleet

PROFEEDS

- New Bulawayo Stockfeed Factory
- New Harare Distribution Centre "Profarmer" retail network expansion

COLCOM

- Ongoing investment in upstream piggery operations.
- Coventry Road Factory modernisation & upgrades "Colcom" Shop retail expansions

PRODAIRY

- Additional plant capacity investments
- Introduction of new categories
- New product formats
- Route-to-Market Investment

NATPAK

- Capacity increases in Flexibles Division
- Capacity increases and new category investments in Rigids Division
- Ongoing investment in Sacks Division

Chairman's Statement **and Review of Operations** (continued)

Operations Review (continued)

At **Probrands**, overall volumes lagged the comparative year following a deliberate refocus of the business strategy away from commoditised categories. Focus continues on creating innovative household and adjacent condiment products for the Zimbabwean consumer, and both categories delivered positive growth in this regard.

Prospects

The operating environment proved complex and challenging for much of the year under review, and the Group's trading performance from a profitability and return on equity perspective largely reflected this. Notwithstanding the trading performance, the Group continued to produce exceptional levels of free cash flow which drove the numerous ongoing capital expansion projects across the entire business portfolio, and enabled strong levels of cash returns to shareholders.

From a trading perspective, our business models continue to undergo constant refinement to ensure we remain agile and relevant in a dynamic and complex operating environment. It is vital that our expansion programmes yield world-class quality products, and that our increasing manufacturing capacities across our business units translate into economies of scale, resulting in excellent pricing for our customers; we will continue to strive to make the lives of our customers better.

Over the past two financial years, the Group has deployed almost USD125m in expansion capital investment across its numerous business units. This investment programme has allowed for the establishment of new business units and products, enabled the expansion and modernising of existing manufacturing lines, extended existing product categories, and will ultimately enhance the overall manufacturing efficiencies and capabilities of the Group as critical mass is reached. Much of this investment has recently been commissioned, or is in the final stages of commissioning, and in the period ahead we will deploy considerable focus and energy on ensuring these exciting new investments operate according to the necessary operating models, driving positive returns to shareholders.

Finally, the Group understands its responsibilities to the nation in providing world-class quality products at affordable prices, and we will continue to pursue our expansion programmes with this objective in mind. Additionally, in the period ahead, we will work to identify and support key initiatives and programmes that reflect our passion for empowering and supporting our communities.

Group Corporate Social Responsibility Initiatives spend

Over USD 1 million

Final Dividend

The Board is pleased to declare a final dividend of 1.05 US cents per share payable in respect of all ordinary shares of the Company. This final dividend will be payable to all shareholders of the Company registered at the close of business on 13 October 2023. This brings the total dividend to shareholders for the current year under review to 2.65 US cents per share which is a 12% increase on the 2.37 US cents per share paid in respect of F2022.

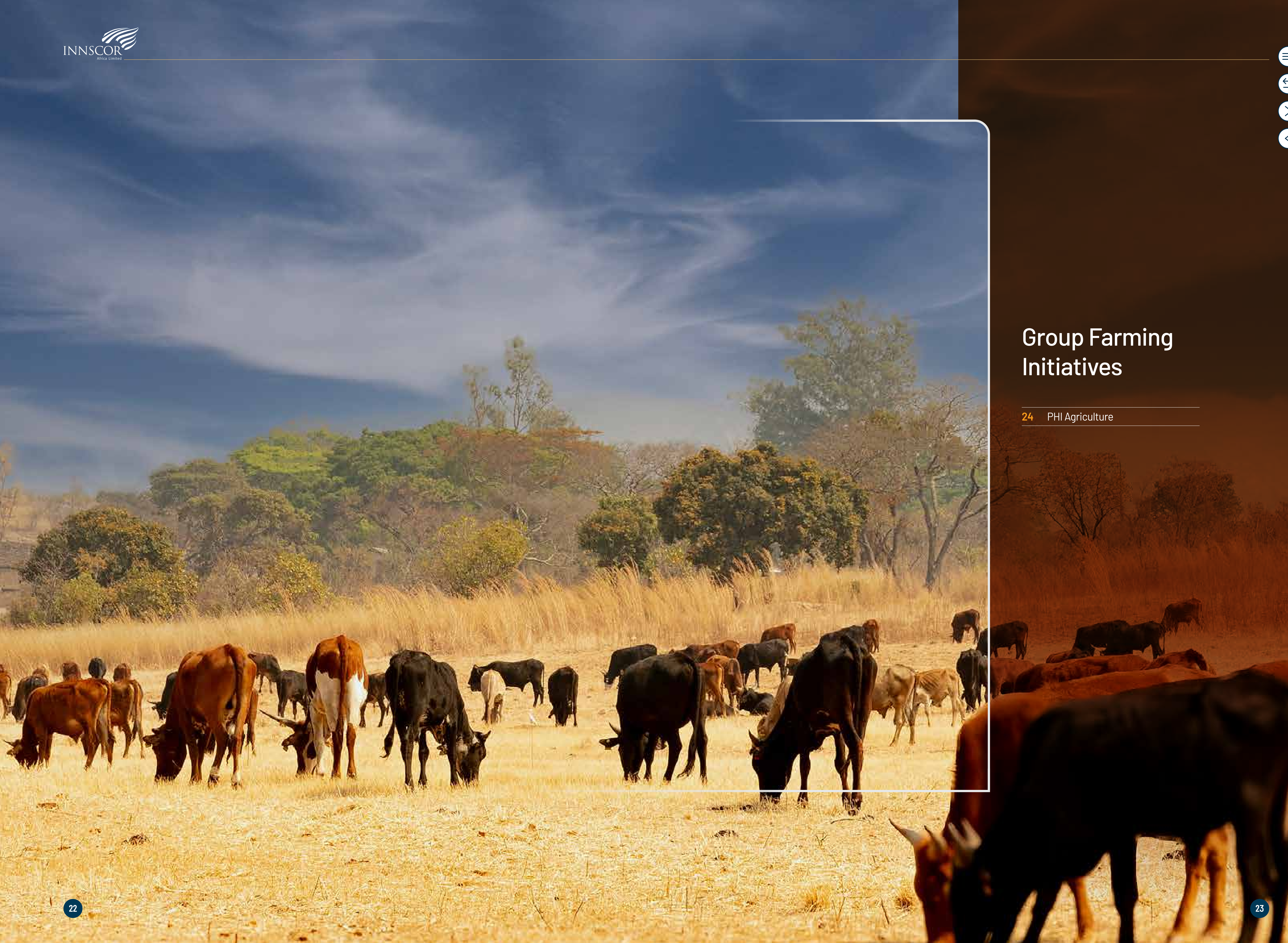
The payment of this final dividend will take place on or around 8 November 2023. The shares of the Company will be traded cum-dividend on the VFEX up to the market day of 10 October 2023 and ex-dividend from 11 October 2023.

The Board has also declared a final dividend totalling USD305 000 to Innscor Africa Employee Share Trust (Private) Limited. Innscor Africa Employee Share Trust (Private) Limited supports all qualifying beneficiaries with both dividend flow and various loan schemes.

Appreciation

I wish to record my sincere 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 September 2023



Group 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 Highlights

- Supporting agriculture through contract farming initiatives through the Agrowth Scheme
- Empowering and tooling small-scale farmers

Innscor Africa's investment into Zimbabwean agriculture is through PHI whose aim is to secure the Groups' raw material requirements while contributing to National Food Security.

The Group, which includes National Foods Flour Division, Maize Milling Division, Stock Feeds Division and Fast-Moving Consumer Goods Division, Profeeds, Probrands, Irvine's, The Buffalo Brewing Company and Colcom is the largest buyer of local maize, soya products and wheat in Zimbabwe and uses a substantial volume of locally produced sorghum, sugar beans and popcorn.

In support of Government's stated aim of encouraging local processors to support the production of their raw material requirements, PHI is driving a three-part strategy to secure locally produced commodity:

- PHI has invested in a corporate farming model, which focused on the production of 3 000 metric tonnes of soya beans in the 2022/2023 summer season, over 40 000 metric tonnes of table potatoes and is expected to produce 7 000 metric tonnes of wheat in the winter of 2023.
- PHI manages the Agrowth Contract Farming scheme which financed farmers to grow over 60 000 metric tonnes of wheat in 2022 and is hoping for a similar crop in 2023, 12 000 hectares of maize, soya beans and sorghum in the 2022/2023 summer season and is targeting a similar hectarage of these crops in the 2023/2024 season.
- With the increased liberalisation of the marketing of key commodities, PHI purchases maize, soya beans and wheat from other registered contractors on behalf of the Group companies.

PHI Farming (continued)

Winter and Summer Growth 2022 to 2023

Winter Wheat Historical Performances	Forecast Winter 2024	Current Winter 2023	Historical Winter 2022	Historical Winter 2021	Historical Winter 2020
Contracted Hectares	6 000	4 632	12 626	4 912	1 730
Average Yield/Hectare	6.00	6.00	4.22	7.53	6.94
Total Tonnage	**36 000**	**27 792**	**53 282**	**36 987**	**12 006**

Summer Historical Performances	Forecast Summer 2023-24	Current Summer 2022-23	Historical Summer 2021-22	Historical Summer 2020-21	Historical Summer 2019-20
Soya Beans					
Contracted Hectares	2 000	7 594	3 466	1 330	2 160
Average Yield/Hectare	3.00	1.81	2.83	3.46	1.71
Total Tonnage	**6 000**	**13 729**	**9 797**	**4 597**	**3 725**
Maize					
Contracted Hectares	7 500	4 510	5 994	6 532	2 684
Average Yield/Hectare	6.43	5.07	5.70	4.94	2.94
Total Tonnage	**48 250**	**22 858**	**34 181**	**32 273**	**7 880**

The number of farmers differs between seasons and between crops. PHI had 93 commercial wheat farmers in 2022 and 54 wheat farmers in 2023. The summer programme is approximately the same number of commercial farmers and around 250 small-scale farmers growing maize and sorghum. Many of the commercial farmers are new farmers.

Contribution to the National Cropping Requirement

PHI/Agrowth have consistently been the largest private sector contractor under the Food Contractors Association (FCCA). The contribution of the FCCA to the national crop requirements is acknowledged by Government and FCCA will produce around 50% of the national wheat crop for 2023.

PHI has also invested in a Livestock Division that manages a fully integrated beef operation that slaughters on average 2 500 head per month of cattle that are purchased from local producers and produced and fattened internally. The Division operates two wholesale outlets as well as supplying product directly into AMP.

PHI Farming (continued)

Human Capital

IL Integrated (IL), a subsidiary of PHI, has a valued and dedicated workforce. IL is very much a seasonal business in terms of workload and labour requirements, particularly with regards to potato harvesting and seed maize detasseling operations.

With the continuing liberalisation of the marketing of agricultural commodities and the improving stability in the economy PHI believes that it is well positioned to continue to grow its involvement and investment, on behalf of the Group, in Zimbabwean agriculture.

The respective farms have the following labour requirements at peak and off-peak times.

Total Labour - Off Peak

	Permanent	Contract	Total
Gwina	15	93	108
Bally Vaughn	5	78	83
Allan Grange	18	35	53
Total	**38**	**205**	**244**

Total Labour - At Peak

	Permanent	Contract	Total
Gwina	15	260	275
Bally Vaughn	5	180	185
Allan Grange	18	65	83
Total	**38**	**505**	**543**

During our peak periods, IL draws labour from the surrounding areas and offer fixed-term contract job opportunities. The labour employed on contract are supplied with a weekly food ration mainly consisting of maize and potatoes. IL Integrated also supplies transport to and from work for the contract labourers.

The farms have Health Workers employed by IL who assist with any on-farm issues. IL also has a good relationship with the local clinics and provides transport and funds for all health-related issues a Health Worker is not able to deal with adequately. IL also provides training for our Health Workers.

The farms provide accommodation for the employees who live on the farm; IL provides electricity and water for the employees. The employees who do not live on the farms receive a financial provision for power, water and fuel in accordance with the National Employment Council (NEC) Statutory Instrument.

At IL we understand our team of employees is our most valued asset and the Company is always striving to look after them as best as we can.

PHI **Farming** (continued)

Corporate Social Responsibility Initiatives (CSR)

Schools

Each farm employs childminders who look after infants while their parents are at work for the day. The number of infants the childminders look after ranges but is generally between 10-30 at any one time.

The local schools in the area that our staff children attend are as follows:

- **Gwina Farm:** Kuwadzana Primary and Secondary School (Banket) - IL has 110 employees' children attending from Gwina Farm.
- **Bally Vaughn Farm:** Chabwino Primary and Secondary School (Enterprise) - IL has 75 employees' children attending from Bally Vaughn Farm.
- **Allan Grange Farm:** Gombera Primary School and Yomba Primary and Secondary School (Raffingora) - IL has 67 employees' children attending from Allan Grange Farm.

IL also assists the schools with mowing their sports facilities, as well as donating food and diesel for events they hold and help maintain the facilities.

IL Integrated places high value on working with the communities within which its farms operate and through the initiatives listed above, IL spent an approximately USD 48 600 in the current reporting year and is further analysed below:

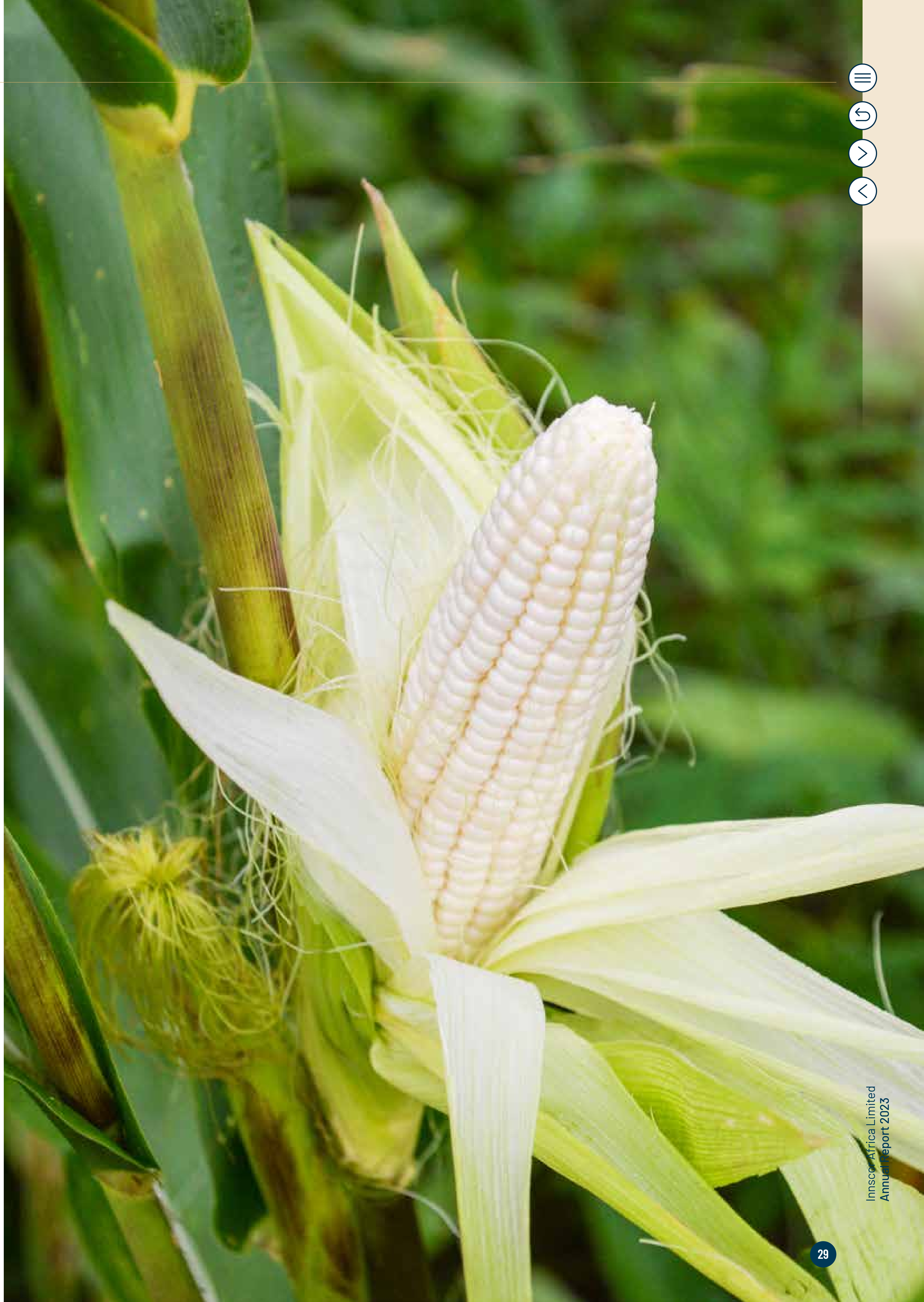
CSR Initiative	Total Spend for F2023
Childminders at all three farms	USD 8 400
Supporting the local schools	USD 6 000
Assisting ZESA	USD 7 200
Assisting ZIMWA	USD 3 000
Assisting the Rural District Council	USD 24 000
Total CSR Spend	**USD 48 600**

Local Stakeholders Engagement and Assistance

IL works closely with the farms' local stakeholders, namely - Zimbabwe Electricity Supply Authority (ZESA) – assisting with locating faults, providing the ZESA technicians with transport and diesel, and fire guarding the power supply infrastructure.

Zimbabwe National Water Authority (ZINWA) – assisting with the maintenance of the water sources, dam walls, transport for the ZINWA employees and providing diesel to the ZINWA team.

Rural District Councils – assisting with grading the Council roads with our own equipment as well as contributing diesel for the Council graders and equipment.



Significant Business Units Investments And Corporate Social Responsibility Initiatives

Strategic **Approach**

"In our passion for empowering and supporting our communities", Innscor Africa Limited ("IAL") assists through financial support to its dedicated community initiatives in areas of youth empowerment, health, animal welfare and sustainable practices.

During the current financial year, IAL contributed to organisations that primarily focus in areas of sports and recreation, environment, arts, animal welfare and health initiatives in vulnerable communities.

Investment in Sports and Recreation

IAL/Baker's Inn Future League ("BIFL")

IAL relaunched the "Futures Friendly League", a league aimed at growing the game of cricket by fostering talent at U14 and U17 level. The league runs most weekends and incorporates several players and sports academies from less privileged backgrounds.

The Bakers Inn Futures League has produced several talented cricketers that have gone on to represent their age group at national one such player being Kirby Madaramete, an U15 player selected for the Zimbabwe U19 squad.

The Alistair Campbell High-Performance Programme teams up with development academy teams from around Harare to give the opportunity to develop cricketers to play against quality opposition most weekends, learning and receiving guidance and support from top coaches. Several players from disadvantaged backgrounds are actively involved in the league, receiving intensive coaching and exposure to the game at a grassroots level and, thus, ensuring the longevity of the national game. The league continues to grow this initiative and seek opportunities to support less privileged communities. An example is the hosting of Eden Children's Village Orphanage.

With the explosion of woman's sport around the globe, it has been gratifying to see both girls and boys participating in both age groups. Kelis Ndhlovu and Nyasha Gwanzura, Lady Chevrons players, along with several other girls are also playing in the league. The league has started their woman cricket pathway for dedicated sessions for lady's players.

Another exciting facet of the league is live scoring, with every game scored in real-time on the Zimbabwe Cricket app, and 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 Animal Welfare

The Blue Cross Adventure Challenge
2023 will be the 28th consecutive Blue Cross Adventure Challenge and IAL's 5th consecutive year supporting this prestigious animal welfare event. Blue Cross contributions have raised the profile of the event, and hence the success of its fundraising for animal welfare throughout Zimbabwe.

The Blue Cross takes place in August each year, and is a unique athletic adventure, taking participants from the lowest point in Zimbabwe, being the Save River near Mahenye, to the highest point, being the peak of Mt. Nyangani. The entire event follows off road dirt tracks and trails that pass through some of the most remote areas of our beautiful Eastern districts, some of it literally on our border with Mozambique.

The Blue Cross is a half-adventure and half-fundraising event. 100% of the funds raised were directed towards animal welfare initiatives.

The Society for Prevention of Cruelty to Animals ("SPCA") is the primary benefactor to the Blue Cross event. The SPCA is true to its mantra of "no animal is turned away"; the organisation is focused on ensuring the populace receives the necessary educational support to enable correct animal care and cruelty prevention while providing solace and re-homing of stray animals in rural and urban areas.

The welfare of livestock, whether raised for consumptive purposes or as working animals such as donkeys and oxen, is a vital economic enabler to rural Zimbabweans. The SPCA is closely associated and supportive of animal welfare organisations situated in the Country, such as Veterinarians for Animal Welfare Zimbabwe ("VAWZ") and Matabeleland Animal Rescue & Equine Sanctuary ("MARES"), and collectively assist in providing our rural and urban populations with much-needed support and education through targeted outreach programs, focused, but not limited to spaying and neutering, preventative rabies measures, and correct harnessing.

Many SPCAs act as the official municipal pound; however, financial support via municipal funding is non-existent. As a result, the SPCA fully relies on charitable donations through concerned corporate entities and individuals and through fundraising initiatives, highlighting the importance and relevance of events such as the Blue Cross. IAL continued to support the worthy causes of SPCA through its involvement with Blue Cross's social responsibility. The commitment and passion with which these organisations are managed are greatly appreciated.

The Group views the work undertaken by the SPCA and related animal welfare organisations as paramount and endeavors to provide ongoing support for the overall betterment of our communities, of which animal welfare is vital. IAL will continue to play a pivotal role in ensuring the SPCA receives the necessary resources to execute its mandate.

Innscor **Africa Limited** (continued)

FOTE Communitive Partnerships

Over 12 million

trees have been planted between July 2022 and June 2023

Friends of the Environment

Investment in Our Environment

Friends of the Environment ("FOTE")
IAL remains committed to contributing towards fighting global warming and climate change through supporting tree planting initiatives. The partnership with Friends of the Environment ("FOTE") allowed the organisation to join other environmentally like-minded institutions in commemorating the National Tree Planting Day (NTPD).

IAL contributed towards the of the 2022 Annual Walkathon from Gokomere through Masvingo CBD to Bikita, a distance of 105km, which took place from 30 November to 3 December 2022. The Walkathon is an environmental awareness campaign that alerts communities about challenges such as deforestation, global warming and climate change, at the same time capacitating them to build resilience and adaption to such vices through tree planting and conservation. During the Walkathon Week, more than 47 000 trees were planted in different communities throughout the country.

Between July 2022 to June 2023, FOTE and its partners planted 1 235 000 trees. FOTE and its partners such as IAL have planted more than 40 million trees over the past decade countrywide in the ecosystems' restoration drive.

IAL will continue to work with FOTE on various levels as part of its sustainable initiatives for the environment.

Innscor **Africa Limited** (continued)

Investment in Arts and Culture Support

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

IAL is proud to be associated with The National Institute of Allied Arts (NIAA) and sponsors the Visual and Arts Festival.

NIAA received an amazing array of imaginative work from primary schools nationwide, amounting to 968 entries. An impressive 177 students were awarded Honours, and 417 Highly Commended. Senior entries amounted to 176, possibly indicative of a resettling period, post-Covid. Concerted efforts are made when designing the curriculum to ensure that as little additional work is required by high school teachers and students, beyond their respective school programmes. 39 entrants were awarded Honours, and 60 were Highly Commended, an impressive result.

The response to this year's curriculum and festival had been extraordinary, with the intrinsic growth coming out of online learning methods during the Covid era – where students, teachers and families had also shown, and developed, huge and courageous resilience in the face of adversity, managing to gather their creative strengths, individuality, and unique abilities and showcased highly commendable submissions. IAL has been proud to sponsor such young and enthusiastic individuals for almost a decade.

Innscor **Africa Limited** (continued)

Marceline Moyo, Programme Corordinator - Global Cleft and Cranio facial Foundation

Investment in Medical and Health Support

Kidzcan Zimbabwe

KidzCan Zimbabwe, a registered Humanitarian Child - Centered Private Voluntary Organisation dedicated to increasing the survival rate of children suffering from cancer and blood-related disorders in Zimbabwe, a loving and caring environment. IAL is proudly associated with the great cause that Kidzcan gives, providing financial assistance towards procurement of drugs and health service equipment.

Global Cleft and Cranio-facial Foundation

IAL has proudly partnered with the Global Cleft and Cranio-facial Foundation to change the lives of families with children born with cleft lip and/or palate. Together with Providence Human Capital's Health Division, the Foundation provides an all-encompassing support to the family unit of the patient. The first batch of operations took place in July 2023. IAL is proud to be associated with this great cause, and to support the local doctors, nurses and other health personnel that offer themselves to help the needy.

Innscor **Africa Limited** (continued)

Long Service Award & Retiree

In line with acknowledging our long-serving members of staff across the Group, IAL Head Office awarded Collence Chigangaidze a 15-year-serving award.

Collence Chigangaidze receiving his 15 year long service award from Raymond Nyamuziwa - Group Treasurer

In addition, Kenneth Mathuthu retired after serving IAL Head Office within the support department for 20 years.

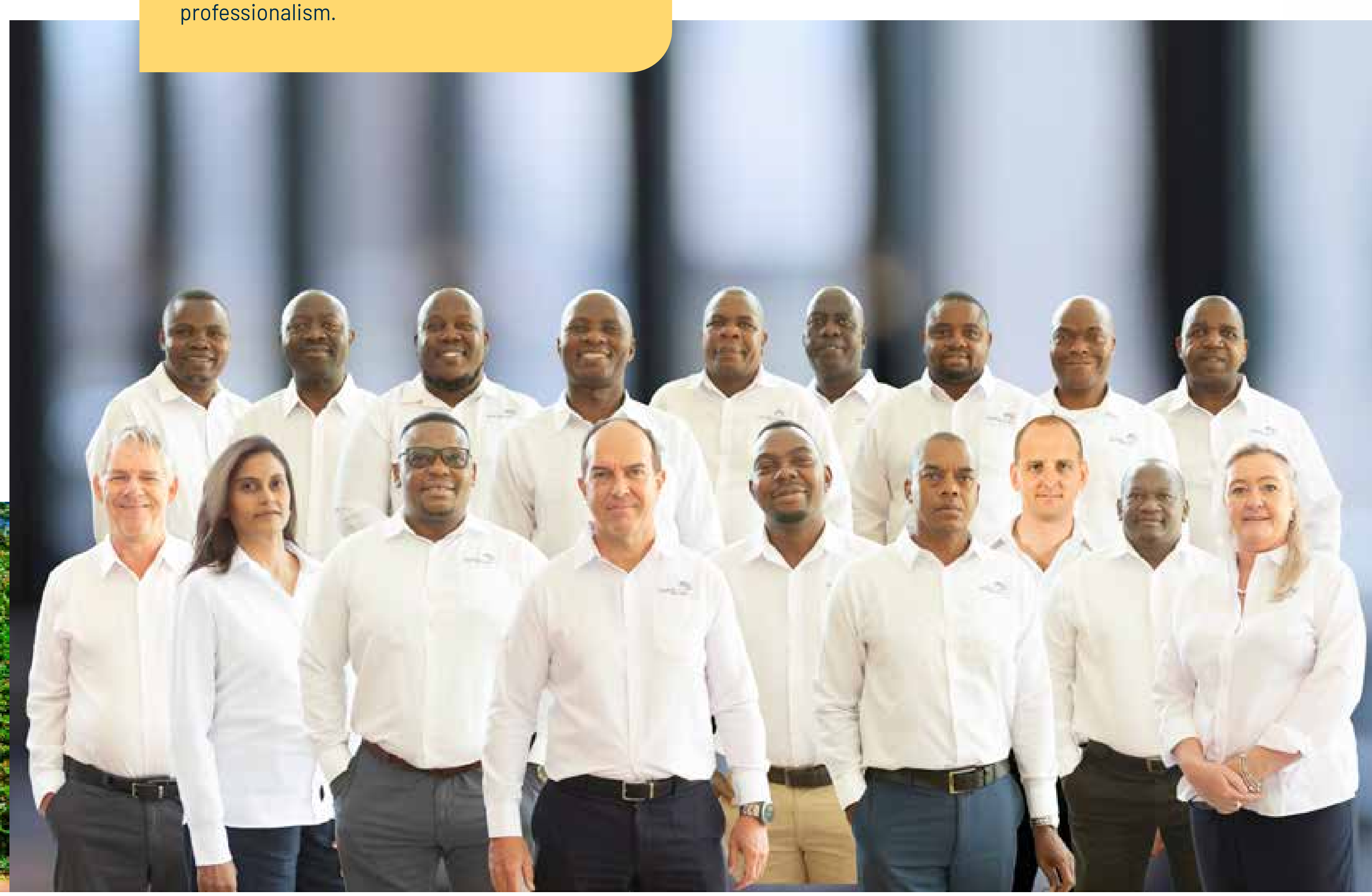
Kenneth Mathuthu

Innscor **Africa Limited** (continued)

Our People

IAL values all of its employees who are seen as an invaluable asset to the organisation. The IAL Head Office is a dedicated team and executes their duties with utmost pride and professionalism.

The Company supports and exposes its staff – who have the requisite knowledge and expertise as well as the skill sets - to knowledge-enhancing processes and supportive in-house training. They take great pride in the execution of their duties conducted with a good work ethic and professionalism.



Back Row from left to right: Aurklen Chikomo, Ronald Gumbo, Clive Gweredza, Vitalis Makanyire, William Zuze, Hemson Mathuthu, Blessing Dube, Ngayi Njamani & Motion Chisveto

Front row from left to right: Andrew Lorimer, Priti Da Silva, Godfrey Gwainda, Julian Schonken, Kudakwashe Nyakatsare, Raymond Nyamuziwa, Alastair Warren-Codrington, Collence Chigangaidze & Tracey Stephens

Sikandar Raza - Brand Ambassador for Nutri-Active

NATIONAL FOODS LTD

Strategic **Approach**

National Foods Limited ("National Foods") provides food to the nation in a way that is good for the environment and sustainable. The Company was started with a promise to give value to consumers, stakeholders, and the communities it works in. The Company's ability to adapt to new technology and ways of working has allowed it to grow financially while also being creative and using resources wisely.

Key Highlights

- This year, National Foods introduced a range of new and exciting products that offer more value to consumers. These innovations were developed based on understanding what consumers want and exploring creative ideas. As a result, National Foods has been able to enhance the nutritional value of its product portfolio.
- Technology gives National Foods an advantage over its competitors and helps the Company adapt in its manufacturing operations, creating more value for consumers and stakeholders.
- The following projects were commissioned during this year:
  - A new state-of-the-art flour mill in Bulawayo
  - The second phase of a world-class Cereals Plant in Harare
  - Work is also underway on the following projects:
    - A brand-new Pasta plant in Harare, and
    - A brand-new Biscuits plant in Harare
- The Company's commitment to creating shared value is demonstrated by its support for 48 vulnerable institutions monthly.

Innovations

National Foods is experiencing exciting growth through introducing unique and innovative products that add value to nutrition and bring excitement to the Food Industry. The research and development teams are continuously working on a wide range of new ideas, testing, and improving them to make consumers happy. The Company's focus is to create a wide range of nutritious, affordable, and sustainable products that meet the changing needs of consumers. These innovations have made National Food's brands more relevant and have opened the door to sustainable business growth. By doing this, the Company aims to support people and animals throughout their lives, both now and in the future.

During F2023 National Foods launched the New Nutri Active Cereals range which delivers on tasty, affordable, and accessible nutrition.

Nutri Active Nutri Boost Range

National Foods Limited (continued)

Innovations (continued)

Nutri Active Nutri Krunch Range

Nutri Active Nutri Pops Range

National Foods Limited (continued)

Corporate Social Responsibility (CSR)

National Foods builds and invests for future growth, acts with resilience, and combines Group resources to create value for both society and shareholders. The Group provides monthly support to 48 carefully selected centres in vulnerable communities throughout the country. These beneficiaries are divided as follows between the nine Provinces:

Harare
- Kambuzuma Orphanage, Harare
- Ruvimbo Special School, Harare
- Felly Orphanage, Harare
- Nazareth House, Harare
- Vocational Training Centre, Harare
- Zimcare Trust, Harare
- Homefields Care Centre Mt Hampden, Harare
- Shingirai Trust, Harare
- Emerald Hill Children's Home, Harare
- St Joseph's House for Boys, Harare
- Zambuko House, Harare
- Rose of Sharon Children's Home, Harare
- Harare Children's Home
- Place of Safety Children's Home, Harare
- Flame Lily Retirement Home, Harare
- The Zambezi Society, Harare
- Runyararo Children's Home, Harare
- SPCA Harare
- Sunshine Zimbabwe, Harare
- Vimbainesu Children's Home, Murombedzi
- The Dorothy Duncan Centre, Harare
- Tose Respite Care Centre, Harare
- St Christopher Hatcliff, Harare
- Nyathi Family, Harare
- Sharon Cohen Special School, Chitungwiza

Mashonaland East Province
- Mother of Peace Community, Mutoko
- Mushawevana Children's Home, Marondera
- Kukura Neshungu Institute, Marondera
- Ruwa Trust Lodge, Ruwa
- Bally Vaughan, Shamva Road

Manicaland
- Rekai Tangwena Children's Home, Nyanga

Bulawayo
- Jairos Jiri, Bulawayo
- Marula School, Bulawayo
- Queen Elizabeth Adventist Home Children's Home & Early Learning Centre, Bulawayo
- Ekuphumuleni Old People's Home, Bulawayo
- Isaiah's Children's Home, Bulawayo

Matabeleland North
- Good Hope Mother's Trust, Hwange
- Rose Of Charity Children's Home, Victoria Falls
- Pristine Victoria Falls Society

Midlands
- St Agnes Gokwe Children's Home, Gokwe
- Midlands Children's Home, Gweru

Masvingo
- Mucheke Old People's Home, Masvingo
- Morgenstar School for the Deaf, Masvingo
- Mapuvire Primary School, Chivi

Mashonaland West
- Mola Hostels, Kariba
- Come Unto Me Children's Home, Karoi

Mashonaland Central
- Kutenda Children's Home, Bindura
- Ponesai Vanhu Children's Home, Shamva

National Foods **Limited** (continued)

Corporate Social Responsibility (CSR) (continued)

The Company's commitment to enhancing lives is demonstrated by the support given to these vulnerable communities and during F2023 the Company spent a total of USD177 514 in supporting the communities. The community initiatives are described in more detail in the table below:

Area	Support Given	Beneficiaries
Investments in Vulnerable Groups	• Monthly donations of maize meal, sugar beans, salt, rice, flour, Mama Africa Corn Soya Blend, instant porridge, Better Buy Soya Delights and popcorn to vulnerable communities.	• Twenty-seven 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. • Regular day-old chicks and poultry feed donations to the Mapuvire Primary School in Chivi. This provides a sustainable food source for the primary school. • Kuchengeta Trust – monthly food donation to provide balanced nutrition for the beneficiaries.
Culture & Arts Support	• Food donations to provide support to bring different people together to find common ground to build the community.	• Support for 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. • Stockfeed donations for Bally Vaughan Game Park and Sanctuary to support wildlife conservation.

National Foods **Limited** (continued)

Area	Support Given	Beneficiaries
Supporting Vulnerable Communities through sponsorship	• Product donations and sponsorhip	• Emerald Hill Childrens Home – Cash donation towards refurbishing the school. • St Ignatius High School– Product donation to 2 000 students during their 60th year anniversary celebrations. • Save Our Souls – Contributed USD900 towards the purchase of bunk beds by means of sponsorship during the annual Golf Day. In addition, 500kg of Corn Soya Blend was issued out to provide nutrition for the children. • Harare Children's Home – Provided 100kg of Corn Soya Blend to the home. • Zimbabwe National Under 20 Sables Rugby Team – Kit and meals sponsorship as part of the U20 Rugby World Cup preparations.

Mrs Zenda (third from right) and Mrs Tabengwa (right) from Felly Orphanage are pictured above receiving their monthly donation from the National Food's Group HR Executive, Mrs Alice Pawarikanda (second from right) supported by National Food's staff Mr. Chikumbirike (left), Mr. Banda (second from left), and Mr. Mutambara (partially obscured)

National Foods **Limited** (continued)

Contract Farming

National Foods Ltd, through Paperhole Investments (PHI), supports 200 small-scale farmers. The farmers are given inputs such as seeds and/ or fertiliser, as well as drought insurance cover for growing maize, sorghum, and sunflowers. Through PHI the farmers are also assisted with technical support. After harvest the farmers deliver the produce to the PHI hub.

This initiative fully supports the national drive to achieve:
- Food security
- Improved household incomes and
- Sustained education and family welfare

Educational Support

The Pristine Victoria Falls Society (PVFS) works with forty-two (42) primary and secondary schools in the Victoria Falls area on a project dubbed "Pristine Schools Awards" (PriSA). National Foods supports this initiative through a monthly cash donation. PriSA is a competition for both primary and secondary schools which aims to encourage schools to actively participate in keeping their surroundings clean through sound solid waste and environmental management practices. 42 primary and secondary schools with an estimated 1 000 students are participating in the program carrying out various environmental activities within their schools. All participating schools have formed environmental clubs within their schools.

PVFS launched Pristine Junior Eco-Warriors project in April 2023 through support availed by National Foods. 20 Pristine Junior Eco-Warriors (11 girls and 9 boys) have been selected from 7 different school and are beneficiaries of the National Foods scholarship fund. 10 of the Eco-Warriors are in primary school while the other 10 are in secondary school. Each of our Pristine Junior Eco-Warriors automatically becomes a junior member of the Pristine Victoria Falls Society. They are required to dedicate 8 hours per month for the duration of their scholarship program assisting with clean-ups and promoting good waste management practices throughout the community.

National Task Force on Traditional Grains

National Foods have partnered with local farmers to produce affordable traditional grains across the nation. Successful innovation demands collaboration. To achieve its shared objectives, a National Task Force for traditional grains will be launched in F2024 with the main aim to raise awareness and educate the market on the benefits of traditional grains. All the 10 Provinces will participate in this program.

Gloripreneur Programme

Youth empowerment is a priority, and through the Gloripreneur programme the Company equipped hundreds of young men and women with practical baking skills and business knowledge.

Research revealed an aversion to baking because of its technical nature and high risk of failure. The programme aimed to demystify baking and use practical means to demonstrate how easy one could achieve consistent results in no time.

The latest innovation *Gloria Quick Mix Muffins* was the right partner to recruit the youth into baking.

National Foods **Limited**

Gloripreneur Programme (continued)

The aim of the ***Gloripreneur*** programme was to achieve the following within its communities:
- Address the issue of baking aversion through training
- Promote economic activities at community level by encouraging in-home baking and selling of easy-to-use value-added flour products
- Contribute to employment creation through skills transfer and entrepreneurial development

The programme was a 3-pronged model which achieved the following results:
- Trained over 6 000 men and women with practical baking skills. All trainees received Gloria Baking Certificates which motivated them to continue.
- Supported 400 youths with Business Starter Kits (Selling / Profit Model, all product and utensil requirements for them to run a muffins business).
- Equipped Local Traders with tools to help them sell more Gloria Flour in their kiosks and tuck shops.





Maureen's Success Story

Maureen is a vendor who sells Sweets, Doughnuts and Scones at her road-side stall.

The Gloriprenuer Starter Pack came as a boost to her business as she was struggling to raise capital for expansion and relies on that business for survival.

Maureen says:

"First day I sold 3 packs selling at $1 for 3, I did not give up on the project but decided to spice up my muffins by adding vermicelli to attract more customers. This worked and I managed to sell all my muffins.

"I restock Gloria Quick Mix from the local tuck-shop and sell the muffins at schools and church services".

"I look forward to using the profit from this project to pay school fees for my grandchild".

"Frequent power cuts are my biggest challenge at the moment."

National Foods **Limited** (continued)

Stockfeeds Agents – Container Project

Through market research, National Foods identified under-represented areas for accessing the supply of poultry feed for the small-scale poultry sector. To bridge this gap, 40-foot containers were deployed and were allocated to Stockfeeds Agents who had a proven track record.

Currently, the geographical locations include Chitungwiza, Waterfalls, Goromonzi, Borrowdale, Bulawayo and Lupane. Several additional sites have been identified.

Focus in terms of product lines was on the Tri-phase Broiler feed; however, going forward there is scope to expand this product range. 14 containers were placed in F2023 with average volumes of between 20 – 45 tonnes per month.

Supporting Youth Through Sport

Sport enables people to come together and share a desire for self-improvement, positive development, and fosters sportsmanship amongst other critical life skills.

Girls High School Harare Rugby Kit Partnership

This year Nutri Active partnered with more than 40 sporting events across multiple disciplines. In addition, Nutri Active sponsored kit for 10 different teams including the Zimbabwe Junior Sables National Team (U20) as well as the illustrious National Netball team, The Gems.

Hellenic Academy Nutri-Active Rugby Kit Partnership

National Foods **Limited** (continued)

Awards

During the year, the following accolades were received by National Foods:

Presented by	Award
Buy Zimbabwe	Winner - Buy Zimbabwe Manufacturer of the Year Award (FMCG)
	Winner- Buy Zimbabwe Quality Award
	Runner Up - Buy Zimbabwe Farmers Support
Marketers Association of Zimbabwe	3rd - Best Business to Business Brand in Zimbabwe- Super Brand Awards
	Winner - Red Seal Best in the Food Grain Sector - Super Brand Awards
	1st Runner Up - Pearlenta in the FMCG Food Grain sector - Super Brand Awards
	2nd Runner Up - Mahatma in the FMCG Food Grain sector - Super Brand Awards
Africa Food Awards 2023 - Kenya	6th Best Red Seal in the Business to Consumer Brand in Zimbabwe - Super Brand Awards
	National Foods - Company of the Year Award -
	New Product of the Year Award - Organica Plant Based Meal, Pearlenta Smart Carbs Cereals, Nutri Active.

National Foods **Limited** (continued)

Our People

The Company believes it has created a workforce that has a strong sense of belonging supported by safe and productive spaces to enable them to excel.

This starts with leaders who walk the talk and believe in empowering people for the future. Staff empowerment and growth, particularly for critical staff, remains a key focus area and one of the reasons the Company continues to drive learning and development for its employees.

In F2023, the Company joined 62 employees in celebrating the following milestones in terms of service years:

Number of Employees crossing each Milestone in 2023

Milestone Year	Men	Women	Total
15 years	17	2	19
20 years	15	1	16
25 years	13	0	13
30 years	7	0	7
35 years	6	1	7
Total	**58**	**4**	**62**

Left to Right – Mike Lashbrook (Group CEO), Darlington Chipere (Long Service Award recipient for 25 years), Maidei Chipere (Spouse), Swys Viviers (Managing Executive Stockfeeds), Ennet Enson (HR Business Partner Stockfeeds)

TOPP Programme

National Foods and IAL Head Office are both Institute of Chartered Accountants of Zimbabwe (ICAZ) Training Outside Professional Practice (TOPP) accredited training centers. National Foods has 14 trainees (5 males & 9 females) enrolled for the TOPP programme. 7 (4 men and 3 women pictured below) of the 8 students who sat for Assessment of Professional Competence (APC) examination in December 2022 passed and are now qualified Chartered Accountants. One of the young women in the Group, Ms. Tinotenda Chivaura, was the top national student; a remarkable achievement indeed which we are proud of.

Back (Left-to-Right) - Tinotenda Chivaurah (top national student), Tinashe Dzapasi, Tinashe Mberi and Ronald Mahanyana. Front (Left-to-Right) - Mazvita Chiradza, Tinashe Matizha, Blessing Chingombe

National Foods **Limited** (continued)

New "Leeds Road" bakery factory in Bulawayo

Better taste, more value

Strategic **Approach**

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

Key Highlights

To drive performance, the Bakery business is structured into a Bakery Manufacturing Division (BIM) and a Selling and Distribution operation (Baker's Inn Sales and Distribution) (BISD).

- Expansion into the Southern Region of Zimbabwe with a USD24 million investment in a state-of-the-art bread plant operation
- Enhanced sustainable practices employed in bread manufacturing
- Deployed distribution fleet consisting of 124 delivery vehicles to at least 200 active routes
- Launched 72 Baker's Inn Container Stores around the country

Factory Operations

- **Expansion of Southern Region**

  The new "Leeds Road" bakery in Bulawayo was commissioned and expects to produce 160 000 loaves daily. Management is excited about the future prospects of this capital investment, particularly in this part of the country.

  The automated bread production will result in the improvement of bread quality, consistency, and production efficiencies thus reducing waste as well as utilising less diesel in the production processes, all in line with good sustainable practices.

- **Automation of Lines 3 & 4 Shepperton**

  Two production lines at the Harare factory are currently undergoing automation at a cost of USD4 million to improve bread quality and consistency.

- **Delivery Fleet Vehicles**

  Baker's Inn continued its fleet replacement programme adding 73 new delivery vehicles in F2023 taking the total fleet replacement to 124 vehicles by the end of F2023 at a total cost of approximately USD5.3 million.

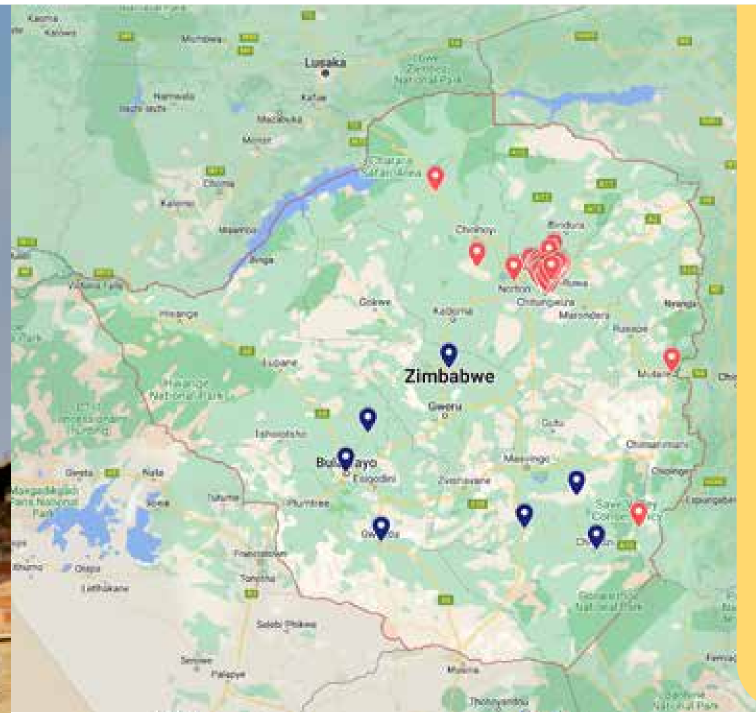
  The delivery fleet together with trucks hired from distribution partners travels approximately 35 000 km per day across 200 active routes delivering bread proudly to over 6 000 customers across all corners of the nation.

Baker's Inn (continued)

Baker's Inn Container Stores

During the year, Baker's Inn continued with its distribution innovation which saw the introduction of container stores (Baker's Inn Express Shop) nationwide empowering individuals at community level.

Baker's Inn (continued)



Container Stores Zimbabwe

1	NGUNDU	1	NYATSIME GOKWE	23	GAZEBO	45	SOLANI EPWORTH
2	JERERA	2	MAPURANGA GLENHORAH	24	HATCLIFFE DUST	46	MUROMBEDZI
3	NEW RANK	3	TICHAGARIKA	25	HATCLIFFE MUZINDA	47	MTC KAROI
4	NDOORWI	4	TANAKA	26	MUTAMBA PHASE 14	48	MABIDO CHECHECHE
5	JEMWA	5	MAJOR USHEWEKUNZE	27	MUSASA DAMOFALLS 2	49	SPORTS FIELD MUTARE
6	INYATHI	6	NIPAPA DZ 2	28	MUTAPA PHASE 16	50	MASIMBI
7	GWANDA	7	NORTON NGONI	29	SOLOMIO RUWA	51	HOPELY HADHI
		8	VINTAGE MATOMBO	30	EASTVIEW PHASE 6	52	ZVIKO CHITUNGWIZA
		9	NOTRON KATANGA	31	BOOSTER DELPORT	53	USHEWEKUNZE CHURU
		10	BUDIRIRO 3 VALENTINE	32	MUNYUKI	54	USHEWEKUNZE TAKAZ
		11	BUDIRIRO 2 BIGSAVE	33	GLENWOOD CROSS	55	CHIGOVANYIKA
		12	BUDIRIRO 1 CABS BIGSAVE	34	STONERIDGE HOPELY	56	HURUYADZO
		13	KAMBUZUMA MR BAKER	35	STONERIDGE SPEED	57	ST MARY'S TURN OFF
		14	KUWADZANA 4 BUY & GO	36	MBARE KENNY	58	UNIT L
		15	ARENO MR BAKER	37	MUSASA MAINWAY	59	ZENGEZA 2
		16	KUWADZANA 7	38	TAISEKWA STONERIDGE	60	ZENGEZA 3
		17	WESTLEA	39	EPWORTH AUCTION	61	MABVUKU KAMUNHU
		18	BELVEDERE	40	COKE CORNER	62	STOP OVER
		19	CHIKWANHA	41	HOPELY SPEED	63	KOALA
		20	UNIT M JAMBANJA	42	ICOT WATERFALLS RETREAT	64	OVERSPILL
		21	ST. MARY'S NDAVA	43	UPLAND CENTER	65	CHIREMBA
		22	DOMBOSHAVA ZIMBIRU	44	DOMBORAMWARI EPWORTH		

Baker's Inn Express Shop in Glen Norah

Baker's Inn (continued)

Corporate Social Responsibility (CSR)

Baker's Inn Bakeries is proud to be one of the most esteemed companies in Zimbabwe, respected not just for what it produces, but also for how it conducts itself as a responsible citizen.

To this end, its measure of success includes its impact on the environment and efforts to protect the planet, how it operates its businesses, its contributions to local communities and other worthy causes.

CSR represents a longer-term investment that serves to strengthen Baker's Inn's operations and competitiveness in the marketplace, enhance risk management, attract, and engage talented employees and maintain its reputation.

The Company continuously challenges itself to ensure that its actions, commitments, and initiatives are directed to areas with the greatest impact and live up to both the heritage and vision of the company.

The following were some of the Community Initiatives undertaken by the Baker's Inn business.

Social Impact	Detail
Charitable Support	In F2023, Baker's Inn made USD284 000 in charitable contributions in the form of cash and product donations, equating to approximately serving over 10 000 people daily in Zimbabwe. These Charitable initiatives benefits the health and well-being of children and adults with emphasis on underserved and diverse populations.
Borehole Installations	Baker's Inn provided boreholes to the following communities: Ross Camp, Entumbane, Barbourfields, Nkulumane 12, and Mpopoma communities in Bulawayo. This investment of USD30 000 gave the communities safe drinking water, a chance to grow crops, and protection against diseases.
Adoption of Africa Elites Football Academy	The Company adopted Africa Elites Football Academy in Greendale, Harare. The academy nurtures 66 young boys aged between 9 and 16 drawn from disadvantaged backgrounds in the suburbs of Mbare, Sunningdale, Mufakose, Chitungwiza, Seke and Dema. The provision of sport and physical activity in their lives has made an important contribution to eradicating drug use among these young boys.
Container Project	The container stores began as a strategic initiative to grow Baker's Inn sales footprint nationally, specifically in the informal markets and growth points with lagging infrastructure and service provisions. The initiative aims to empower Zimbabweans to partner with the Company and change their lives by giving them a business to operate from. The innovative container project is aimed at delivering added convenience to the consumers who live relatively far away from major retailers, while at the same time creating economic opportunities for individuals with entrepreneurship at heart. The container model aims to; (a) Train the partners to ensure success (b) Provide the tools to operate a mini-wholesale bread business in their community The business model motivates partners to increase sales through outstanding service, merchandising, and augmenting bread with other food basket items, like cooking oil, sugar, salt, rice, beans etc.

Baker's Inn (continued)

Corporate Social Responsibility (CSR) (continued)

Area	Support Given	Beneficiaries
Investments in Vulnerable Groups	• Weekly donations of bread loaves to vulnerable communities.	• 3 900 loaves per week to Prisons • 1 900 loaves per week to Children's Homes and Orphanages • 850 loaves per week to Centres for the Disabled • 400 loaves per week to Health Centres • 300 loaves per week to Retirement Homes • 100 loaves per week to Churches

Summary of weekly and annual Baker's Inn bread loaves donated during F2023:

National Annual Loaves donations

	Annual	Weekly
Prisons	202 800	3 900
Children's Homes & Orphanages	98 800	1 900
Centres for the Disabled	44 200	850
Health Centres	20 800	400
Retirement Homes	15 600	300
Churches	5 200	100
Other	7 800	150
Total	**395 200**	**7 600**

Baker's Inn (continued)

Our People

Baker's Inn's Employment Data

During the course of F2023 Baker's Inn employed 1 183 casual workers on an ad hoc basis, thereby, from a community perspective, giving unskilled workers the opportunity to work.

From left to right: Chantel Chadoka (student on attachment), Patience Zvidzai (Machine Operator), Talent Dube (Packer), Talent Marange (Packer), Ndaizivei Masimba (Packer), Wendy Biningu (Packer), Gamuchirai Chamboko (Packer), Getrude Matungwana (Packer), Fungai Munotiyi (Machine Operator) and Ngonidzashe Chipezeze (student on attachment)

As at 30 June 2023,
Total Number of staff employed

Baker's Inn Manufacturing (BIM) and Baker's Inn Sales and Distribution (BISD)	Men	Women	Total	Permanent	Contract	Total
BIM	577	41	618	359	259	618
BISD	563	212	775	525	250	775
Total	**1 140**	**253**	**1 393**	**884**	**509**	**1 393**

Our ladies in the Administration Department at Baker's Inn

Left to right: Charity Danho (Finance Officer), Kudzai Matema (Cashier), Nicola Duma (Accounts Clerk), Mitchelle Matimbe (Accounts Officer), Florence Murapa (Finance Manager) & Misheleen Muleya (Human Resources Clerk)

Our lady merchandisers around the country

Baker's Inn (continued)

Long Service Awards

Number of Employees crossing each Milestone in 2023

BIM

During F2023, 39 staff members reached significant milestones and have been awarded their Long Service Awards by BIM as follows:

Milestone Year	Men	Women	Total
10 years	11	3	14
15 years	2	0	2
20 years	15	0	15
25 years	6	2	8
Total	**34**	**5**	**39**

BISD

During F2023, 44 staff members reached significant milestones and have been awarded their Long Service Awards by BISD as follows:

Milestone Year	Men	Women	Total
10 years	26	9	35
15 years	5	1	6
20 years	2	1	3
Total	**33**	**11**	**44**

25 years long service recipients

From left to right (seated): George Kupara, Hazel Mtema and Ringisai Maviza together with the CEO Ngoni Mazango and the COO Benjamin Mavros

Awards

Marketers Association of Zimbabwe - Superbrands Awards

- Winner in FMCG Bakery Sector
- 5th Position in business to consumer brands

Baker's Inn (continued)

Looking Ahead

Baker's Inn is consistently transforming its business in order to be responsive to the needs and preferences of customers, consumers and the communities it serves. The ways in which it contributes to society can play a critical role in leading the Company and its stakeholders to a more sustainable future.

- F2024 presents an important opportunity to advance the container project. The target is to place an additional 360 containers by the end of June 2024.
- As consumers continue to reassess what matters most to them, affecting not only what they want and need, but their perception of what constitutes value, the business will invest continuous value offering improvement.
- The business is launching a commitment to donate one million loaves of bread by the end of the next financial year, which will go directly into the hands of those families most in need through community hubs such as schools and the homeless institutions.

Installation in progress at the the new Leeds Bakery in Bulawayo

Bianca Nyakudya - Technical Specialist

PROfeeds The Performance Feed aquafeeds

Strategic **Approach**

Profeeds is Zimbabwe's premier stock feed manufacturer, offering highly sought-after feeding programmes to both commercial and small-scale farmers. Throughout F2023, Profeeds has remained focused on improving the performance, reliability, and efficiency of the factory, while working on increasing the capacity and quality of all machinery, including necessary storage space.

Key Highlights

- Profeeds is Zimbabwe's leading poultry feed producer.
- Works with 130 000 small-scale farmers - 75% to 80% of our customer base.
- Increased retail footprint to 53 stores.
- Profeeds product range diversification has been successful through cost effective pricing in dimishing disposable income enviroment.
- During the financial year, factory production growth was up 12%, pig feed increased 66% and an 18% increase in broiler feed.
- Empowering communities with invaluable advice and expertise from dedicated professional animal scientists, nutritionists, veterinarians, and agronomists alongside immense management training all provided 'free of charge'.

Profeeds has made significant strides in enhancing the visibility and accessibility of our retail platform, Profarmer across the country. We recognise that small-scale farmers are at the core of Profeeds' operations, serving as both our heartbeat and backbone. Through our robust training programs (largest in Zimbabwe) and continuous engagement with farmers and communities, we have actively diversified our product offerings. This expansion is a direct response to the evolving needs and growth strategies of our valued farmers. As we reflect on the achievements of this financial year, Profeeds takes great pride in the milestones we have reached and the positive impact we have made within the agricultural sector.

- According to the Stockfeed Manufacturing Association annual report for 2022, Profeeds is Zimbabwe's leading poultry feed producer with a market share of approximately 24%.
- The company serves and interacts with over 130 000 small-scale farmers through its retail store footprint of 53 stores and intends to extend this footprint by another seven new stores in F2024.
- Profeeds' engagement with farmers and communities has been instrumental in driving the company's growth strategies. By actively listening to farmers' needs and challenges, Profeeds aligns its product offerings to meet market demands effectively. Through tailored training programs, farmers are empowered with knowledge and skills to enhance their practices, leading to improved productivity. By identifying gaps in the market and collaborating with farmers, Profeeds develops specialised products that optimise performance. These efforts cultivate customer loyalty and satisfaction, contributing to the overall success and expansion of the company.
- IT and distribution costs represent the largest expenses for Profeeds/Profarmer. Distribution costs are primarily driven by the need to deliver feed to our branches located across the country, even in remote areas. In order to reduce the distance and cost of distribution to the Southern Region, we have embarked on the construction of a second plant in Bulawayo, which we anticipate will be completed by Q3 2024.
- Significant investments have been made in IT infrastructure to enhance the retail process and improve the customer experience in our stores. Our customised ERP system, is continuously adapted to meet the specific needs of servicing small-scale farmers in Zimbabwe.

Profeeds and **Aquafeeds** (continued)

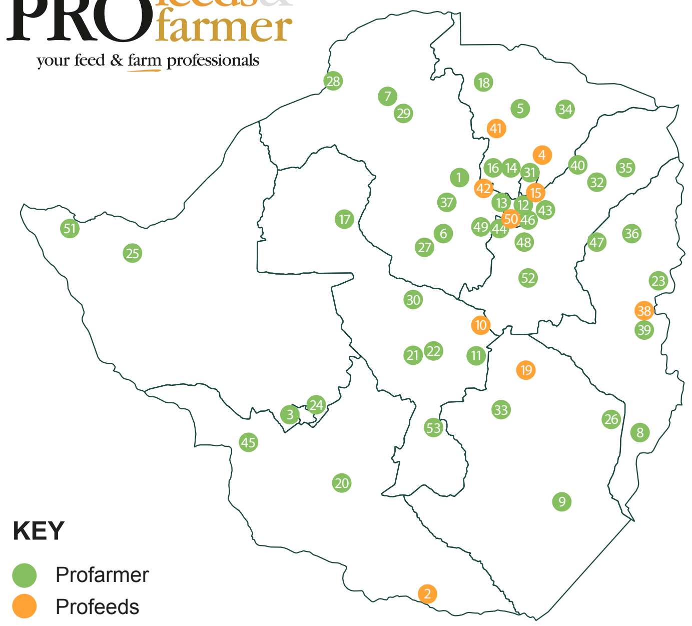
Strategic Approach (continued)

- To effectively manage retail store demand, we utilise tools that predict store and customer demand, monitor seasonal product trends, and provide a competitive advantage by ensuring the right product assortments in different stores across the country. This approach recognises that a one-size-fits-all strategy does not apply to the diverse agricultural farming regions in Zimbabwe.
- Through IT investments, Profeeds is actively working towards gaining a better understanding of customer shopping patterns and preferences. By leveraging these technologies, we aim to enhance our customer service and tailor our offerings to meet the specific needs of farmers in various regions.
- Overall, Profeeds recognises the importance of efficient IT systems and optimised distribution networks to effectively serve our customers and streamline operations. By investing in these areas, we strive to provide an exceptional customer experience while maximising our operational efficiency.

Current Retail Network Around Zimbabwe

- Profeeds captured 6 new markets with new store branches. (Hauna, Dzivarasekwa, Jerera, Chipinge, Gweru-Mkoba and Mutare-Main).
- Foot traffic has increased Year-On-Year by 13% in F2023 and served an average of 6 000 paying customers daily with the Eastern and Southern regions accounting for over 52% of foot traffic, boosted by strategic pricing and promotions including Harvest Galore.

PRO feeds & farmer
your feed & farm professionals



Retail Network

1. Banket (Profarmer)
2. Beitbridge
3. Belmont Bulawayo (Profarmer)
4. Bindura
5. Centenary (Profarmer)
6. Chegutu (Profarmer)
7. Chinhoyi (Profarmer)
8. Chipinge (Profarmer)
9. Chiredzi (Profarmer)
10. Chivi
11. Chivhu (Profarmer)
12. Domboshava (Profarmer)
13. Dzivarasekwa- Harare (Profarmer)
14. Exhibition Park Harare (Profarmer)
15. Factory Harare
16. Glendale (Profarmer)
17. Gokwe (Profarmer)
18. Guruve (Profarmer)
19. Gutu
20. Gwanda (Profarmer)
21. Gweru (Profarmer)
22. Gweru Mkoba (Profarmer)
23. Hauna (Profarmer)
24. Herbert Chitepo Bulawayo (Profarmer)
25. Hwange (Profarmer)
26. Jerera (Profarmer)
27. Kadoma (Profarmer)
28. Kariba (Profarmer)
29. Karoi (Profarmer)
30. Kwekwe (Profarmer)
31. Mabelreign Harare (Profarmer)
32. Marondera (Profarmer)
33. Masvingo (Profarmer)
34. Mt Darwin (Profarmer)
35. Murambinda (Profarmer)
36. Murewa (Profarmer)
37. Murombedzi (Profarmer)
38. Mutare
39. Mutare Main (Profarmer)
40. Mutoko (Profarmer)
41. Mvurwi
42. Norton Govans
43. Norton Katanga (Profarmer)
44. Nzvimbo (Profarmer)
45. Plumtree (Profarmer)
46. Robson Manyika Harare (Profarmer)
47. Rusape (Profarmer)
48. Ruwa (Profarmer)
49. Simon Mazorodze- Harare (Profarmer)
50. Tobacco Sales Floor (TSF)
51. Victoria Falls (Profarmer)
52. Wedza (Profarmer)
53. Zvishavane (Profarmer)

Profeeds and **Aquafeeds** (continued)

Number of customers reached daily

6 000

↑13%

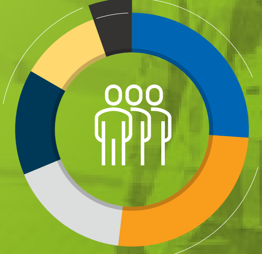
New Markets

6

Six branches have been opened during F2023. Of these 6 new stores, 4 are in Eastern region, 1 in Harare and 1 in Southern region.

Total Customers Reached F2023

Approx **1.8m**



Eastern 473 739	Northern 260 922
Southern 462 240	Greater Harare 203 599
Western 303 189	Harare 95 977

Feed: Year on Year Growth

↑23%

Pig feed sales increased by 40% from a small base. Poultry feed sales increased by 22% and contributed 89% towards overall feed growth.

Factory Production Growth

↑11.7%

Pig feed production increased by 66% from a small base. Broiler feed production increased by 18% and has a 95% share of growth.

Point of Lays Sold: F2023

250k

↑20%

Day Old Chicks Sold: F2023

15.6mil

↑18%

Profeeds and **Aquafeeds** (continued)

Strategic Approach (continued)

- Poultry feed remains the flagship category in retail sales, with nearly 90% share of growth year-on-year in feed and the business prides itself on accessibility and consistency, with a nationwide reach.
- The high-quality feed products, as well as all necessary agri-inputs to manage livestock and agricultural projects are accessible to a multitude of communities.
- With the national cattle herd growth programmes and the initiation of SADC Aquaculture and Fisheries projects in 7 countries including Zimbabwe, Profeeds are excited about the potential growth forecasts in our Beef and Fish feed categories.
- With the opening of the Profarmer Hub Hauna, the support of the Profeeds technical team and the reliability of the store in close proximity to their farms, two new customers were given the confidence to venture into layer farming. The combined placement for these two farmers was 4 500-layer chicks.
- The store rebrand exercise is almost complete; 80% of the stores are branded as either "Profarmer Hub" or "Profarmer Xpress". To service the growing footprint of stores, Profeeds expanded their heavy distribution fleet with the purchase of two 15MT trucks that greatly assisted in servicing local deliveries in and around Harare, and a 4MT truck was also purchased primarily to distribute Point of Lay (POL) birds.

Factory/Plant Upgrades

- Results of machinery purchased in the previous year (pellet sifter, hammermill, and milling section) greatly assisted in achieving both production efficiencies and reduced downtime. Notably 6MT/hr increase in production was achieved for broiler feed at the main plant. Further upgrades are planned for the forthcoming year resulting in doubled production.
- Plant upgrade reached its expected 60MT per shift mark. These milling upgrades and improvements produced a higher quality mash for both Aquafeeds and Dogfeeds products.
- The new production offices for supervisors and clerks have been completed and are fully operational, providing staff with better working conditions, more space, and protection from noise and machinery hazards.
- Profeeds continues to monitor their power usage closely and in addition to using power factor correction devices that assist in maintaining optimum power conditions for machinery, Profeeds have also installed a device to analyse the quality of power received, reducing the maximum demand, decreased power costs per kW used and making the plant machinery safer from power surges.
- All shops are equipped with alternative power supply and the business is working towards having solar power solutions installed by the end of 2024.

With growth initiatives at the forefront and aligned with store footprint increase, the acquisition of the adjacent property to Profeeds in Willowvale, Profeeds looks forward to creating a thriving Distribution Center as well as commissioning the Bulawayo property project with a 12MT/hr monogastric plant with silos, storage, and office space during F2024 which will service the Bulawayo and Midlands areas.

Technical Support Initiatives

- Profeeds supports both Broiler and Layer out-grower schemes via technical support. The commercial farmers who spearhead these schemes enabled their growers to benefit from the financial planning and technical support that is on offer to our commercial customers.
- During the year, a total of 415 visits were made to commercial customers and their out-grower farmers, with an estimated total combined amount of 7.5 million birds being fed Profeeds feed.
- Two new private growers added to the commercial setup who completed three batches for the year, with a combined cycle of 174 000 birds.
- Through a commercial Layer scheme, Profarmer Retail stores sell Point of Lay hens (POLs). Placement stood at 254 342 birds with a 97.5% liveability rate and together with efficient and cost-effective processes, bulk orders for POLs were sold at very affordable pricing.

Profeeds and **Aquafeeds** (continued)

Corporate Social Responsibily Initiatives (CSR)

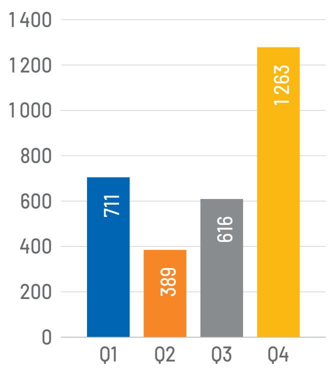
USD 100 000

Spent on Profeeds Corporate Social Responsibility Initiatives during F2023

- Community development was driven through the Profarmer Retail platform, which supported communities in livestock and agronomy training programmes nationwide.
- Profeeds empowerment and uplifting of community initiatives, our ongoing and dedicated Corporate Social Responsibility programme involved providing invaluable advice and expertise at 'no cost' from its dedicated professional animal scientists, nutritionists, veterinarians, and agronomists alongside immense management training and giving hours of time.
- During the year, Profeeds trained close to 3 000 people via seminar-styled training hosted and managed through the Company's centres, as well as on-farm-style training. 75% of those trained were exposed to aquaculture training; potentially new customers for Aquafeeds fish feed.

Small-scale On Farm Training.

Number of People trained between July 2022 - June 2023



Number of People Trained

140%

- Free of Charge Training days are offered to everyone in the community. Onsite training is also offered to those customers that require extra assistance. Estimated value of these free training sessions equated to approximately USD 20 000.
- In collaboration with the Ministry of Lands, Agriculture, Fisheries, Water, Climate and Rural Development, and supplier-organised events, thousands of farmers are reached through events such as field days, opening store promotions and attending specialist field days.

The Ministry of Lands, Agriculture, Water, Fisheries, and Rural Development and the Department of Veterinary Field Services declared a "War against Theileriosis (January Disease)" to curb a potential national disaster. Profeeds sponsored a field day for January Disease Awareness at Shinje Dip in Guruve.

- In addition to the above, Profeeds has a dedicated toll-free call center, which operates Monday to Friday from 8 am to 5 pm and social media customer services teams, offering farmers across Zimbabwe and beyond our borders free advice and information for their projects.
- Profeeds is excited about the upcoming 'Profarmer Gardens Project,' which sees an initial number of schools earmarked to receive agronomy training, including a donation pack towards their horticulture garden projects.
- Following on from the previous year's community based projects, Profeeds has received positive feedback on follow-ups, which indicate that 85% of these projects are now fully sustainable and provide income for these vulnerable groups.

Animal welfare support

Animal welfare support is channelled via two streams: as feed donations and cash donations. Profeeds has loyally supported chosen charities over the years due to their impeccable work ethic and passion towards animal welfare.

- Profeeds support of Zimbabwe National Society for the Prevention of Cruelty to Animals ("ZNSPCA") goes back 11 years with the initiative of 50 cents being donated for every bag of Prodog sold. F2023 donation reached almost USD 10 000, a 53% increase from the previous year.
- In addition, Profeeds supports organisations with their feed requirements and offers feed discounts to organisations such as Healing with Horses and The Tikki Hywood Foundation.
- A USD 10 000 donation to Veterinarians for Animal Welfare Zimbabwe (VAWZ) saw another year supporting sterilisation and vaccination (Rabies prevention) campaigns they spearheaded and this year witnessed 5 campaigns in the areas Caledonia, Chimanimani (Nyahonde, Nyanyadzi, Gudyanya), Kariba, and Christon Bank. A total of 176 animals were spayed and neutered as well as receiving both 5-1 and rabies vaccinations. A further 1 708 animals were vaccinated against rabies. In addition, several walk-in cases were seen, and Profeeds are proud to sponsor this great cause.
- A total of 3 MT of feed was donated to The Friend Animal Foundation.
- Profeeds' continued its sponsorship donation to Imire Rhino & Wildlife Conservation with the donation of 35MT of game pellets this financial year. These game nuts are used all year round as a supplement feed for endangered wildlife, including black and white rhino and elephant. The game nuts improve and maintain the health and condition of the animals greatly, as due to the size of the conservancy, browsing areas can be limited at certain times of the year. Supplementing feeding ensures nutrition; therefore, the condition of the animals remains constant.

Profeeds and **Aquafeeds** (continued)

Corporate Social Responsibility (CSR) (continued)

Area	Support Given	Beneficiaries
Investments in Vulnerable Groups	• Providing free training to the local farming communities	• 3000 farmers and interested poultry farmers • Women interested in Dairy Farming
	• Donation of chicken feed 250kg of Chicken feed	• Regina Mundi Convent Primary School
	• Partnered with International Organisation for Migration (IOM) by offering discount on poultry and broiler feed and equipment.	• Vulnerable communities in Manicaland and Matabeleland.
Investment in Sporting	• Investment in sporting activities through sponsorship of events	• Peterhouse Boat Club • Peterhouse School Golf Day • Zimbabwe Bass Day Golf Day • Hillcrest College, Mutare • Hillcrest International – Equestrian Eventing • Ruzawi Durban July Fundraiser • Riding for Rhinos • Ruzawi Old Pupils' Association
Activities Investments in Animal Welfare	• Providing support for various wildlife charities through the donation of feed and cash donations. • Sponsorship of Rabies Vaccinations and Sterilisations as well as veterinary care through VAWZ • Zimbabwe Boerbeol Show & Dog Appraisal	• Veterinarians for Animal Welfare Zimbabwe (VAWZ) • 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 Foundation • The Friend Animal Foundation

Profeeds and **Aquafeeds** (continued)

Human Capital

Organisational Growth

Profeeds prides itself as an equal opportunity employer and is committed to the growth and empowerment of women in the workforce. The Company's headcount has seen a 29% increase in female employees in a year total employment grew by 8% year-on-year.

- The overall headcount increased from a total of 770 in F2022 to 833 at the end of F2023. This is attributed to the establishment of six new Profarmer branches during F2023 and will further see an increase with the planned expansion of the retail platform.

Training and Development:

Sales Conference:

- The Company has adopted various learning and career development initiatives, including a sales conference for the Sales Team in February 2023. The training was facilitated by SABRE, and 110 retail staff members attended.

Graduate Trainees & Internship:

- Profeeds provides young people with the opportunity to gain on-the-job training. Currently, Profeeds has 24 graduate trainees and 3 university attachment students who are participating in a one-year traineeship that began in August 2022 and will end in December 2023. The trainees are placed in various departments, including Retail (Agriculture/Crop Agronomy & Veterinary/Animal Science), Retail (Marketing & Retail Management), Maintenance (Electrical Power Engineering), Finance (Accounting & Finance), and Quality Control (Food Science & Biotechnology), with a grand total of 27 trainees.

TOPP Program:

- The company also has 9 employees - 6 men and 3 women - enrolled in the TOPP program for F2023 to attain the prestigious Chartered Accountant (CA) designation. This initiative is critical in securing the organisation's long-term skills base and empowering employees to achieve their maximum potential and meet their career goals

Long Service Awards:

- Profeeds recognises employees with long service and celebrated those with 10+ years of service in F2023. These employees continue to be custodians of the Company's performance culture and provide guidance to junior employees. The following schedule shows the number of employees crossing each milestone during the year:

Number of Employees crossing each Milestone in 2023:

Milestone Year	Men	Women	Total
10 years	67	6	73
15 years	11	1	12
20 years	8	1	9
Total	**86**	**8**	**94**

Long Service Award recipients:

From left to right, front row: Stephen Kuyea, Ganizo Vehiwa, Yassin Peter & Passmore Mutsawo). Back row: Tapiwa Mundenda, Ganizani Phiri, Thomas Rusere & Willard Kagwende

nutrimaster

Grow like a Pro

Strategic **Approach**

Nutrimaster is a specialist fertiliser manufacturer based in Harare, Zimbabwe. The Company specialises in providing fertiliser solutions and specialised chemical products for the agricultural sector.

Key Highlights

- Factory capacity increased by 35%
- Invested in a state-of-the-art laboratory for research and development
- Increased distribution of Nutrimaster products across all major retailers
- Services estimated 500 growers

Nutrimaster's network of farmers is extensive, distributing nationwide through major retail brands while servicing a fair share of commercial growers through first tier grower programmes in Zimbabwe. The business services an estimated 500 growers; of these 40% fall under row cropping programmes, 30% under tobacco merchants and the remaining 30% are commercial growers who are supplied directly.

Within just three years of inception, the business has captured 15% of the current market share, ranking Nutrimaster among the top three fertiliser and agro-chemical companies in Zimbabwe.

- In addition to its high-quality fertiliser products, Nutrimaster offers agronomy, laboratory, and logistic support. The Company is registered with the Zimbabwe Integrated Commercial Farmers Union, the Zimbabwe Farmers Union, and is a member of CropLife Zimbabwe.
- The business has also expanded its range of registered chemicals with the Ministry of Lands, Agriculture, Fisheries, Water, Climate and Rural Development, doubling the number of registered chemicals from the previous year.

Factory Processes and Improved Production

- Nutrimaster's factory capacity utilisation increased by 35% year-on-year, exceeding its budgeted expectations by 11%. The Company aims to achieve a further 20% growth in volume in the next fiscal year, further increasing its capacity utilisation.
- The business has invested in research and development, dedicating a state-of-the-art laboratory that conducts fertilisers, soil, chemical, and leaf analysis. This ensures improved quality checks on its manufactured fertilisers and agrochemicals, leading to high performance in the farmers' fields.
- The laboratory generates laboratory reports using the latest technology, enabling Nutrimaster to provide farmers with exceptional service based on accurate recommendations. To ensure uninterrupted operations, the laboratory is equipped with a full solar backup system.

Nutrimaster (continued)

Distribution, Accessibility, and Brand Awareness

- This fiscal year has seen the introduction and growth of the agro-chemical brand "Optichem" in both availability and brand awareness.
- Nutrimaster fertilisers continue to gain momentum within the farming fraternity, both at small and commercial scale.
- The business has expanded its footprint of distributors; and Nutrimaster products are available nationwide through various retail brands and agro-dealers. Since inception, the business has grown its distribution across all major retailers.
- By the close of F2023, Nutrimaster products were in 120 retail stores across the country, from just over 50 stores in the prior year.
- Through the continued support from the farmers, the business has received positive feedback on both Nutrimaster fertilisers and Optichem products, with special mention of their positive impact on maize and soya-bean yield.s

Our People

- Nutrimaster is committed to empowering women and being an equal-opportunity employer, with a total of 83 employees, 13% are women, an increase from 3.5% from the previous year.
- Furthermore, three members of the accounts team obtained their ACCA qualifications, and two employees completed the industry CropLife accreditation course.

Panashe Mugabe - Lab Technician

Nutrimaster (continued)

Corporate Social Responsibility (CSR)

- Nutrimaster has focused on incorporating CSR into its growth strategy, supporting communities through sports and education.
- In terms of educational CSR initiatives, the Company donated computer equipment and stationery to Maine Primary School in Selous. In the next fiscal year, the Company will partner with Profarmer on their 'Gardens Project', providing agronomy training and donation packs for horticulture garden projects at 5 selected schools.
- Through sponsorships and participation in various events, such as the MUD RUN 2023 and golf days like the Zimbabwe Bass Federation Golf Day and Peterhouse Sport Club Golf Day, the business has supported community projects and raised funds for organisations like KidzCan.
- Nutrimaster was the primary sponsor of the annual Huntin, Shootin, Fishin Competition for 2023 – a festive weekend, held at Troutbeck Hotel in the Eastern Highlands encompassing three sporting disciplines, fly fishing, clay pigeon shooting, and equestrian eventing. This event is largely populated by our customer base.
- Nutrimaster has undertaken a sponsorship at Royal Harare Golf Club which will use this donation to upkeep the fairways and greens at the club, a platform to showcase the quality and effectiveness of its fertilisers and agro chemicals.

Area	Support Given	Beneficiaries
Investments in Vulnerable Groups	• Supporting communities through sports and education.	• Donation of computer equipment and stationery to Maine Primary School in Selous. • Primary Sponsor of the annual Huntin, Shootin, Fishin (HSF) Competition – a festive weekend, encompassing three sporting disciplines: fly fishing, clay pigeon shooting, and equestrian eventing.
	• Through sponsorships and participation in various events, supported community projects and raised funds for organisations, e.g. KidzCan.	• Various Farming Field Days and Retail Distributors Technical Days supporting farmers and giving free product training. • Husqvarna MUD Run 2023 • Zimbabwe Bass Federation Golf Day Peterhouse Sport Club Golf Day

Nutrimaster (continued)

Educational Field Work

Nutrimaster is committed to educating farmers to grow crops efficiently and economically while optimising their yields. The business has done this through its presence at the following events and functions:

- Nutrimaster's agronomists supported the retail distributors with technical information through various engagements such as store openings & promotions.
- Participating in the ART (Agricultural Research Trust) farm, for the second time allowed the business to reach over 200 farmers who attended this event.
- Nutrimaster also exhibited at the Seedco Annual Vegetable Field Day at Stapleford.
- Nutrimaster attended small-scale farmer field days where the Company was able to perform a live demonstration of Optichem's Ngwena yedura plus protectant.
- During this year, the Nutrimaster and Optichem teams participated in numerous field days and agricultural shows. The highlight was exhibiting at the annual ADMA Agricultural Show, the largest commercial agricultural show in Zimbabwe. Here, the Company showcased its brands and introduced new technologies to farmers while strengthening its relationships and trusted solutions within the Zimbabwean farming community. Nutrimaster also co-exhibited with Agricair to offer efficient means of applying Nutrimaster fertilisers and Optichem agrochemicals by air with respect to both speed and cost of application for large operations. 1 000 visitors passed through the Nutrimaster Exhibition stand.
- Additionally, Nutrimaster had exhibition stands at regional agricultural shows in Chinhoyi, Marondera, Bindura as well as the Harare Agricultural show.

Nutrimaster (continued)

Challenges and Future Outlook

- The agriculture sector in Zimbabwe continues to face challenges such as climate change, fluctuating commodity prices, and limited access to finance. However, these challenges also present opportunities for Nutrimaster to provide innovative solutions and support to farmers.
- Nutrimaster aims to strengthen its market position by expanding its distribution network and increasing brand awareness.
- Nutrimaster will continue to invest in research and development to develop cutting-edge products that address the specific needs of Zimbabwean farmers.
- The business remains committed to its CSR initiatives and will actively seek opportunities to support and uplift the communities it operates in.

Nutrimaster has achieved significant milestones in the past financial year, including increased production, expanded distribution, and strong financial performance. The Company remains dedicated to providing high-quality fertiliser solutions and specialised chemical products to Zimbabwean farmers. With its commitment to research and development, customer satisfaction, and corporate social responsibility, Nutrimaster is well-positioned for continued growth and success in the future.

Strategic **Approach**

In F2023 Irvine's Zimbabwe (Irvine's) continued with its strategic thrust of investing in people, modern facilities, and global best practices to produce the highest quality products that customers can trust.

Key Highlights

- 11% Topline growth (Revenue)
- Record Table Eggs sales - 19% volume growth
- Record Day Old Chicks sales - 8% volume growth
- Reach - Table Eggs and Chicken - distributed into over 400 stores across the country
- Over 2 000 small-scale poultry farmers attended Irvine's poultry training sessions
- Total of 2 344 employees and their families are provided accommodation facilities on the Derbyshire and Harare South Farms.

New Innovation and Improved Efficiencies with Sustainability

New modern controlled environment houses improved production efficiencies in the commercial layer division by over 10% leading to a 20% increase in the production of table eggs compared to prior year. This will go a long way in making protein accessible, especially to school-going children across the country with eggs being the cheapest form of protein in the market.

Corporate Social Responsibility Spend: F2023

USD 96 000

Focusing on the welfare of its staff as well as vulnerable groups within the communities it operates and animal welfare.

New Projects/Investments

Irvine's launched its three-phase broiler feed in March 2023, formulated to give both small and large-scale growers the best results within 5 weeks. The Broiler Feed project is mainly aimed at supporting the growth of chicken farming in rural communities by offering a complete package of high-quality chicks and feed. The project will also help in fully utilising the modern feed mill that the company invested in years back.

Corporate Social Responsibility (CSR)

Sustainable Corporate Social Responsibility is at the core of Irvine's purpose of changing lives by producing affordable protein and growing businesses. The business supports the communities it operates in through various activities that it upscales every year.

Irvine's (continued)

Celebrating the World Environment Day

The world celebrated World Environment Day 2023 on the 5th of June. This was celebrated to encourage awareness and action for protection of the environment as the Company fully recognises the importance of protecting the environment.

This year the focus was on reducing plastic pollution; employees and the community were encouraged to unite to #BeatPlasticPollution and pave the path towards a greener world. Irvine's has also adopted eco-friendly methods of waste segregation at all our domestic residences and our processing plant.

In partnership with the Refuse Collection Services Company, an estimated total of 6 tonnes of plastic was separated from domestic and processing waste, and sent to various recyclers in the country for the manufacture of products such as bin liners, plastic dishes and plastic buckets, thus preventing all the plastic waste ending up in the landfills.

Harare South Farms Feeding programme (HSF)

The HSF feeding programme is a programme through which the company provides food for children of employees and is aimed at increasing attendance rates, decreasing absenteeism and improving nutrition levels of employees' children left at the play center while their parents are at work. The scheme eases the burden of looking for child-minders on team members as well as reducing the burden of using extra money by providing kids with lunch boxes. The programme also helps parents have peace of mind while at work and this ultimately results in improved productivity. Apart from this, the feeding programme also brings equity and inclusion in education.

Some of the key facts about the feeding programme include:

- Since its inception, attendance has increased by about 65% from an average of 20 kids per day to over 33 per day.
- Attendance has been consistent.
- Balanced diet meals are being offered with children receiving three meals per day. Porridge is offered in the morning, rice or sadza with either beans, kapenta, vegetables or milk offered at lunch, and a late afternoon snack of a boiled egg or 500ml of maheu.
- Concentration and energy levels of kids have significantly improved as evidenced by the level of activity at the play center.
- No children are feeling marginalised as they are all now having the same meals as opposed to the past when they were bringing lunch boxes.

Irvine's (continued)

Irvine's Weekly Donations to the Community (Standing Orders)

The Company also supported 13 organisations with product donations as listed below.

Beneficiary	Description of donation	Weekly quantity
Athol Evans Retirement Home	Large blue chicken, 5kg breasts, Large loose eggs	6 units + 5kg + 30 doz
Beezer Organisation	Large loose eggs + 2kg mixed portion	30 doz + 20kg
Danhiko Project Msasa	Large loose eggs + 2kg mixed portion	30 doz + 20kg
Emerald Hill Children's Home	Large loose eggs	30 doz
Fairways Home	Large loose eggs + family orange	30 doz + 4 units
Harare Children's Home	Large loose eggs + 2kg mixed portion	30 doz + 20kg
Harare Senior Citizens Club	Large loose eggs	30 doz
Jairos Jiri Foundation (Southerton)	Large loose eggs + 2kg mixed portion	30 doz + 20kg
Jairos Jiri Foundation (Waterfalls)	Large loose eggs + 2kg mixed portion	30 doz + 20kg
St Joseph House for Boys	Chirped eggs	1 box (Monthly)
Waterfalls Trust	Standard loose + small green chicken	30 doz + 15 units
ZNSPCA	Value pet food	Approx. 300 units (Monthly)
ZRP Waterfalls Dog Section	Value pet food	Approx. 280 units (Monthly)

Area	Support Given	Beneficiaries
Investments in Vulnerable Groups	• Supporting vulnerable groups 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 & Zimbabwe National Society for the Prevention of Cruelty to Animals (ZNSPCA)

Irvine's (continued)

Disease Prevention

Irvine's being the biggest and only fully integrated poultry company in the country has in place robust biosecurity measures meant to protect the country from disease outbreaks.

The Company operates a world class veterinary centre manned by a team of qualified vets. During the year, over 200 free post mortems were conducted for day old chick customers assisting them with recommendations on disease management.

In order to protect Irvine's birds against the devastating Newcastle Disease, which is usually problematic in small scale flocks and can then be transmitted to Irvine's birds, Irvine's, in conjunction with the Department of Veterinary Services, conducts annual vaccinations of small-scales farmers' birds around Derbyshire & Lanark farms, all contract breeder farms and all 27 contract broiler grower farms. A total of 110 000 small scale birds were vaccinated between July 2022 and June 2023.

Growing Businesses

The company set up new distributors to improve the access of table eggs across the country. This is part of efforts to grow businesses and create employment. Through the sale of day old chicks, the Company helped small and large-scale producers to generate over USD 25 000 gross revenue from selling chickens into the market. Over and above supporting contract growers, this impact is quite significant in terms of creating jobs downstream.

Technical Support

The Company also offers Technical Support to small-scale growers in order to help them increase their profit yields. The Regional Technical Sales Representatives were deployed in the year to fully cover the whole country. Over 2 000 small-scale poultry farmers attended training session held across customer points.

Irvine's (continued)

Our People

Employee Welfare

On average the company employed 1 899 people in F2023 with 33% of them being female. 744 (38%) employees are provided accommodation at the Derbyshire and HSF and in total, the Company offers accommodation to a total of 2 347 individuals and families.

The houses are 4 roomed with a shower, portable water and electricity. The Company also operates two primary schools that offer quality education to employees' children as well as children from surrounding areas. A total of 777 pupils attend both schools and supports the schools with educational materials, support staff and other teaching needs.

In addition to the schools, the Company operates two clinics that are manned by state-registered nurses with weekly visits by a doctor.

The clinics are well equipped and have adequate medical supplies for minor emergencies. Employees are offered free treatment in both clinics and in the just ended year an average of 881 employees and dependents were attended to at both clinics every month.

Employee Wellness

Globally employee wellness programmes have become a critical part of employee welfare and the Company supports various sporting activities for its employees to ensure they have a good balance between work and leisure.

Irvine's Netball Team

Irvine's Queens Netball team has been in existence for the past 25 years and is still fulfilling the benefits to all club members. Since the onset of the 2023 season, the team has won all its games in Division 2 and aiming to qualify for Division one.

Athletics Team

Irvine's Athletics Club has over 40 active members. The club took part in events like GoFit Half Marathon, Zuva Half Marathon, Postman Marathon, and Musabvunda Half Marathon to name a few. Three of the team members won bronze medals at the 2023 Comrades Marathon. The Athletics Club is open to all employees and the company offers trendy branded sportswear to all club members.

Irvine's (continued)

Long Service Awards

During F2023 the Company recognised the service of 171 employees reaching the following milestones, including Luckson Nyamayaro who reached the exemplary milestone of 40 years of service.

Number of Employees crossing each Milestone in 2023

Milestone Year	Men	Women	Total
10 years	44	67	111
15 years	17	20	37
20 years	9	7	16
25 years	1	3	4
30 years	1	1	2
35 years	0	0	0
40 years	1	0	1
Total	**73**	**98**	**171**

Luckson Nyamayaro

Leadership and Management Development Training

As part of efforts to upgrade management skills, the Company enrolled managers into various development courses such as the leadership development program and Exceptional Customer Service training. A total of 188 managers were enrolled in the various training programmes.

Irvine's (continued)

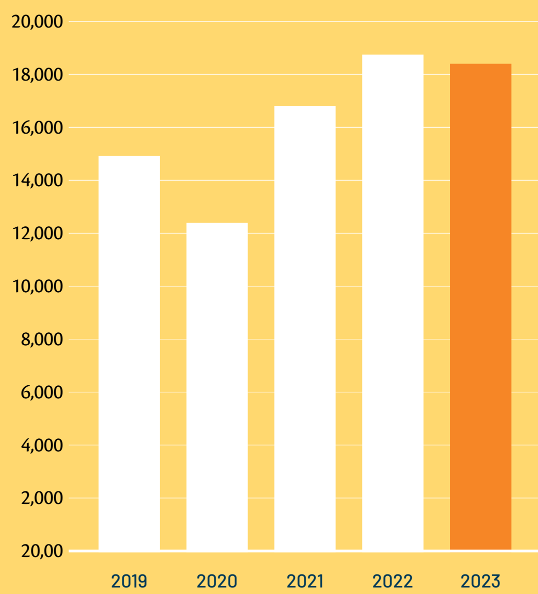
Strategic **Approach**

Colcom Foods provides the market with quality, competitively priced fresh pork, and processed meat products. Its vertical integration, from the best-in-class farms together with solid manufacturing practices, aims to efficiently produce products, while conforming to international food safety standards. This strategy continues to support a proudly Zimbabwean brand, with high-quality and good-value products for consumers.

Key Highlights

Volumes in F2023 remained in line with F2022

Volume Performance
F2023 vs F2022, kgs'000



Colcom Foods continues to expand its pig production to serve Zimbabwe's growing pork consumption requirements and ensure job security for its employees.

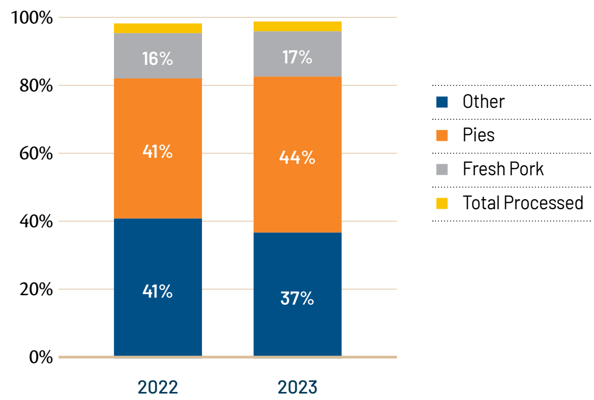
The extensive range of products supports a multitude of businesses within the community and provides key value items within the retail trade.

This, with Colcom's sales strategy of going "further, deeper, wider", aims at bringing the whole product range within reach of every consumer nationwide.

A few processed product categories achieved good volume growth: Uncooked Frozen Sausages (+11%), Small Calibre Polonies (+8%), and Bacon (+2%), while Fresh Pork grew by +8%, making this the largest product category, contributing 44% to total volumes. Going forward the Fresh Pork category shows significant potential for continued future growth. Several processed product categories suffered a decline largely due to turmoil in the retail sector during the period.

There has also been a growing market demand for pies, and plans are being put in place to increase production capacity in this category.

Product Category Contribution to Total Business F2023 vs F2022 (%)



Colcom (continued)

The Colcom Shops' footprint has remained static at 5 shops, with the opening of the Norton Farm Shop this year offsetting the closure of the Mbudzi Shop, necessitated by the ongoing development of the road network on that site.

Colcom Farm Shop, Triple C Farm, Harare-Bulawayo Rd, Norton

The refurbishment of the Mbare shop is currently underway and plans are in place to open a retail outlet at the Ruwa site in F2024.

Improved Efficiencies, New Projects, Investments

Factory refurbishment in F2023 focused on increasing factory output. In line with this, Colcom invested in a range of modern machinery to improve factory efficiency.

In Q4, the Company commissioned a new clipper for polonies, which has almost trebled production capacity on the small-calibre polonies range. This improvement has enabled the Company to meet the growing market demand for this product category in full.

A new tumbler for the bacon curing cellar resulted in a 50% increase in capacity in the production of bacon and hams. This machine will be able to provide enough capacity to meet the future sales target of this category, as defined by the strategic plan.

A new brine injector for the curing cellar, which will be received and commissioned in Q1 of F2024, will result in increased throughput to support future growth as well as a better return on the injection of the brine. Further, it will ensure a better-quality product and even better flavour of the finished product to the customer.

For the processed product lines, Colcom invested in two additional thermoforming packing machines to be commissioned in Q1 of F2024. This will increase packing speeds and also reduce labour costs. In addition, the machine allows use of modern, ridged-base packaging, which will eliminate the cost of buying black plastic trays and produce a better-quality finished product which is 100% sealed in the frozen sausage range.

The Company has also invested in secondary packaging (boxing) equipment on its ever-busy pie line machine in the factory which is now giving more accuracy and improves in line efficiency to yield costs and labour saving.

All these investments will result in growth capacity and provide better quality products and packaging for the end customer.

Colcom Triple C farm feed mill (under construction)

Colcom (continued)

New technology comes with additional environmental benefits as the new packing lines are more energy efficient and use much less plastic thus reducing the amount of plastic waste.

At Triple C Pigs, the business has invested in a new, modernised feed mill. The mill was operational in June 2023 with the capacity to produce all of Triple C's current feed requirements and those for the foreseeable future. This investment will contribute to improved yields and significant cost savings once fully automated and additional silos for bulk raw material handling are commissioned. The mill is currently producing 3 400 MT per month with the potential to double that on a second shift.

The expansion of two additional piggery units is on plan for F2024.

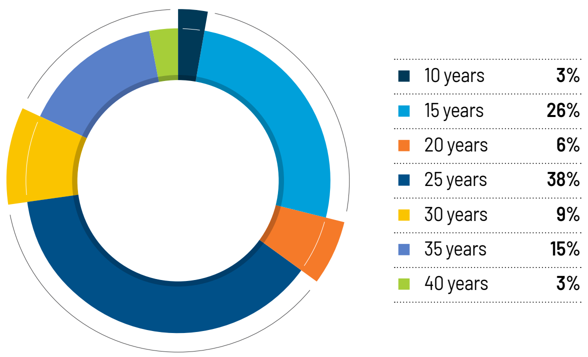
Inside the new feed mill at Colcom Triple C farm (under construction)

Colcom (continued)

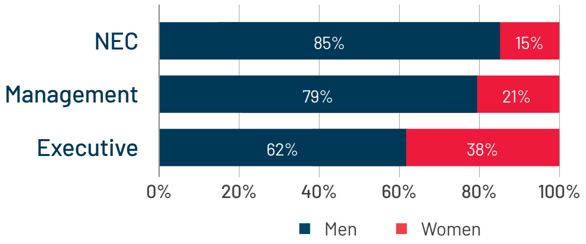
Human Capital

As of June 2023, 1 412 people were employed by Colcom Foods, of which 609 people (43%) are employed across the five pig production units. 58% of the workforce comprises of permanent employees, while the remainder are employed on a seasonal contract basis.

To meet the ever-increasing market demands, the factory operates 2 shifts per day on most lines.



Women make up 224 (16%) of the entire workforce and with a sizable representation in senior management roles.



34 Colcom employees received Long Service Awards in F2023, with 9 of these individuals having worked in the business for 15 years while another 13 were recognised for 25 years of service. 5 members of staff celebrated 35 years of service while Mr Langton Pasipamire reached the auspicious milestone of 40 years of service to Colcom.

Colcom women in the Executive and Management Team:
Top row (Left to right): Marlise van As, Pamela Kwendambairi, Ivy Mushaninga, Sibusisiwe Dhliwayo, Susan Chipamaunga, Elena Gonye. Bottom row (left to right): Paidamoyo Tabengwa, Magugu Gumbo, Mandy Murebwa, Norita Adams

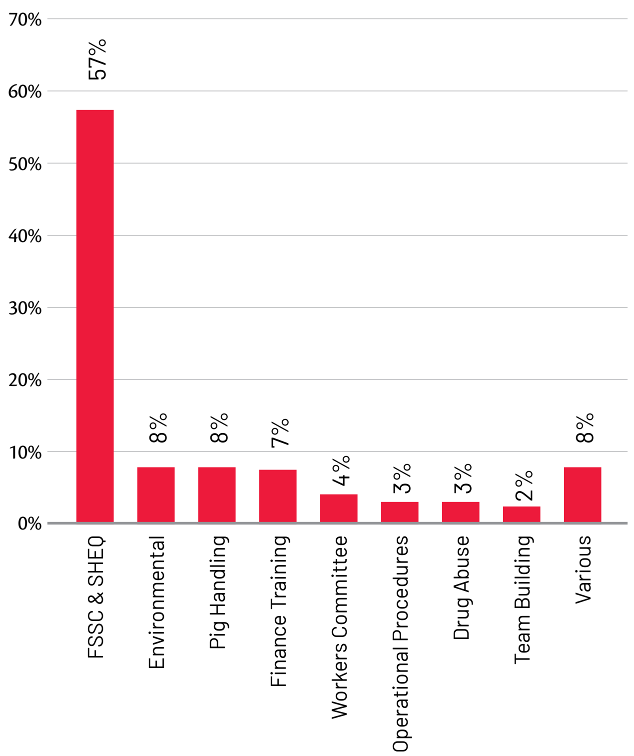
Colcom's Longest-Serving Employees F2023:
Left to right: Langton Pasipamire (40 years), Tawonerera Mwaramba (35 years), Ressina Muchakagara (30 years), Phineas Mabuka (35 years), Honest Moyo (35 years)

Colcom (continued)

Colcom continues to provide its employees with robust training and upskilling opportunities. In F2023, these programmes involved 635 employees and over 9 000 man-hours.

Food Safety Standards Certification (FSSC 22000), and environmental and pig handling training formed a major part of the training agenda as the business strives to upgrade facilities and operations to achieve the benchmark of international standards. Other training included Finance Training and Operational Procedures as well as specific modules for internal auditors, workers' committee responsibilities and team building. Training was put in place to create awareness of drugs and substance abuse and to educate staff on the impact of growing substance abuse in our community.

Man Hours, %, F2023




Colcom (continued)

Corporate Social Responsibility

In F2023, Colcom Foods contributed over USD 309 000 to a variety of its philanthropic as well as community and staff-oriented activities. This made up 4.1% of Colcom's Profit after Tax.

Corporate Social Responsibility Spend: F2023

USD 309 000

Focusing in particular on providing support to vulnerable groups within the communities it operates.

Area	Support Given	Beneficiaries
Investments in Vulnerable Groups	Food donations	• Orphanages - Rose of Sharon, Chinyaradzo's Children Home, Vimbainesu Children's Home, Homefields Care Centre, St Marcellin Children's Village, Shearly Cripps Home and St Joseph's House for Boys • Disability Support - Emerald Hill Children's Home, Jairos Jiri Association and St Christopher's Children with Disability • Retirement Home Support – Athol Evans, Blue Kerry, BS Leon, Fairways, Flame Lily Trust, Malvern, Nazareth House, Pleasant Ways, Waterfalls and Woodland.
Investments in Animal Welfare	Donations towards domestic animals and livestock welfare	• Providing donations in kind towards fundraising activities for the Veterinarians for Animal Welfare Zimbabwe (VAWZ), as well as the Society for the Prevention of Cruelty to Animals (SPCA) – Harare SPCA and Mutare SPCA

Philanthropic donations

As a food manufacturer, Colcom continued to fulfill its primary philanthropic activities by donating products to feed vulnerable individuals in the community. Weekly, Colcom provides almost 1 500 meals to selected registered charities. These include children's homes (Rose of Sharon, Chinyaradzo's Children Home and Vimbainesu Children's Home, Homefields, St Marcellin Children's Village), support people with disabilities (Emerald Hill Home for Deaf, St Joseph, St Christopher's Children with Disability, Jairos Jiri Association), and the retirement home Athol Evans.

To cater for the senior citizen community, Colcom Shops re-introduced a weekly Pensioners Day across all its branches. In addition to a 10% discount on the day, senior citizens at the Coventry Road branch also get a free meal on the day.

Colcom (continued)

Staff Welfare

Colcom Foods prides itself on being a preferred employer in the context of the Zimbabwean economy.


Colcom Triple C Farm School bus

Canteen

The canteen provides nutritiously balanced meals to staff daily, and every shift, which are prepared by uniformed catering service providers at Coventry Road and in-house kitchen staff at other sites.

Education - internships and attachments

Every year, Colcom takes students on attachment in Finance, IT, Engineering, Quality, Food Science and SHEQ departments. These students are recruited from various local universities across the country. Of the 14 students enrolled in F2023, 9 students (60%) were female. In addition to the above, every two years, and as part of developing a talent pipeline, Colcom takes on graduate trainees into the Finance, Engineering, and IT departments.

Education - TOPP Programme

This programme was developed specifically to enhance the studies of top-performing finance employees in the organisation. Colcom is sponsoring 80% of tuition fees for five of its assistant accountants.


Colcom TOPP's Beneficiaries 2023
(Left to right): Elia Kamonera, Willard Chipangura, Tonderai Gonamombe, Panashe Mukwati

Schooling

At Triple C Farm, more than 300 children of the farm employees are assisted with fees for both junior and senior school. This comes up to USD 22 000 per year.

All Colcom farms provide school-going children with daily transport to and from their various schools, spending over USD 14 000 per annum on logistics.


Colcom Triple C Farm Crèche

Triple C Farm also runs a local crèche that is attended by both children of the farm workers as well as those of the local community.

Colcom (continued)

Sporting Activities

To keep staff engaged in recreational activities there are several sporting activities supported by the Company.

Colcom Triple C Farm Netball Team

The Company has an extremely passionate 5-Aside social soccer squad at Colcom Harare. Every Wednesday, games are played in Harare, and the team competes in the annual Innscor competition. The team comprises of members of staff from Finance, HC, Sales, Marketing and Security departments and is a great team-building activity. Last year Colcom Foods won the "World Cup" Innscor trophy.

The farm also sponsors a volleyball and netball team. Sponsorship is through affiliations to the various leagues, travelling costs, game fees and sporting attire.

Colcom Triple C Farm Soccer Team

Triple C Farm also has its own soccer team, which is playing in the country's Mashonaland West Division 2B.

Norton Country Club Golf Course and Clubhouse are maintained by Colcom Triple C

In addition to this, Colcom's Triple C farm maintains the Norton Country Club.

The Club includes an 18-hole golf course, squash and tennis courts and a clubhouse, benefitting the entire Norton community with excellent recreational facilities and promoting the community's social cohesion.

Colcom (continued)

Sustainability

One of the initiatives Colcom engages in is the distribution of over 30 tonnes of organic manure to local farmers near Colcom farms, with 15-20 farmers benefiting weekly from this scheme.

Clean-up campaign assistance at Norton Police Station

In line with this, Grasmere Farm provides a neighbouring farm with 300 000L of organic fertiliser for agricultural purposes daily. The fertiliser value amounts to over USD 36 800 per year.

Every first Friday of the month, Triple C Farm staff also take part in the National Clean Up campaign at the Grasmere Farm. Every term they assist in cutting grass at 5 local school grounds as well as at the local ZRP Station.

Triple C also maintains 18 km of road between Colcom's Lion's Head Farm and Musiiwa Growth point.

Manure collection by the local farmers at Colcom Triple C

Road grading at one of Colcom farms

Colcom (continued)

Health

All staff are offered onsite Clinic Services managed by a Registered Nurse with a visiting Medical Doctor.

A clinic at Colcom's Triple C Farm caters for the welfare of its employees. Dependents of the employees are also given access to facilities and are given medical assistance for free at this onsite clinic.

Additionally, the surrounding community benefits from the clinic as they can receive free treatment from the clinic.

In F2023, the Triple C Clinic attended 3 731 employee cases and 2 860 employee dependents. A total of 242 patients from the nearby community were additionally served in the same period. Although the clinic receives a government supply of drugs, the cost of treatments is subsidised by the Company's financial assistance.

The clinic at Colcom Foods managed 1 483 cases in F2023, in addition to daily medical testing for all food handlers.

Memory Sanganza - Colcom Triple C Farm Clinic

Colcom (continued)

Environment & Animal Welfare

African Swine Fever (ASF) as well as Foot & Mouth disease are significant risks to all players in the meat industry. To protect its herds, Colcom's Triple C's compartmentalised farms invest USD 36 000 per annum in biosecurity activities to prevent this.

In the past, Triple C has engaged with the Government's Veterinary Department and the Zimbabwe Republic Police (ZRP) to rapidly contain any reported outbreak of ASF wherever such occurs in Zimbabwe.

Furthermore, Colcom supports Society for the Prevention of Cruelty to Animals (SPCA) nationally as well as Veterinarians for Animal Welfare Zimbabwe (VAWZ) fundraising efforts contributing USD 2 000 annually towards their animal welfare activities.

Colcom Shop Mutare works closely with the SPCA Mutare branch, making it their very own community project, contributing in terms of pet food and fundraising efforts.

Significant amounts were spent in F2023 on activities linked to environmental conservation across all the farms, such as regular fireguard maintenance, adequate waste management infrastructure, and tree planting activities. Colcom also supported EMA's Community Based Veld Fire Management Training as well as Environmental Sustainability Awareness Week.

Certification

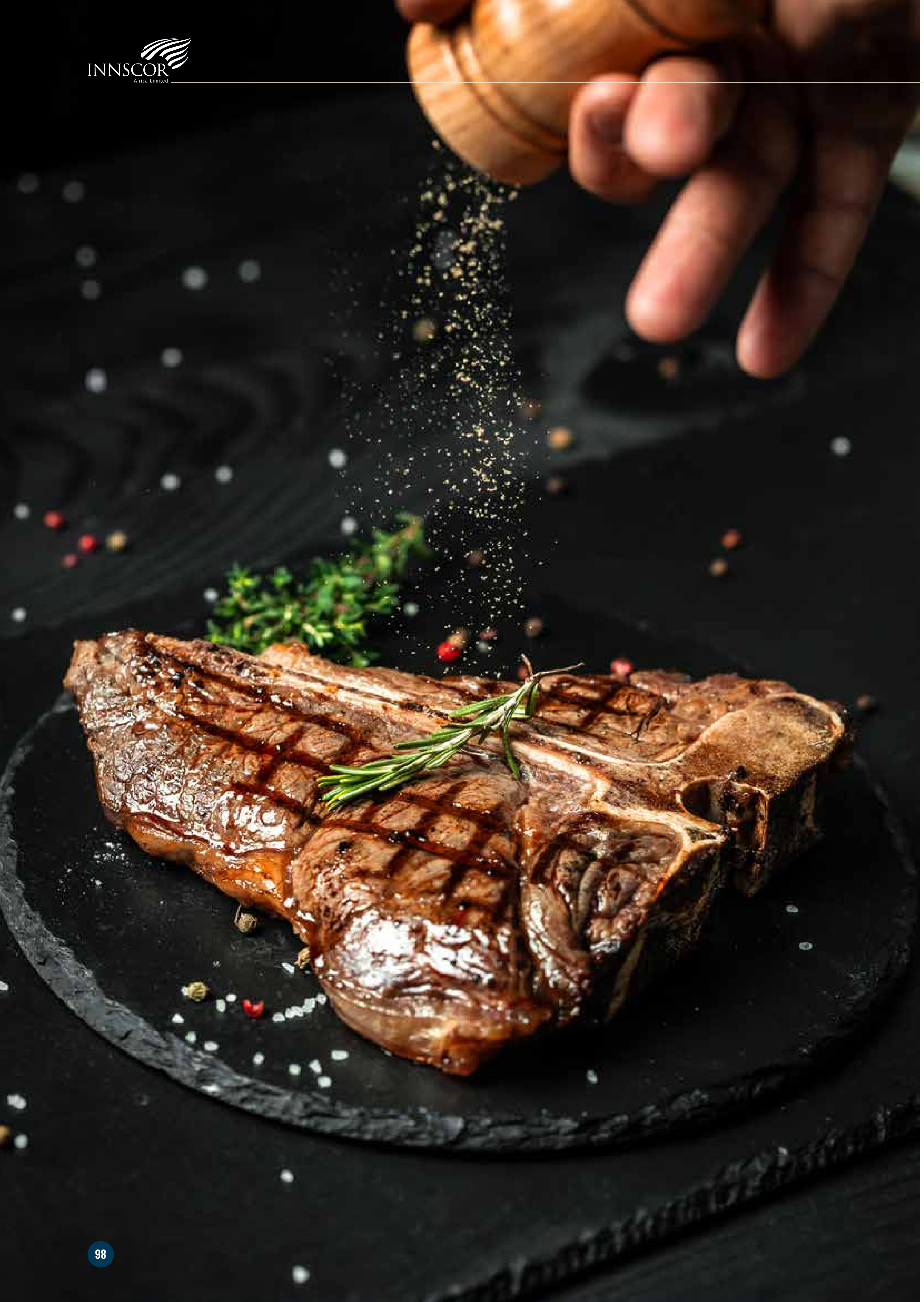
The Foundation FSSC (Food Safety System Certification) provides a certification scheme, FSSC 22000, that ensures a robust food safety management system to control food safety hazards, minimise risks, and ensure safe food production. Reliability in delivering safe food contributes to consumer trust and, eventually, consumer loyalty. The certification is recognised by the GFSI (Global Food Safety Initiative).

Colcom Abattoir FSSC 22000 certificate

After an extensive and detailed process, Colcom attained FSSC 22000 certification for its abattoir, making it the first and only FSSC 22000 certified pork abattoir in the country. Compliance with the requirements of the FSSC 22000 standard demonstrates the Company's commitment to food safety, quality and continual improvement, assuring consumers that pork is handled according to recognised global food safety standards.

Certification of the abattoir is the first and crucial step towards Colcom's ultimate goal - a fully FSSC 22000-compliant organisation.

Colcom FSSC 22000 Team:
Top row (left to right): Frank Machobani, Witness Mlambo, Marlise Van As, Lawrence Makoto Bottom row (left to right): Sibusisiwe Dhliwayo, Amon Moroka, Vongai Korio, Tatenda Shayimana



Strategic **Approach**

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

Key Statistics

Retail Branches	50
Employees	743
Driving women inclusion in the workplace / Female compliment at AMP Group	36%
Staff compliment - Permanent employees: Contract employees	179: 564
Promoting and supporting inclusive agriculture supply chains	116 small and large-scale farmers
Graduate Trainees, Interns and Apprentices in the business Innscor/ICAZ TOPP	20
Programme students	3

Retail Developments & Footprint

AMP opened 5 new stores during the financial year under review, 3 of which were Texas Chicken branches located in Bulawayo, Plumtree and Unit L in Chitungwiza. The Texas Meat Market brand added one new branch to serve the community in Gweru. A Texas Meats branch was opened at the newly commissioned Madokero Mall in Harare West. Butcher Box added a physical shop, Grab & Go, for the convenience of shoppers in Workington, Harare. This location also offers extended hours for customers to enjoy immediate purchasing gratification.

To date the Group has a total of 50 nationwide retail outlets in emerging and underserved communities in Zimbabwe. This growing retail footprint is in line with the Group's ambition to provide quality protein to households across the country and nourish the family.

Total Number of Stores

Texas Meat	Texas Chicken	Texas Dairy	Texas Meat Market	Butcher Box	Total Stores
21	23	1	4	1	50

As part of AMP Group's ambition to uplift and support local communities, the business has undertaken to partner with institutions that help to bring to life AMP's mission which is to nourish the family. This mission is not only linked to the quality protein that the business provides in a number of underserved communities in Zimbabwe, it also relates to improving livelihoods in the very communities that it operates in.

Our Journey

2003

April

Diversification into Beef Project

- AMP Factory – Harare
- AMP Abattoir – Bulawayo

2011

AMP - Factory Expansion Phase 1

- Texas Meats – Shops Opened (Harare CBD & Ruwa)

2012

- Texas Meats – Spar Letombo Launch
- AMP – Factory Shop Opened
- Birth of Texas Chicken

2013

- Texas Meats - Chivhu & Marondera
- Texas Chicken - Rezende

2014

AMP - Factory Expansion Phase 2

- Texas Chicken – Julius Nyerere, Rusape and RGM Outlets Opened

2015

- Texas Meats – Chinhoyi & Speke

2016

- Texas Meats – Bindura, Makoni, Chegutu & Gweru
- Texas Chicken – Glen View

2017

- Butcher Box Launch – (e-commerce business and E online meat business)
- Texas Meats - Mutare & Karoi
- Texas Chicken – Gweru & Bulawayo Fort St

2018

Launch of Zimnyama

- Texas Meats – Kwekwe
- Texas Chicken – Kwekwe & RM Bulawayo

2019

Restructured Associated Meat Packers (Private) Limited (AMP) out of Colcom

- Opened the first 'One Stop Protein shop' flagship Texas Meat Market (TMM), Bulawayo
- Texas Meats – Bulawayo Gain & Victoria Falls
- Texas Chicken – Rusape & Zvishavane

2020

AMP - Expansion Dry Stores & Blast Freezer capacity

- Texas Meat Market – Masvingo
- Texas Chicken – Gwanda & Mutare
- Birth of Texas Dairy

2021

- FSSC 22000 Accreditation for AMP factory
- Texas Meats – Seke Road & Mabelreign

2022

- Texas Meat Market – Westgate
- Texas Chicken – Machipisa, Marondera & Glen Norah

2023

- Texas Meat Market – Gweru
- Texas Meats – Madokero & Chiredzi
- Texas Chicken – Budiriro, Chinhoyi, Domboshava, Mufakose, Plumtree, Lobengula, Unit L Chitungwiza
- Butcher Box – Grab and Go Shop Coventry

Store Locations

KEY

- Texas Dairy
- Texas Meats
- Texas Chicken
- Texas Meat Market
- AMP Factory Shop
- Butcher Box Grab and Go

TEXAS MEATS

Texas Meats Innez
Texas Meats Kwame
Texas Meats Mandela
Texas Meats Ruwa
Texas Meats Letombo @ Spar Letombo
Texas Meats Chivhu
Texas Meats Marondera
Texas Meats Chinhoyi
Texas Meats Speke
Texa Meats Bindura
Texas Meats Makoni
Texas Meats Gweru
Texas Meats Mutare
Texas Meats Karoi
Texas Meats Kwekwe
Texas Meats Vicfalls
Texas Meats @ Gain Byo
Texas Meats Seke Road
Texas Meats Mabelreign
Texas Meats Chiredzi
Texas Meats Madokero

TEXAS CHICKEN

Texas Chicken Glen View
Texas Chicken Rezende
Texas Chicken Byo R G Mugabe
Texas Chicken Letombo @ Spar Letombo
Texas Chicken Coventry
Texas Chicken Bulawayo 11th Ave
Texas Chicken Gweru
Texas Chicken Kwekwe
Texas Chicken Rusape
Texas Chicken Zvishavane
Texas Chicken Mutare
Texas Chicken Gwanda
Texas Chicken Marondera
Texas Chicken Machipisa
Texas Chicken Glen Norah
Texas Chicken Chinhoyi
Texas Chicken St Marys
Texas Chicken Budiriro
Texas Chicken Domboshava
Texas Chicken Mufakose
Texas Chicken Plumtree
Texas Chicken Bulawayo
Texas Chicken Unit L

TEXAS MEAT MARKET

Texas Meat Market Masvingo
Texas Meat Market Bulawayo
Texas Meat Market Westgate
Texas Meat Market Gweru

TEXAS DAIRY

Texas Dairy Coventry

AMP FACTORY SHOP

Coventry Branch

BUTCHER BOX GRAB AND GO

Coventry Branch

AMP **Meats** (continued)

Corporate Social Responsibility (CSR)

The business has targeted to sponsor the development of arts and culture in youth. On an annual basis, the business supports the renowned St John's College pipe band, which is a group of students aged between 12 and 18 years of age who play the pipes and drums at a number of local and international competitions and events. This support has allowed the students to train and hone their musical talents and build a proud legacy that attracts other musically gifted students to the school. Other support under this pillar includes FORZA Bhora, a five-a-side football team, as well as the Hellenic School Charity Golf Day.

The business is committed to support good health and wellbeing for the children at Chinyaradzo Children's Home located in Highfield Harare. Each month the business donates a minimum of 50 kg of meat to ensure that the children enjoy balanced meals. The home has a number of sustainable projects, one of which is growing greenhouse vegetables to compliment the monthly donations from AMP Group. Vegetables grown in the greenhouse are supplied to the AMP Factory Shop as fresh condiments for the shop's daily hotdog sales. To celebrate Easter, the AMP staff also spent an afternoon with the children, braaiing meat and entertaining them with games and sporting activities in addition to the Christmas hampers that were provided to the home in December. Other support under this pillar included a once off donation of meat to Abbot Pfanner Children's Home over the festive season in December 2022. Notable institutions such as the Abbot Choir and Cleveland Pistol Club as well as the Phoenix Choir also received once off meal donations in response to requests for sponsorship sent to the Group.

The business recently commenced its partnership with National Blood Services Zimbabwe (NBSZ). Each term AMP hosts the NBSZ and carries out a blood drive on the premises where staff members and shoppers can freely give lifesaving blood. Cumulatively, 47 donors have given blood since the programme began in December 2022, and the response from employees and community members continues to grow.

Lastly, the business also supports animal welfare and conservation initiatives. Annually the business sponsors Keepnet, an organisation that promotes fish conservation through catch and release in competitive sustainable angling. The Zimnyama division, together with the Department of Veterinary Services, participated in the launch event of the fight against January Disease (theileriosis) to encourage farmers to dip their animals regularly at the reinstituted Government funded communal dip tanks with chemicals to end the tick burden. January Disease is a tick borne disease that affects livestock mainly in the summer rainfall season around January. Locally the disease has become so prevalent that it has developed into an all year-round challenge that affects national beef supplies.

AMP **Meats** (continued)

Corporate Social Responsibility (CSR) (continued)

Area	Support Given	Beneficiaries
Investments in Vulnerable Groups	• Regular food donations and support.	• Chinyaradzo Children's Home • Abbot Francis Pfanner Children's Home
	• Through sponsorship supporting the renowned pipe band.	• St John's School Pipe Band
Culture & Arts Support	• Supporting the arts through cash donations.	• Abbot Choir • Phoenix Choir
Investment in Sporting Activities	• Investment in sporting activities through sponsorship of events.	• St John's Parents Golf Day • Cleveland Pistol Club • FORZA Bhora five-a-side football team • Hellenic School Golf Day
Investments in Animal Welfare	• Food donations to feed the animals within the conservation programmes.	• The Friend Animal Foundation • Society for the Protection of Animals Harare (Harare SPCA)
Other	• Facilitated and hosted quarterly blood camps for the community to contribute to the national blood bank by donating blood.	• National Blood Transfusion Services (NBTS)

Retail Expansion - Texas Meat Market Gweru

AMP **Meats** (continued)

Multilateral Partnerships

Zimnyama partnered with World Vision through the Beef Enterprise Strengthening and Transformation (BEST) Project, a programme funded by the donor community with the aim of strengthening the beef supply chain between the farmers and Private Sector Partners (PSP).

As part of this programme, a number of Cattle Buying Centres (CBCs) have been constructed in strategic cattle farming areas to help improve a farmers' access to the market for trading livestock. Zimnyama administers two CBCs under the BEST project in Ditito, Mt Darwin District, and Mayo in Makoni located in Mashonaland Central province and Manicaland province respectively. Each of these CBCs has 4 smaller satellite centres, where farmers can also come to sell their cattle before they are transported to the main CBCs and then further onto private sector partners such as the Zimnyama abattoir or feedlot.

The main CBCs in Dotito and Mayo have the following structures and facilities in place:

- Cattle handling facilities that are made up of a raceway with a weighing platform as well as holding pens for the purpose of buying cattle from the farmers.
- Feeding pens with feed and water troughs; there are 6 pens constructed with gum poles and concrete feed/water troughs in each pen designed to hold approximately 20 cattle per pen.
- Storage container to store feed for the cattle.
- Tractor, mower, baler and grinding mill equipment for baling veld grass for the cattle at the CBC. Any excess grass is sold at cost price to communal farmers for their animals. The grinding mill helps the farmers mill their own grown maize at minimal cost.

Organised cattle sales are held fortnightly based on the weight and grade of the cattle that farmers bring to the CBC. Proceeds for the sales are immediately given to a farmer the same day the animals are delivered to the CBC. This programme has allowed farmers to enjoy the best advantage, and minimise transport related costs to connect with private sector abattoirs. The feeding lots empower farmers and train them on how to feed their younger cattle in order to collect a better price and higher grade of beef through the BEST project before the cattle gets too old to sell at a competitive price.

As an added benefit, Zimnyama also offers farmers a feeding scheme, known as Feeder Finance Option, whereby animals are fed at the CBC and remain there until they have reached the required grade and weight before being slaughtered.

AMP CEO - Lester Jones - at the Long Service Awards ceremony

Our People

The business held its long awaited long service awards ceremony in June 2023, to acknowledge all employees who have been with the business for over five years.

Number of Employees crossing each Milestone in 2023

Milestone Year	Men	Women	Total
10 years	10	0	10
15 years	2	1	3
25 years	3	0	3
Total	**15**	**1**	**16**

The longest serving employee in F2023 was David Phiri who has worked for the AMP Group for 42 years.

AMP's longest serving employee David Phiri speaking to HR Executive Mr Chamanga and CEO Lester Jones at the Long Service Awards Ceremony

Paidamoyo Mhizha

PRObottlers

Strategic **Approach**

Recent investment into the Probottlers' factory operations has managed to achieve enhanced plant capacity. This has resulted in Probottlers fully entering into the competitive 500ml Carbonated Soft Drink space. A resultant year-on-year growth of 15% was achieved from the added capacity and concentrated trade and marketing efforts.

Key Highlights

Volumes increased by	↑ 23%
Fizzi 500ml sales increased by	↑ 532%

- Recipe Enhancement Initiatives
- New Product Developments in the energy and sports line categories

Fizzi Hub - Epworth

Probottlers (continued)

Corporate Social Responsibility (CSR)

Probottlers has in the last year partnered with business owners in the Domboshava and Epworth communities by way of Fizzi Hubs, where business structures have been renovated and improved in order to not only create brand awareness, but to also improve the aesthetic surroundings of the communities in which the Fizzi brand is consumed.

These units have become trading hubs for community members and have assisted in the growth of incomes from economic activities conducted. Over 500 families have been positively impacted by the hubs.

Probottlers is active and passionate about giving back to the community through partnerships with numerous organisations that support vulnerable children, and the elderly.

The Company has collaborated with The National Blood Drive Campaign by giving them refreshments throughout the country to use in their blood drive campaigns. Bally House cordials are provided for these camps and used as much-needed refreshments.

Probottlers have also partnered with MOBI Soup Kitchen as part of Corporate Social Responsibility programmes. Probottlers donates cases of Fizzi 500ml to assist in the weekly feeding programme. Over 2 000 children under the age of 15 benefit monthly from this initiative. The Probottlers team has also dedicated its team to assist in the provision of services with the MOBI Soup Kitchen team as they serve the children.

Probottlers (continued)

Corporate Social Responsibility (CSR) (continued)

Flame Lily and Westreign Retirement Homes have 120 elderly people living in their homes. Probottlers provide monthly donations of 20 cases of Bally House for their refreshments.

Tag Rugby Trust is an organisation that helps to build the future of Zimbabwean children in the communities through rugby at the grass-roots level. Probottlers donates Fizzi drinks for the weekly games. Over 500 children benefit from this initiative every month.

Probottlers have also taken the initiative of career guidance by having some schools come in for the plant tours. St Johns College visited the plant with 15 students who had interests in different work areas within the organisation.

Probottlers has also continued its involvement in different initiatives, by working together with Hellenic School in the Zimstock fundraising, Husqvarna Mud Run, and SPAR Zimbabwe Rainbow Run whose proceeds go towards various organisations such as Zimbabwe Cricket, Round Table, Miracle Missions and Orate Africa.

Probottlers (continued)

Corporate Social Responsibility (CSR) (continued)

Area	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, Rainbow Children's Home, Emerald School for the Deaf. • Westreign, Flame Lily and Silver Linings Trust Retirement Homes • Round Table Zimbabwe
Investments in Sporting Activities	• Supporting sports through sponsorship of football club's upkeep and providing sporting equipment and soft drinks donations.	• ProGroup Ruwa Football Club • Melfort Football Club • Strathlone Football Club • Ruwa Football Club • Tag Rugby Trust • Island Hospice Golf Day • Kariba Marathon
	• Supporting cycling charity raising money for pensioners in Zimbabwe.	• The Old Legs Tour
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
Other	• Facilitated and hosted quarterly blood camps for employees to contribute to the national blood bank by donating blood.	• National Blood Transfusion Services (NBTS)

Probottlers (continued)

Our People

Probottlers is currently operating with 252 employees, of which 41 are permanent and 211 on a contract basis. 22 people attended different training programs during the year.

Probottlers	Male	Female	Total	Increase	Female H/C%
	195	57	252	21%	23%

Probottlers Soccer Team

As a staff wellness programme, Probottlers has a football club.

The Company also observed Cancer Awareness Week. All the staff members had an opportunity to attend workshops on awareness and the impact of breast and prostate cancer.

The Probottlers staff clinic managed to attend to 103 clinic visits from employees during the year.

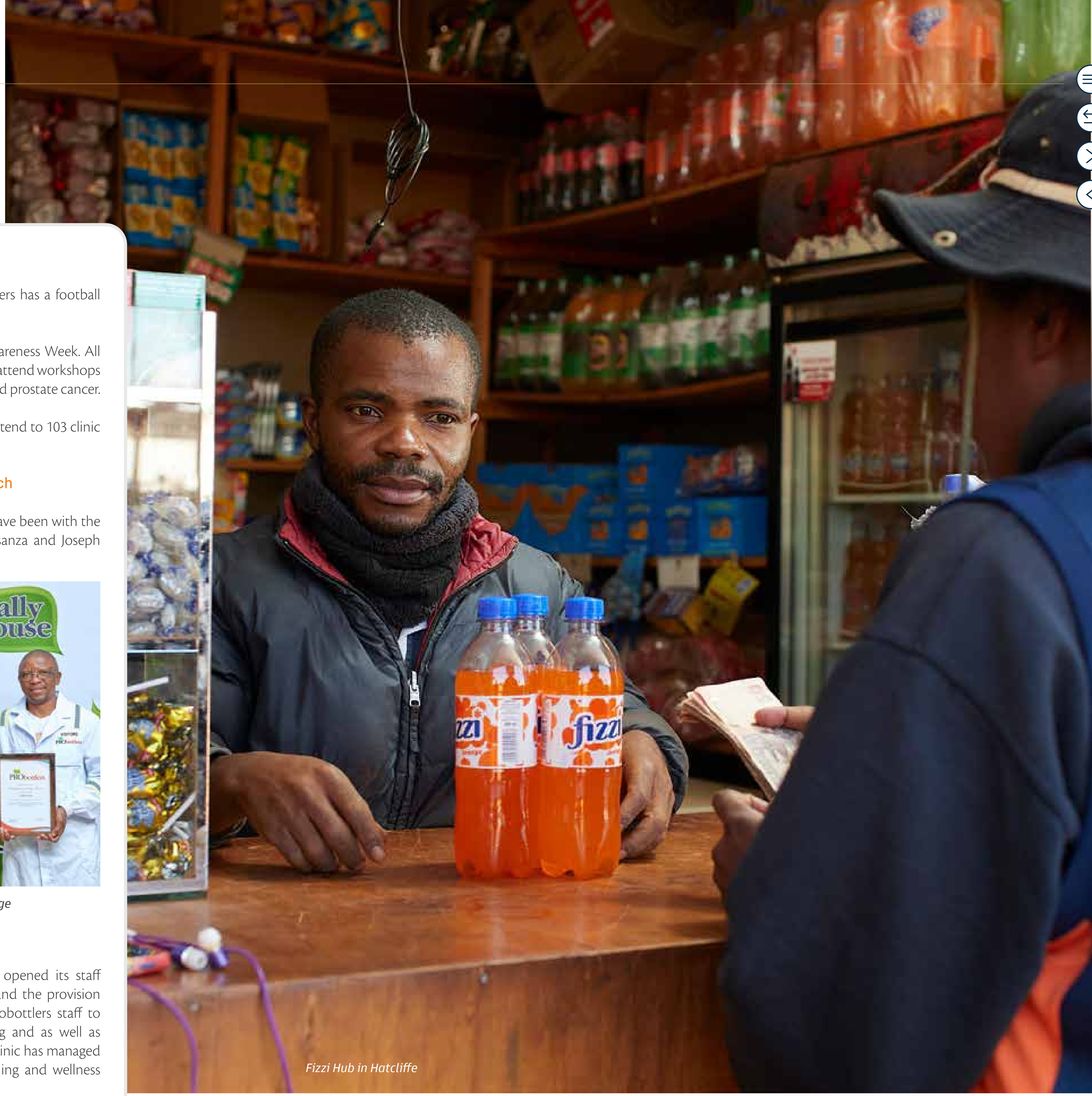
Number of Employees crossing each Milestone in F2023

The company has two employees who have been with the organisation for 10 years, Tinashe Nyatsanza and Joseph Ncube.

Left to right: Tinashe Nyatsanza, Trish Change and Joseph Ncube

Ruwa Staff Medical Clinic

In January 2023, the Prodairy business opened its staff clinic doors. The opening of the clinic and the provision of near-site services has enabled the Probottlers staff to gain easy access to medical, counselling and as well as overall employee wellness services. The clinic has managed to attend to over 100 medical, counselling and wellness requirements.



Fizzi Hub in Hatcliffe

PRObrands

Strategic **Approach**

The Probrands brand was established in 2007. Since then, it has made meaningful strides in packaging innovation, while focusing on the delivery of quality products to consumers. Over the past 16 years, the Probrands brand has become and continues to be the brand of choice in the Zimbabwean market.

Corporate Social Responsibility (CSR)

Through various public-private partnerships and through non-profit organisations, Probrands has played its part in assisting in national challenges around child welfare, while building the next generation through sports, arts and culture, and national blood drives.

Probrands is proud to be associated with the National Blood Services in the blood drive campaigns. The staff has understood the importance of blood donations and looks forward to these camps every quarter and their contribution to the national blood bank.

The MOBI Soup Kitchen is an initiative that aims to reduce hunger and poverty in women and children, with a focus on food and nutrition. The MOBI Soup Kitchen currently visits two major squatter camps in Hatcliffe each week, initially visiting the same communities in order to build up the important relationships required for effecting change. With the assistance of Probrands, over 500 children look forward to these meals every Saturday afternoon. Probrands donates rice and mealie meals to assist in the feeding of over 2 000 children monthly under the age of 15 years.

Probrands also has collaborated with Lynde Francis Trust in donations of rice and sugar beans to over 300 vulnerable families in Mbare, Tafara, and Chitungwiza each month. Most of these people are either HIV positive, or with physical disabilities, and some are part of various support groups.

Flame Lily and Westreign Retirement Homes look after more than 120 elderly and the Company works with them to provide meals for them. Every month, Probrands supplies sugar beans which assists in providing a nutritious meal.

The business also continued to support different initiatives, by working together with Hellenic School in the Zimstock fundraising, Husqvarna Mud Run, and SPAR Zimbabwe Rainbow Run whose proceeds go towards various organisations.

Probrands (continued)

Corporate Social Responsibility (CSR)(continued)

During F2023, Probrands provided invaluable support to several groups through product drink donations and other support, which included the following:

Area	Support Given	Beneficiaries
Investments in Vulnerable Groups	• Regular food donations for centres looking after vulnerable groups.	• Mother of Nations Trust. • 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) • Soup kitchens: The MOBI Soup Kitchen – Meals for Hope and With Love Foundation • Round Table Zimbabwe
Investments in Sporting Activities	• In support of improving the lives of children in Zimbabwe, using rugby as a development tool.	• Tag Rugby Trust
	• Providing a monthly allowance for the local football club within Probrands' community.	• Ruwa Football Club Ruwa FC
	• Support of school sporting events.	• St John's College Hockey Team • Hellenic School Hockey Team
	• Supporting cycling charity raising money for pensioners in Zimbabwe.	• 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)

Our People

Probrands has a workforce of 153 employees with 23% of the total workforce being women as depicted in the table below:

Number of Employees crossing each Milestone in F2023

Milestone Year	Men	Women	Total
10 years	19	2	21
15 years	1	—	1
Total	**20**	**2**	**22**

Probrands	Men	Women	Total	Women H/C%
	118	35	153	23.6%

Left to right: Never Nyagunyu, Tatenda Nhira & Noel Rorry

Probrands' women observed Breast Cancer Week with the women attending an awareness programme at Ruwa Golf Club. The highlights of the workshop were raising awareness and stigma as well as detection and care when one is diagnosed with breast cancer.

Ruwa Staff Medical Clinic

In January 2023, the Prodairy business opened its staff clinic. The opening of the clinic and the provision of near-site services has enabled the Probrands staff to gain easy access to medical, counselling and as well as overall employee wellness services. The clinic has managed to attend to over 150 medical, counselling and wellness requirements.

Probrands (continued)

Sustainability

To ensure sustainable waste management, Probrands has put in place colour-coded bins to allow for waste to be separated within the processing environments as well as exterior parts of the plants. The bins are used to dispose of waste coming from the operations according to the type.

Card box waste generated is also re-used to make layer pads as well as product case pads, which help to reduce the amount of card box waste generated. In addition to the above brick makers in the area, collect coal ash for reuse in their production process. This assists in responsible disposal of an otherwise environmentally unfriendly by-product of the Probrands production process.

For the final management of the waste at the designated waste holding areas, Probrands works with a local service provider who does the final sorting and packing of the waste according to its types awaiting recycling through local enterprises or disposal.

Plastic and cardboard waste is collected by the selected local enterprises for recycling while the non-recyclable waste is disposed of at the Ruwa dumpsite.

Probrands extends itself as the homemaker's brand of choice by ensuring that the Company looks after the furry members of the family. Any generated organic waste from our canteens is collected for reuse as pet food.

Probrands (continued)

Vimbai Hwami - Assistant Quality Controller

Strategic Approach

Prodairy remains focused on ensuring that it provides a sustainable framework that not only adds value to the different stakeholders in its value chain, but that it also plays a part in ensuring that operations from farm to table, are mindful of the environment.

Key Statistics

- During the year, Prodairy's milk intake increased by 32% year on year. This allowed for the increase in the production and volume growth of our key lines.

Category	% Growth over Prior Year F2022
Steri Milk	52.69 %
Dairy Blend	55.52%
Maheu	5.47%
Butter +Ghee	36.00%
Total	**23.52%**

Corporate Social Responsibility (CSR)

Prodairy is passionate about giving back to the community through partnerships with various organisations and projects which support vulnerable children, and the elderly. Prodairy has supported key societal initiatives, including The National Blood Drive Campaign. The National Blood Service is a non-profit making organisation that seeks to improve the quality of life of patients in need of blood without any form of discrimination through collecting, processing, and distributing safe adequate blood and blood products.

Prodairy is proud to be one of Zimbabwe's blood drive collection centres since 2018 with collections towards the national bank growing over 200% in the last 4 years.

Year	Total Collected Pints
2018	38
2019	105
2020	58
2021	137
2022	173
Total	**511**

Prodairy (continued)

Corporate Social Responsibility (CSR) (continued)

The Company continues to partner with the MOBI Soup Kitchen. Through the combined efforts of Prodairy and the MOBI Kitchen team, over 1 000 disadvantaged children are fed weekly, in and around Hatcliffe areas. This has translated to over 52 000L of Revive Maheu availed to children under the age of 15 who do not have access to regular food supply and who are in need of a nourishing and filling beverage.

Through the collaboration with the Lynde Francis Trust since 2019, Prodairy has managed to provide monthly food packs to over 300 vulnerable families in Mbare, Tafara, and Chitungwiza. Most of these families are affected either by HIV, or with physical disabilities.

Flame Lily and Westreign Retirement Homes have benefitted from their partnership with Prodairy with 120 elderly people receiving over 2 000L of our Life Milk.

The mandate of the Tag Rugby Trust is to build the future of Zimbabwean children in the communities through rugby introduced as a sport at the grassroots level. Prodairy has collaborated with the Tag Rugby Trust by providing refreshments after their games. Every month Prodairy donates 120 units of Revive Maheu and Dairy blend to these games.

Prodairy have also been continuously involved in different initiatives, by working together with Hellenic School in the Zimstock fundraising, Husqvarna Mud Run, and SPAR Zimbabwe Rainbow Run whose proceeds go towards various organisations. Zimbabwe Cricket, Round Table, Miracle Missions, Orate Africa.

Prodairy also participated in World Milk Day, held on 1 June 2023 at Bulawayo City Hall. This year's focus was on highlighting how dairy is reducing its environmental footprint, while also providing nutritious foods and livelihoods.

Prodairy (continued)

Corporate Social Responsibility (CSR) (continued)

During F2023, Prodairy provided invaluable support to three groups of beneficiaries through product drink donations and other support, which included the following:

Area	Support Given	Beneficiaries
Investments in Vulnerable Groups	• Food donations made to the centres looking after vulnerable groups within society.	• Retirement Homes: Save Our Aged People (SOAP Zimbabwe), Beatrice Old People's Home, Lynde Francis Trust, Flame Lily Retirement Homes, Silver Linings Trust and Westreign. • Girl Child Protection through Shamwariyemwanasikana (Exclusive Friend of the Girl Child) • MOBI Soup Kitchen – Meals for Hope • Miracle Missions • Waterfalls Islamic Society • Avenues Clinic • Meikles Foundation • Harare Rotary Club, Jail & Bail • FASSA Rehabilitation Centre • With Love Foundation • RhoNaFlo Foundation
Investments in Art & Culture	• Support educational and cultural organisations that inspires young people to develop and showcase their artistic talent.	• Let them Trust • Chipawo
Investments in Sporting Activities	• In support of improving the lives of children in Zimbabwe, using rugby as a development tool.	• Tag Rugby Trust
	• Providing a monthly allowance for the local football club within Probrands' community.	• Ruwa Football Club Ruwa FC
	• Providing food donations for local football clubs.	• Ruwa Football Club Ruwa FC • Melfort Football Club

Prodairy (continued)

Corporate Social Responsibility (CSR) (continued)

Area	Support Given	Beneficiaries
Investments in Sporting Activities	• Support school sporting events.	• St John's College Golf Day • Hellenic School Cricket • St George's Junior Rugby
	• Providing support for the national cricket team.	• Zim Cricket
	• Supporting cycling charity raising money for pensioners in Zimbabwe.	• The Old Legs Tour
Other	• Facilitated and hosted quarterly blood camps for employees to contribute to the national blood bank by donating blood.	• National Blood Transfusion Services (NBTS)

Prodairy with Mobi Kitchen

Prodairy (continued)

Sustainability and Innovation

Prodairy continues to rise to the challenge to provide sustainable ways to meet the growing demand for dairy and dairy products in Zimbabwe. Its mandate is to provide nutritious dairy and dairy-based beverages for the millions of Zimbabweans, in a way that protects the planet.

With its packaging partner, the business is currently addressing on how best to package a litre of milk, maheu or cream, transport it to where it's needed most, and know that when it's eventually opened, even months later, it is safe and tasty to drink and disposed of in an environmental manner. Innovative technology underpins the Company's ability to get products to the remotest parts of Zimbabwe. As Prodairy increases its geographical footprint, it is imperative that it does not prioritise growth at the expense of the planet. Added to the Life family is the new Life Pouring Cream which has now migrated from a plastic bottle to the 500ml Tetra Pak format. This will allow for extended shelf life for the consumer.

Prodairy have also collaborated with Clean Marondera, a community-based volunteer organisation that operates in Marondera. Clean Marondera collects packaging and makes bags, hats, and office bins from the Revive and Life packaging. Over the past year, Prodairy have been using recycled bags for executive hampers and has purchased over 260 bags as its contribution to the initiative. It has also distributed the office bins in its offices which are made use of daily.

In continued efforts to reduce the carbon footprint, the recent Prodairy plant expansion included delivery of new machinery. This came packed in wood packaging to safeguard the machine during transportation. The packaging was later transformed into canteen tables and garden tables which staff enjoy eating their lunch from every day.

One of the Prodairy sustainable development goals relates to Responsible Consumption and Production. To this end, the business has initiated the installation of flow meters in the Prodairy plant in order to enhance their resources consumption monitoring.

Prodairy (continued)

Our People

As the Company grows, Prodairy plays its part in the creation of employment opportunities that are inclusive. Its growth has resulted in a 31% increase in its workforce year on year. Prodairy remains committed to closing the gender gap in the manufacturing sector by ensuring that it develops a gender-balanced workforce while also seeking to empower female staff through various opportunities that expose and build on their skill set.

Prodairy Soccer Team

Number of Employees crossing each Milestone in F2023

Prodairy appreciates the effort, dedication, and loyalty of its workforce to help build the Prodairy brand over the years.

Milestone Year	Men	Women	Total
10 years	16	1	17
15 years	2	0	2
Total	**18**	**1**	**19**

First row from left to right: Tazvitya Mudondo, Revai Dzamatira & Tendai Tapatapa. Second row from left to right: Livingstone Tsaha, Dennis Chikukutu, Edgar Zembe, Kasina Musekwa, Collen Korai, Courage Chichowe, Tawanda Chibika & Walter Madondo

Prodairy has also boosted staff morale through the support of the employees' Prodairy football club. The football club plays in the Harare Marketers League and is currently sitting in the 6th position out of 16 teams.

The Company also observed Cancer Awareness Week. The women in the organisation were afforded the opportunity to attend workshops on awareness and the impact of breast cancer.

Prodairy is currently operating with 568 employees, of which 18% of the total workforce is women as depicted in the table below. 82% of the workforce are contract workers with 18% in permanent employment. In addition, a total of 1 543 casual staff were hired during F2023, providing job opportunities for unskilled workers.

Head Count June 2023

Prodairy	Male	Female	Total	Increase	Female H/C%
	463	105	568	31%	18%

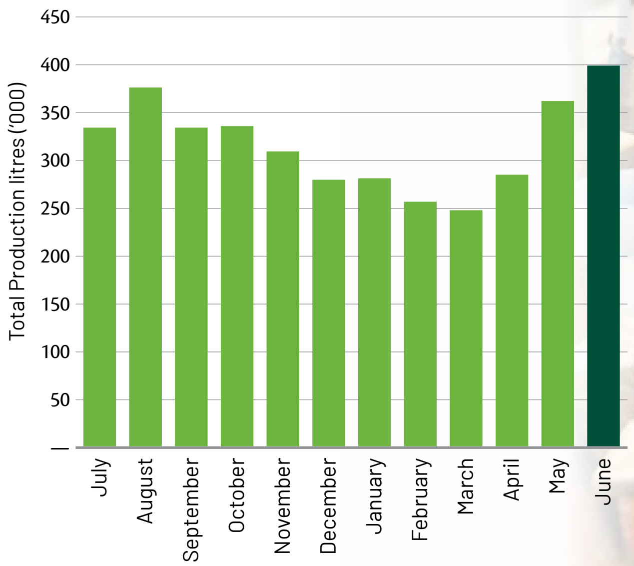
Strategic **Approach**

Mafuro Farming ("Mafuro") is an innovative dairy business currently operating on three farms, two of which are located in Marondera and the third one in Kwekwe. It runs on a pasture-based system where perennial pastures, legumes and cereals are grown, thereby producing most of the animals' feed on-farm. The Company supplies Prodairy's Ruwa-based processing plant with raw milk.

Key Highlights

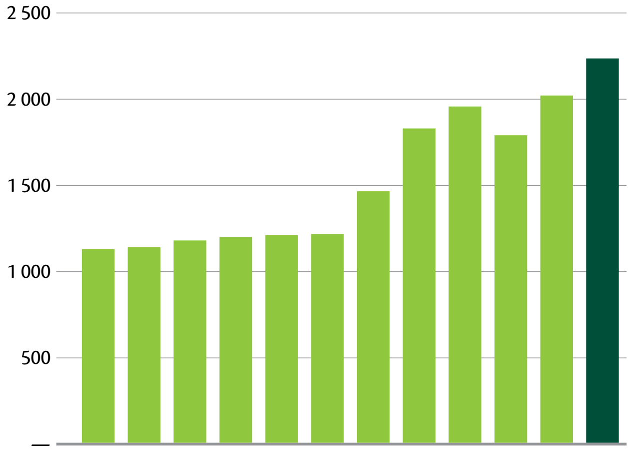
- A new farm that follows a pasture-based dairy system was set up in Kwekwe and started operating in April 2023.
- A total herd count of 2 230, of which almost 50% of these cows had reached milking age.
- Number of animals in milk increased by 16.8% in the current year.
- Milk volumes are up by 8%.

Mafuro Total Production - F2023



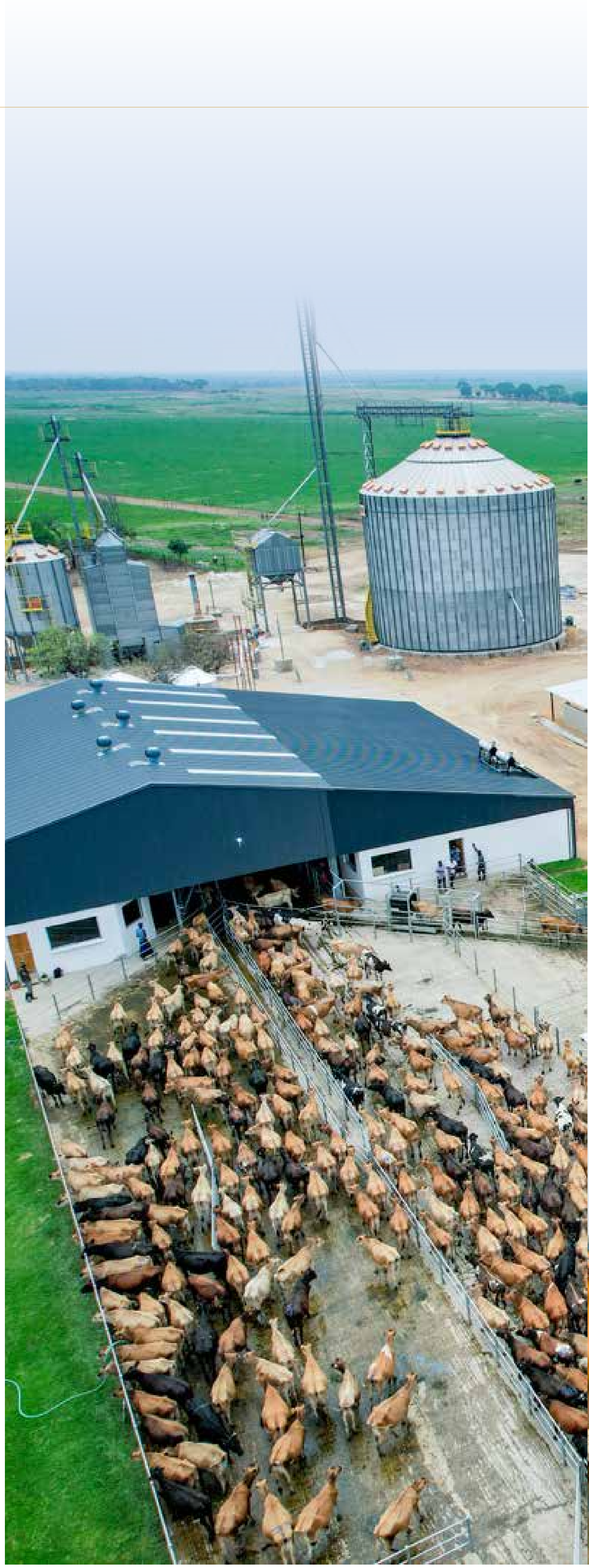
Mafuro **Farming** (continued)

Mafuro Total Head Count F2023



- Total Investment in the dairy farm capacity expansion amounted to approximately USD 5 240 000 over F2022/F2023
- To empower and nurture youths in dairy farming through establishment of a training facility partnering with the Government of Zimbabwe.

Mafuro has established and maintained a partnership with the Government of Zimbabwe through relations with Grasslands Research Institute where Mafuro's dairy venture began. In recent engagements with the Research Institute, Mafuro has taken note of the average age of a dairy farmer which is 63 years and realises the need to mitigate this growing concern. Therefore, the Company is looking to expand into training young and aspiring youths through the establishment of a dairy training school and creation of outgrower programmes. By so doing, sustainable opportunities for the dairy industry are created.



Mafuro **Farming** (continued)

Operations

Having recently concluded the investment activity for the East Range dairy, the business is ready to focus on business optimisation in the forthcoming year. Efforts have hugely been directed on operationalising the farm in order to achieve its target production capacity and unlocking economies of scale.

Given the setting up of Kwekwe Farm, management is consciously aiming at driving the business towards adoption and implementation of the right mindset and efficient farming practices. The Company's ultimate goal is to supply the country's and regional raw milk demand, thereby cutting current reliance on imported milk powder.

Innovations

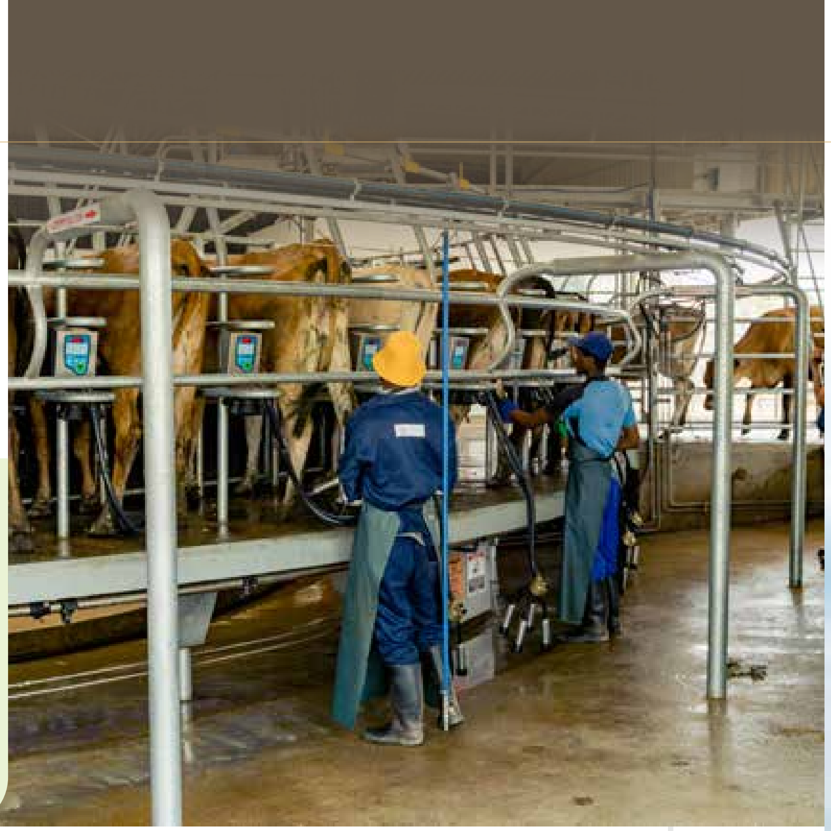
Mafuro invested in Afimilk management software which is vital in improving herd health and profitability by facilitating early diagnosis and treatment of feed deficiencies, ketosis and mastitis. Additionally, the software assists in improving herd planning and boosts herd fertility.

Additionally, the Safari Farm adopted an Inter-Herd Plus computer programme which captures crucial information on artificial inseminations services, lactations, heifers and dams. This innovation is highly important to the business as it keeps the farm and its veterinary services up-to-date on the animals. A Fourth Quadrant programme was incorporated which basically supports pasture management by analysing weekly feed wedge, farm cover and grazing thus helping in determining monthly and annual pasture production. This is useful in decision making related to management of pastures. Resultantly, this minimises input costs of the Company's business model as reduced amount of inorganic fertilisers would be required.

As the Company aims to operate on a low-cost model, Mafuro collects and stores cow manure (slurry) which is pumped and applied as fertiliser on the pastures through its irrigation system. Mafuro thus develops its soils by putting back biomass into the soils when this slurry is applied on pastures. Resultantly, this minimises input costs of the Company's business model.

Mafuro's herd consists of cross breeds, Jersey and Holstein breeds. The business takes the big structure of the Holstein that produces large volumes of milk while crossing with the Jersey cow which enables the production of a very high standard of butterfat milk quality. These cows are in their natural environment on pastures and operate on a free-range model that is sustainable for the growth and development of the milk herd industry in Zimbabwe.

Mafuro **Farming** (continued)



Our People

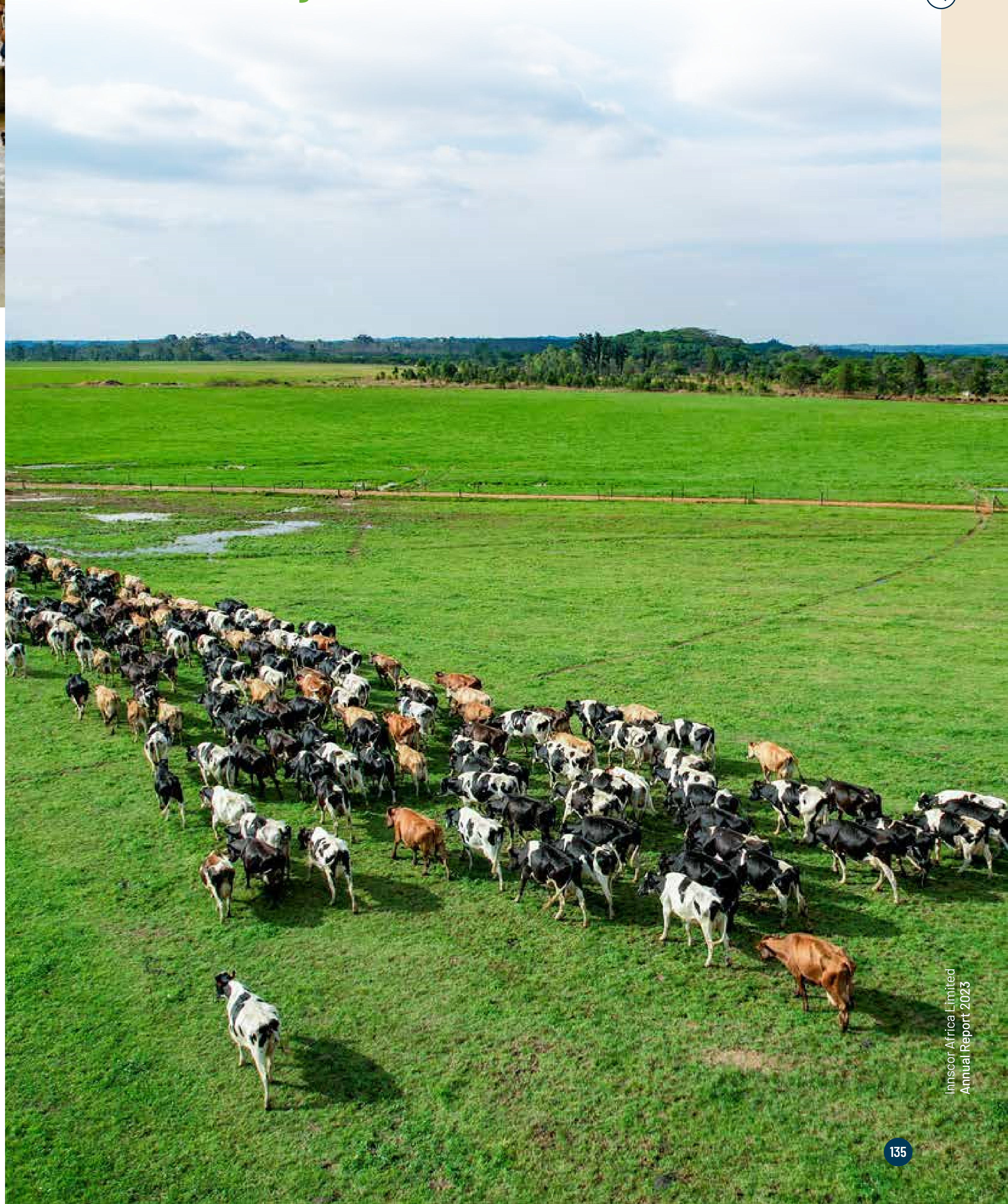
With the upliftment of communities within the areas Mafuro operates in, the Company recruited almost 70% of workers from neighbouring areas.

As at 30 June 2023, Mafuro employed a total of **208 staff** at the three farms.

Men	Women	Permanent	Contract	Total
187	21	54	154	208

Grasslands Farm:
Left to right: Elliot Madapera - Herd Health Supervisor,
Gay Muzanarwo - Herd Health Manager & Clever Makore - Crops and Pastures Manager

Mafuro **Farming** (continued)



NatPak The Future's In The Bag

Alpha Packaging

Shaping Success and Positive Impact

From Sacks to Flexibles Rigids, and the Alpha Corrugated business, we remain deeply committed to innovation, efficiency, quality, and sustainable growth.

Business Growth and Investments

Aligned with our strategic goals, Natpak has prioritised investments in state-of-the-art technology and equipment, enabling us to produce high volumes of high quality output. Consequently, our volumes grew by 12% in F2023, reaching 25 000 Mt compared to 22 000 Mt in F2022.

The year witnessed significant investments in our Sacks business, including the installation and commissioning of a new printer. This upgrade not only enhances quality but also improves operational efficiencies.

Additionally, twelve new Looms and new Twisters were commissioned to augment our capabilities, particularly in manufacturing Baling Twine. In the Flexibles business, we installed a new Laminator and implemented a fire suppression system on our printers, thereby enhancing safety and efficiency. Furthermore, our Rigids business successfully migrated to new premises at Craster Road, ensuring we are well positioned for future expansion.

Commitment to Quality and Sustainability

At Natpak, we recognise the importance of maintaining high-quality standards in our operations. Our businesses are dedicated to continuously enhancing our quality systems. As a result, we upgraded our Brand Reputation through Compliance Global Standards (BRCGS) certification from B to AA, reflecting our commitment to excellence and customer satisfaction.

Moreover, we understand our responsibility towards environmental sustainability and take great pride in our waste management practices. We have implemented a robust recycling policy, ensuring that all waste generated during the production process is efficiently recycled. This includes recycling our polymers through a plastic recycling plant, a solvent recycling plant, and even utilising waste for egg tray production at Alpha Packaging.

Natpak Flexibles at Keslo Road

Natpak / **Alpha Packaging** (continued)

Our Employees and Community

Our employees are at the heart of our success, and their well-being remains a top priority for Natpak. In F2023, our workforce comprised 633 dedicated individuals, with 78 women making significant contributions to our achievements, showcasing the Company's commitment to diversity and inclusion.

Additionally, Natpak provided opportunities for 581 casual workers on an ad-hoc basis, thereby contributing to the local community by offering employment to unskilled workers. During the same period, 25 staff members achieved significant milestones and were recognised for their long service with the company. Notably, Robert Phiri stood out as he celebrated his impressive 30 years of service at Natpak.

Corporate Social Investment

Natpak's social investment initiatives have focused on enhancing staff welfare and promoting employee wellbeing. One such initiative is the Natpak soccer team, which not only promotes physical fitness but also fosters employee wellness. Additionally, the Company has implemented a work-life balance awareness program through the Patsime Trust, aiming to enhance the overall quality of life for its employees.

Furthermore, Natpak has continued its sponsorship of the TAG Rugby Trust. This organisation works towards promoting local talent in underprivileged regions of Zimbabwe, providing opportunities for young rugby players to excel.

Natpak's dedication to making a positive impact extends beyond the workplace. The business remains supportive of the Mabvuku Aids Trust, demonstrating its commitment to social responsibility and making a difference in the community.

Recycling

Natpak, a leading packaging company, is making significant strides in environmental sustainability by recycling 1 200 tonnes of plastic per annum. This initiative is part of the Company's broader commitment to reduce its environmental footprint and contribute to a circular economy.

Strategic **Approach**

The Buffalo Brewing Company, ("TBBC") was established in 2021 as Innscor Africa's first manufacturing investment into the broader Alcohol Category. The Company entered the opaque beer market with the Nyathi brand in December 2022 introducing a 1.25 litre Regular Sorghum Beer.

Volume growth has steadily increased month on month driven by key customer and consumer strategies, and work is underway to extend shelf life of the product.

Trials on new flavour variants are at an advanced stage and this is a key initiative to be an innovative leader in the largely SKU-sterile category.

Buffalo **Brewing Company** (continued)

Strategic **Approach** (continued)

The consumer strategy is simple; Awareness, Availability & Conversion.

The strategic initiatives have focused on creating product understanding and consumer awareness of the Nyathi brand which had seen the company consistently reach over 7 000 consumers a month in taste test trails, one of the largest consumer awareness initiatives the group has embarked on. These taste test trails take place in various outlets and key consumption points, namely in bars and bottle stores.

The company has supported the initiative through a country-wide 90-route van sale distribution network that targets the key consumption points through direct sales.

Of the estimated bar and bottle store universe of over 8 500 outlets, TBBC is currently reaching around 40%. The success of this deeper distribution is further enabled by aggressive pricing, point of sale (POS) materials and a dedicated team of van salesmen.

The customer strategy is centred on creating "A Value proposition with great market support".

TBBC supports the strategy with country-wide activations in over 50 stores a day at the primary sale level (formal and informal wholesale and retail), the team of activators are trained around communicating the preferential "Profit Story" that allows the primary and secondary markets to share in a larger margin.

New Innovation and Improved Efficiencies with Sustainability

Since the time that TBBC has been operational, the following sustainability measures have been put in place:

- A recycling water system has been put in place to collect water used during the packaging process for reuse in the cleaning of floors in the plant.
- The business has implemented a closed loop steam system which reuses heated condensed water and in turn reducing the coal and water usage.
- The ash waste from the boilers is donated to the local community brick makers instead of being sent to landfill, thus improving sustainable and profitable use of waste.
- TBBC partnered with various waste recycling businesses in the collection of ex-factory PET waste for recycling.

New Projects/Investments

Currently, the business is working to wrap up the following key projects:

- Malting Plant – commissioned in August 2023.
- Water Reservoir Project – this investment will involve the construction of a pipeline for water to a large water storage facility. The pipeline is also expected to benefit the St Marnock's Primary School and Stapleford communities as they will also have access to the pipeline. Commissioning is expected by end of Q2 of F2024.

Buffalo **Brewing Company** (continued)

Corporate Social Responsibility

The Buffalo Brewing Company has made a difference in both its local and other communities as tabled below;

Area	Support Given	Beneficiaries
Investment into People	• 128 new Jobs created • 74 previously unemployed hires	• Local Community
Environmental Protection	• Plastic waste recycling	• Our environment
Donations to Vulnerable Groups	• Food donations	• The Mobi Soup Kitchen – Meals for Hope
Investment in Education	• Construction of Early Childhood Development (ECD) school block to support 100 scholars	• St Marnock's Primary School • Local Community
Investment in Local Community	• Donations of coal ash for brick making	• Local Community
Other	• Monthly fuel to help in the fight against drug abuse	• Harare Province Anti-Drug Police Campaign.
	• Monthly fuel donations to support crime fighting in the local area	• Marlborough Police Station

Buffalo **Brewing Company** (continued)

Our People

In the just ended financial year, TBBC had a total of 128 employees with women comprising 16% of the workforce.

Progression in Employment numbers in F2023:

	Men	Women	Total
Total for Q1	30	4	34
Total for Q2	46	5	51
Total for Q3	89	17	106
Total for Q4	107	21	128

A key qualification and skill requirement assessment is underway to determine the various technical and support training to improve the skill sets of critical positions in the organisation.

Buffalo **Brewing Company** (continued)

Our People (continued)

Top performers are recognised annually through an Employee of the Year award.

Left to right: Tapiwa Zvarevashe, Stephen Baron, Mutsai Mutasa and Steven Mushanyuki

Strategic **Approach**

Providence Human Capital ("PHC") is a human resources and related services business anchored on the philosophy of Hunhu/Ubuntu across its pillars.

Its core business is to provide corporate services management, focusing on people solutions, it also provides Afrocentric, flexible, innovative, customised best practice solutions to its clientele.

The services offered by PHC include the following:

- Outsourced Payroll services.
- Staffing Solutions
- Employee Health and Wellness
- Employee Benefits

Key Highlights

Gender disparity has been addressed through employing 68 women, seven of them in management and one at executive level. There are 71 men, with six in management. Out of the 139 employees, 84 are permanent staff and 55 are contract workers, a further 5 000 employees have been forwarded to various entities within the Group under the Staffing Solutions Pillar.

PHC believes in investing in engagement with its employees at orientation, induction and onboarding and later to deliver cohesion in an organisation. PHC has a Learning and Development division that is staffed by qualified trainers, psychologists and Human Resource (HR) professionals.

To enhance employee engagement, PHC has dedicated resources to conversations with leadership, Girls Network and Boys Network to network on Group and country issues. These networks provide employees with a platform to meet fellow professionals who in turn inspire each other by demystifying gender-based deviant cliches and improving their work morale and performance. Through these platforms, topical issues are discussed such as leadership conversations, HR conversations, the amended Labour Act and the new Marriage Act as well as opportunities within the Group, Group Investment initiatives, Group-wide employee benefits among many other topics.

Providence **Human Capital** (continued)

Health & Wellness

The health and wellness of employees is key to both profitability and sustainability of the company. Besides the establishment of onsite clinics at Prodairy, Eureka Mine, Pickstone Mine, National Foods, Colcom Complex and Padenga are other examples of how PHC has improved employees' access to basic primary health care and increasing their health seeking behaviour.

PHC Health Division took the initiative and conducted 3D mammogram tests on women across the Group aged 40 years and above and these proved to be a welcome initiative within the Group's women employees. It evoked different feelings and the assistance of internal counsellors was most helpful as the process was an emotive one. In total 420 women underwent the process.

PHC has hugely invested in clinics to serve the employees and dependents of its stakeholders. From the 24 clinics in the different regions around the country, of which 16 clinics relate to IAL Onsite Clinics, PHC reported 38 351 visits by employees and 10 399 visits by dependents. A total of 8 036 different medical tests were conducted in F2023.

The additional clinics are an answer to our desire to have medical relief reach every corner where the Company's stakeholders are found. PHC has also put in place a Chronic Medication Mobile Clinic in Harare which delivers medication to employees and dependents who are registered in the clinic chronic register. New clinics opened in F2023 are at Providence Prodairy Clinic, as well as at National Foods Stirling Road and Bulawayo, and satellite clinics in Beitbridge, Chinhoyi, Chiredzi, Hwange, Victoria Falls and Zvishavane. Upcoming clinic projects include Seed Co Stapleford, Seed Co Shamva, Seed Co Kadoma, Gweru Family Clinic, Epworth Clinic, Chinamano Specialist Services Clinic, Harare and Ambulance services. All clinics are non-cash clinics.

Summary of Client-driven Initiatives

PHC's management is anchored in the Hunhu/Ubuntu philosophy and a deliberate cultural tolerant environment that extends the definition of dependents to resonate with African culture that looks beyond the nucleus family, encourages use of totems in the workplace to foster a culture of identity and naming and norming of departments using the vernacular language.

- Establishment of additional onsite clinics in factories.
- Client specific Wellness Days and Health Initiatives that focus mostly on prevention and management of chronic illnesses.
- Increased access to loans and financial services through the IAL Employee Share Trust and the various banks e.g., CBZ loans, Innbucks loans.
- Establish enhanced group life assurance and funeral assistance initiatives.
- Issue of e-pay slips via email and text messages and to save on paper.
- Provision of transport for PHC employees to and from work and provision of lunch to employees through the establishment of factory-based canteens through our Procanteen division. The canteens supply 7 100 hot meals to staff within the Group daily.
- Increase access to amenities such as residential stands and housing facilities by negotiating on schemes.
- Hold stakeholder feedback meetings and consultative forums with the surrounding communities such as the police and the business community on the operations of the Group.
- Open door policy where even walk-in customers are assisted without the bureaucracy of appointments.
- Hold HR and Leadership seminars across the Group to conscientise on the current situation in the field.
- Hold weekly HR feedback meetings and training for internal HR staff across the Group.

Providence **Human Capital** (continued)

Corporate Social Engagements

- Participate in neighbourhood Crime Consultative Forums, which includes the Avondale Crime Liaison Committee (ACLC).
- Partnered with private voluntary organisations (PVO), Government departments, universities offering contextual assistance, e.g. career guidance, counselling services, and cleaning services, among others to take advantage of their existing structures.
- Maintenance of the Newlands By Pass roundabout garden.
- Skills development through various training programmes, e.g. First Aid, performance acceleration programmes.
- Provision of access to health facilities for people other than our employees (their dependents).

Providence **Human Capital** (continued)

Corporate Social Responsibility (CSR)

Providence Human Capital has invested in Corporate Social Responsibility initiatives whose impact is beyond any monetary quantification.

- Student scholarship program – PHC engages in the emancipation of vulnerable groups through its student scholarship program in all higher and tertiary institutions in the country. The first group of recipients is graduating in September 2023 from the University of Zimbabwe Law School comprising of two men and a woman. The total number of recipients were 10 girls and 9 boys.
- Mutemwa Leprosy Centre – payment of salaries for the staff and involvement in patient well-being through provision of wardrobes, stoves and bedding. Aided in building ablution facilities for patients and visitors.
- Rotary Club – donated wheelchairs to needy and disadvantaged people with disability.
- Cancerserve – payment of salaries for the staff.
- Southern African Regional Police Chiefs Cooperation Organisation Games – donated sport wear to the team for its visit to Tanzania where the team came first in all disciplines.
- Rose of Charity Children's Home – visits by PHC team to interact with the children.
- Chinotimba Old People's Home – harnessing of resources from various companies within the Group and aiding the Home to be self-sufficient.
- Miracle Missions – assisting with food, transport and manpower on community campaigns. Donated buns and beverages to the Drug Free Zim campaign which was championed by Miracle Missions in Epworth. The next stage is to partner with the NGO to empower parents to tackle these issues in the communities in which they live.
- KidzCan Rainbow Village – assisted with the building of the village, also buying raffle tickets by employees.

Providence **Human Capital** (continued)

Careers Guidance Day for A Level Students (Arundel School) - in collaboration with the University of Zimbabwe faculty of Applied Psychology

Governance

Empowerment of the **Group's Employees**

The Group employs over 10 800 employees out of which approximately 4 400 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.

INNSCOR
INNSCOR AFRICA EMPLOYEE SHARE TRUST (PRIVATE) LIMITED

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, 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 2023 financial year, the Trust received a total of USD 913 588 in dividend from Innscor and out of this, qualifying employees received USD 862 600 in dividends during F2023. In September 2023, the Innscor Board declared a total dividend of USD 305 000 to Innscor Africa Employee Share Trust Company (Private) Limited and it is expected that qualifying employees will receive a final dividend, before the end of the calendar year.

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 USD
November 2022	100	4 212	421 200
March 2023	100	4 414	441 400
Total paid in 2023	**200**		**862 600**

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.

Testimonials of some of the Innscor Africa Employee Share Trust Dividend (IAL EST) recipients

School Fees

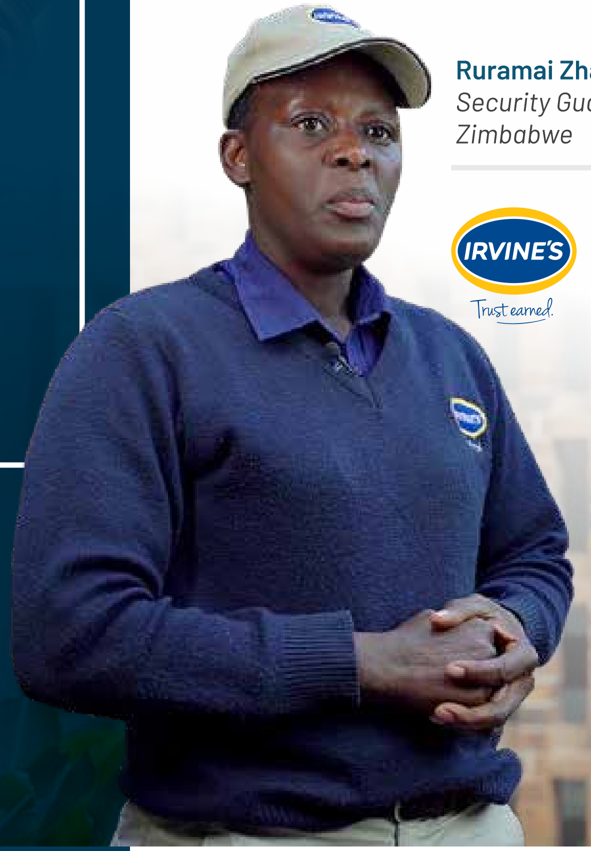
"I used the Employee Share Trust to get a loan to pay for my son's school fees when he started Form 1. There are a lot of things that are needed when one goes for Form 1."

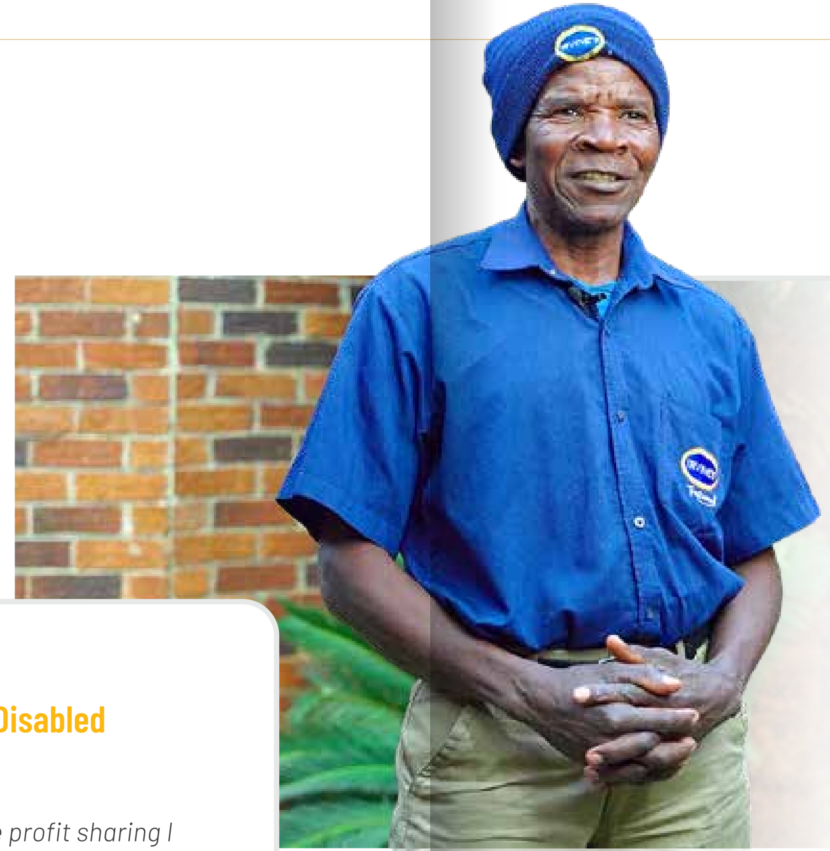
Claudia Kwenda
Sales Representative, Associated Meat Packers (AMP)

School Fees & Disabled Child's Welfare

"I am happy for the profit sharing I received as well as the loans i secured. This helped me a lot. Ndakakwanisa kubatsirikana ndaive nemwana ari disabled. That boy is late but it helped me panguva yaairarama ndakakwanisa kumuendesa kuchikoro chaaikwanisa kubatsirikana. (The dividend and loans helped with the care of my disabled child before he died)." (MHDSRIEP)

Ruramai Zhakata
Security Guard, Irvine's Zimbabwe

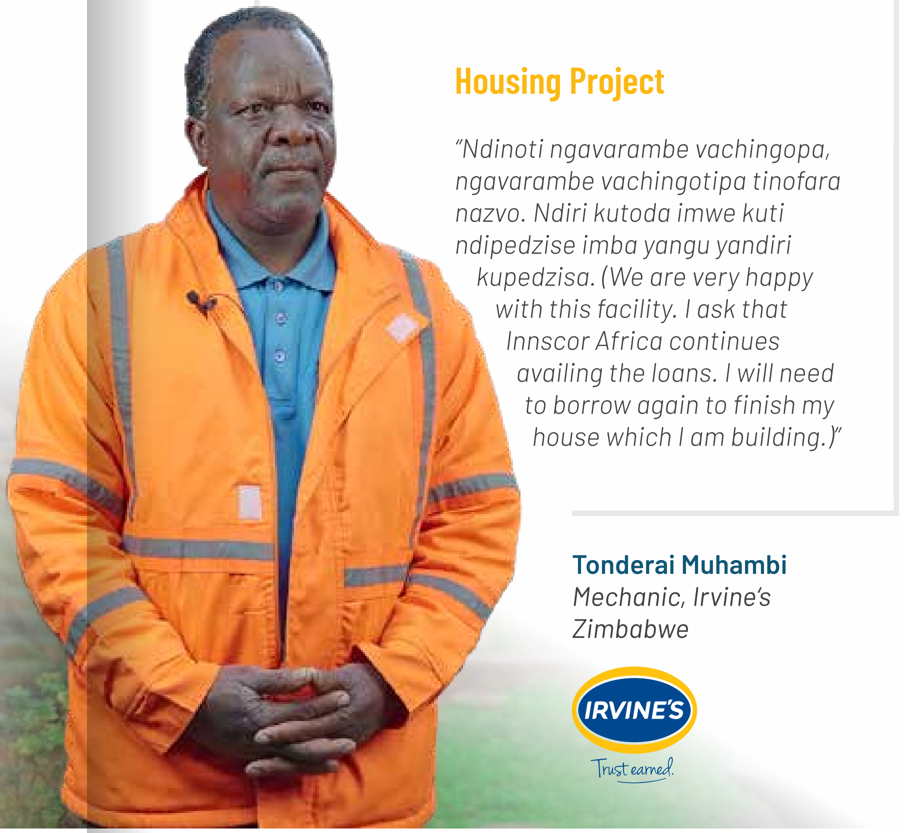




Medical Bills

"Ndakaiwana apa mudzimai aita uhwere hwanga hwakandiomera ikandibatsira sitereki. Adzimai vangu vakarwara zvichibva zvangodombanwao nayo ndichibva ndangoisevenzesa ikoko zvikava zvinhu zvakandisunungurawo kutiwo yauya nguva yakanaka. (The dividend could not have come at a better time. I received it when my wife was ill and that made a huge difference in getting her treated.)"

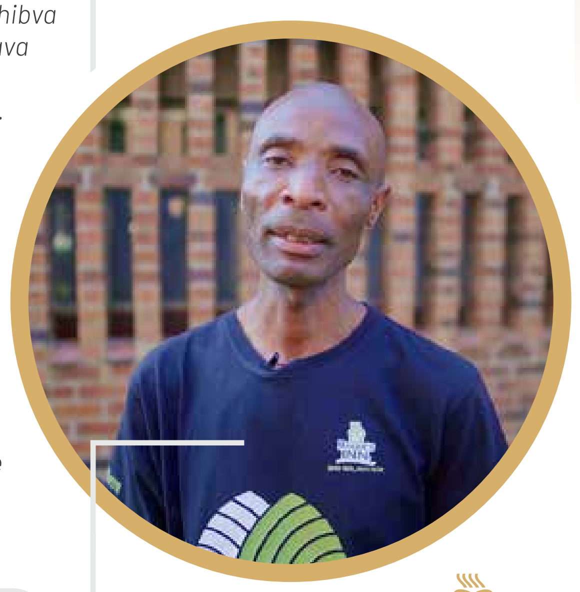
Tobias Mugariwa
Messenger, Irvine's Zimbabwe



Housing Project

"Ndinoti ngavarambe vachingopa, ngavarambe vachingotipa tinofara nazvo. Ndiri kutoda imwe kuti ndipedzise imba yangu yandiri kupedzisa. (We are very happy with this facility. I ask that Innscor Africa continues availing the loans. I will need to borrow again to finish my house which I am building.)"

Tonderai Muhambi
Mechanic, Irvine's Zimbabwe



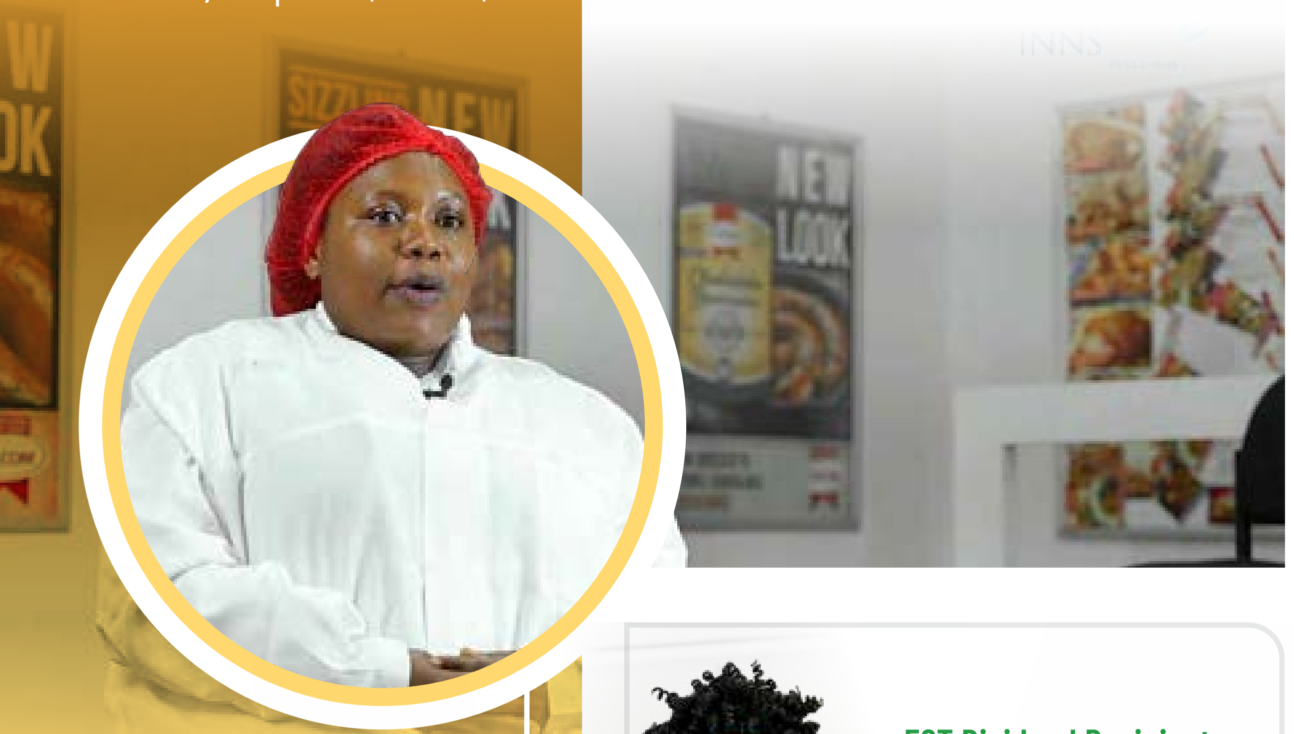
Construction/ Housing Project

"Ndofara izvozvi kuti ndatowawo nezvidhina about 30 000 zvandakapihwa through a loan ye Share Trust. Naizvozvo I encourage everybody anoda kuapproacher that scheme aiite because it a scheme that is open to everybody. (With the loan I have managed to buy 30 000 bricks. I encourage everyone to take advantage of this facility.)"

Lameck Gumbo
Machine Operator, Bread Division

Empowerment of the **Group's Employees** (continued)

Testimonials of some of the Innscor Africa Employee Share Trust Dividend (IAL EST) recipients (continued)



Personal Projects

The IAL EST has helped most of us employees to develop ourselves, to develop our lives and to work on working projects in our lives. Thank you Innscor for helping us as employees.

Leila Mabika
Colcom Foods Division

EST Dividend Recipient

""I am so happy about the employee share trust, and I hope that they continue doing what they are doing in assisting employees."

Valerie Copa Copa
NatPak, Sales Executive

Medical Bills

"I am here to say thank you so much to Innscor EST for taking care of me whilst I was not feeling well. You have employees at heart. I really want to thank you so much. Now I am recovering and am now back at work."

Maggie Chinembiri
Clinic Receptionist,
Providence Human Capital

It was a dream come true to achieve this degree in psychology (BSc. Psychology Honors) at Women's University In Africa. Being a diploma holder in counseling, I had always wanted to understand more on my client's behavioural changes. Thumbs up to the IAL EST loan facility for a job well done by assisting me in paying for my university fees.

Benedicta Mutamba
Counsellor – Specialist Services Clinic,
Providence Human Capital

Mina i Employee Share Trust lian yangincedisa ukuba ngiye e University ngithole i Degree in Psychology. Kwaku vele kuyisifiso sami empilweni ukuba ngifunde ngifike a University ngigqoke iGown le Cap Yama Graduate.

Nyiyabonga Innscor Africa ngesikwelede se Employee Share Trust!

(The IAL EST awarded me the opportunity to further my education where I attained a BSc Hon Degree in Psychology. It has always been my dream to graduate at tertiary level. I am glad to say now I think I can do my occupational health nursing duties better since I understand my patients better. I also share the knowledge I acquired with my colleagues to bring out better services at our centre.

I thank Innscor Africa for the Employee Share Trust loans and encourage others to access the loans and realise their dreams!)

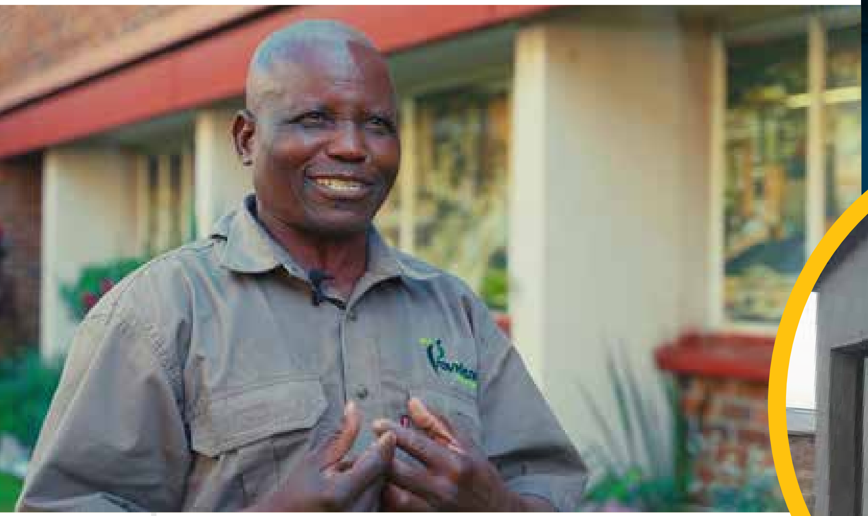
Sister Jane Vundla
Nursing Services Manager,
Providence Human Capital

Started Business Venture & Paid Children's School fees.

"Share Trust yakandibatsira. Ndaimbokwereta mari ye school fees nechimbadzo, but iyezvino nekuda kwe Share Trust ndakukwanisa kuendesa vana kuchikoro chesarudzo yangu zvirinyore. (The IAL EST has helped me a lot during a very difficult time. I borrowed school fees for my children and now able to send my children to better schools.)

Marcelina Dyariwa
Nurse Aide,
Providence Health

Empowerment of the **Group's Employees** (continued)



Kingstone Njinda is aged 65-years old. He was employed by Innscor Africa Limited since 1993 but joined Providence Human Capital in 2015. At the inception of the IAL EST and as part of the retirement planning, Kingstone was afforded a housing loan to construct a residential property. Kingstone managed to construct a property in Mutawatawa which is his rural area. The loan made it possible for Kingstone to construct a beautiful property for himself, securing his livelihood after retirement and reducing the risk of end of work stress-induced illnesses. The opportunity has helped Kingstone settle his loan whilst being employed by Innscor Africa while preparing for his retirement and is very excited to retire so he can move into his property. A teary Kingstone at the handover ceremony said, "Ndinotenda Innscor nekundichengeta makore ese andashanda pano, asi zvandaitirwa nhasi izvi handingagone kutenda, ndinoti Mwari ave nemi!."(I want to thank the Innscor EST for taking care of me during my employment. I however can never thank them enough for this opportunity to have a home and for that I say, God bless you!

Kingstone Njinda
Providence Human Capital

IAL Employee Share Trust (EST) Outlook

The thrust of retirement planning is to ensure that our employees have somewhere to stay after retirement that is affordable for them. IAL EST will endeavor to assist qualifying employees to construct their retirement homes in their rural areas where employees are not subjected to costs such as rates and enjoy with a peaceful mind, a lower required cost of living. IAL EST will also proactively assist our employees gain skills these retired employees can apply post-retirement to sustain themselves for day-to-day living, economically as best as possible.

Looking into the future, the IAL EST is so excited about the new initiatives coming up as our employee empowerment thrust looks to further secure employee wellness by improving access to reliable and affordable ambulance services, medical insurance, and medical specialist services.

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.

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.

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 23.4**.

Corporate **Governance** (continued)

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 VFEX.

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 requirements of the Companies and Other Business Entities Act (Chapter 24:31) ("COBE") and with the COBE and with the VFEX Listing Requirements and in line with governance policy and international best practices of corporate governance. At the commencement of F2023 our Board of Directors consisted of two Executive Directors, three Independent Non-executive Directors and two 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 seven 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 **pages 166 and 167**.

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 **pages 162 and 163** 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 23.3**.

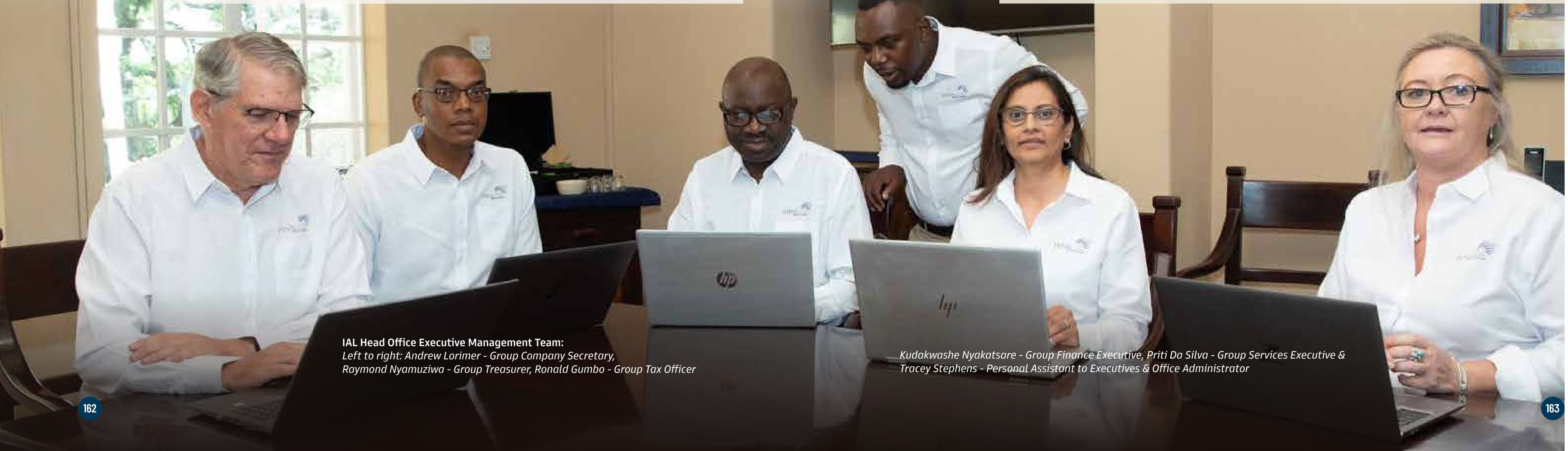
As at 30th June 2023, there were no loans from the Group to any Director.

Corporate **Governance** (continued)

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, sharebased incentives.

Corporate **Governance** (continued)

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. Philp 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 four 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.



IAL Head Office Executive Management Team:
Left to right: Andrew Lorimer - Group Company Secretary, Raymond Nyamuziwa - Group Treasurer, Ronald Gumbo - Group Tax Officer

Kudakwashe Nyakatsare - Group Finance Executive, Priti Da Silva - Group Services Executive & Tracey Stephens - Personal Assistant to Executives & Office Administrator

Corporate **Governance** (continued)

Attendance of Directors and Executives at Meetings during the 2023 Financial Year (1st July 2022 to 30th June 2023)

DIRECTOR/ EXECUTIVE	YEAR OF APPOINTMENT	MAIN BOARD (4 Meetings)	EXECUTIVE (6 Meetings)	AUDIT & RISK (3 Meetings)	REMUNERATION (2 Meetings)	NOMINATION (1 Meeting)	FINANCE & INVESTMENT (7 Meetings)
Mr. A B C Chinake	2015	4	N/A	N/A	2	1	N/A
Mr. M J Fowler	1994	2	N/A	3	2	1	N/A
Mr. G Gwainda	2015	4	6	3	2	1	7
Mr. Z Koudounaris	1996	4	N/A	N/A	N/A	N/A	N/A
Mr. J P Schonken	2007	2	3	2	1	1	4
Mr. T N Sibanda	2005	4	N/A	3	2	1	N/A
Mrs. D K Shinya	2021	4	N/A	3	N/A	N/A	N/A
Mr. A Lorimer	N/A	4	4	3	N/A	1	5
Mr. M J R Lashbrook	N/A	N/A	6	N/A	N/A	N/A	N/A
Mr. R Nyamuziwa	N/A	N/A	6	N/A	N/A	N/A	7
Mrs. L. Magara	N/A	N/A	N/A	N/A	N/A	N/A	6
Mr. N Mazango	N/A	N/A	4	N/A	N/A	N/A	N/A
Mr. C Philp*	N/A	N/A	2	N/A	N/A	N/A	N/A
Mr. C Tumazos	N/A	N/A	5	N/A	N/A	N/A	N/A
Mr. A Warren-Codrington	N/A	N/A	6	N/A	N/A	N/A	7

* Appointed January 2023

Front Row: - Andrew Lorimer - Group Company Secretary, Michael Lashbrook - National Foods Chief Executive Officer, Godfrey Gwainda - IAL Group Chief Financial Officer, Julian Schonken - IAL Group Chief Executive Officer, Ngoni Mazango - Bakeries Chief Executive Officer

Back Row: - Raymond Nyamuziwa - Group Treasurer, Alastair Warren-Codrington - Business Development Executive, Dino Tumazos - Colcom Group Chief Executive Officer & Calum Philp - Rutanhi Beverages Group Chief Executive Officer

Corporate **Governance** (continued)

IAL Executive Committee (EXCO)

Board of **Directors**

Addington Chinake
Independent
Non-Executive Chairman
(Appointed January 2015)

Addington is a legal practitioner by profession with more than thirty years of experience in legal services in Zimbabwe. Over the past thirty years his area of specialisation has been corporate and commercial law, including mining law, competition law, mergers and acquisitions, and capital raising. Addington continues to be 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 private transactions and Greenfield mining projects. Addington is a member of the International Bar Association and an advisor to the Judicial Service Commission and The Reserve Bank of Zimbabwe. He is a large benefactor to the Emerald Hill Children's Home for the Deaf and Orphans as its Ambassador. Addington is a past Trustee of the National Gallery of Zimbabwe and remains a Top Ranked Commercial Lawyer in Zimbabwe by Chambers and Partners. Addington has sat on the boards of other publicly listed companies and is the current Chairman of Simbisa Brands Limited. He is a member of the Innscor Group 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 24 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 thirtythree 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 in accounting, financial and business leadership, with a career spanning over twenty-five years, having started her career at PricewaterhouseCoopers.

Dudu has held various positions at Zimbabwe Investment and Development Agency (ZIDA) and at the time of leaving them in 2023 held the position of Chief Financial Officer. Previously she worked with the Takura Capital Group overseeing the finance departments at Medical Investments limited as well as Amalgamated Brands, the investment holding company for Cairns Holdings, Lobels' Bread, Cailogistics and Cailo Marketing. Prior to that, she was the Finance Director of Schweppes Holdings Limited.

Dudu is a past president of the Institute of Chartered Accountants (ICAZ) and has been a member of various ICAZ committees as well as the Council itself. She has held various board positions and is currently an independent director on the Hippo Valley Estates Board, Zimbabwe Foreign Services Institute as well as the vice chairperson of the COMESA Regional Investment Agency Boards.

Directorate and **Management**

Main Board of Directors

Independent, Non-Executive Directors	Non-Independent, Non-Executive Directors	Executive Directors
Addington Chinake	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)
Andrew Lorimer (Group Company Secretary)	Michael Fowler	Michael Fowler	Godfrey Gwainda	Andrew Lorimer (Group Company Secretary)
Duduzile Shinya	Thembinkosi Sibanda	Thembinkosi Sibanda	Michael Lashbrook	Ledwin Magara*
Michael Fowler			Ngoni Mazango	Raymond Nyamuziwa
			Calum Philp	Julian Schonken
			Constantine Tumazos	Alastair Warren-Codrington
			Andrew Lorimer (Group Company Secretary)	
			Raymond Nyamuziwa	
			Alastair Warren-Codrington	

* Resigned 1 October 2023

Group Executives

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

Divisional Management

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

* Resigned 1 October 2023

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

Rishay Lalla	Managing Director
Watson Musarurwa	Finance Director
Mathews Munongi	Head of Risk & Compliance
Angela Mudoka	Head of Business Development
Angela Siwa	Head of Customer Service

National Foods Holdings Limited

Michael Lashbrook	Group CEO
Lovejoy Nyandoro	Finance Director
Sharon Mamutse	Sales Executive
Lawrence Kutinyu	Marketing Executive
Alice Pawarikanda	HR Executive
Shane Beamish	Managing Executive - Flour
Swys Viviers	Managing Executive - Stockfeeds
Tendai Maphosa	Commercial Executive - Stockfeeds
Chipo Nheta	Managing Executive - Maize
Vikas Swami	Managing Executive - Downpacked
Nigel Weller	Managing Executive - Traded Goods
William Kapfupi	Managing Executive - CCB
Alice Kambasha	Managing Executive - Snacks
Nyasha Mhizha	Managing Executive - Biscuits
Bekilizwe Dube	Managing Executive - Natlog
Nqgabutho Moyo	Operations Executive - Flour

Directorate and **Management** (continued)

Mill-Bake Segment

National Foods Logistics (Private) Limited

Bekilizwe Dube	Managing Executive
Nash Mashavave	Finance Manager

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
Richard Sainsbury	Treasury

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
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

Associated Meat 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 Executive - Zimnyama

Irvine's Zimbabwe (Private Limited)

David Irvine	Managing Director Chief Executive Officer
Donovan Sucks	Chief Operating Officer
Anele Zunga	Commercial Executive
Wilfred Mapfuise	Human Resources Executive
Blessing Gandari	Finance Manager

Directorate and **Management** (continued)

Other Light Manufactucting

Natpak (Private) Limited

Guy Martell	Managing Director
Munashe Nyengerai	Finance Director
Tamuka Kunaka	Operations Director
Risinawako Mandivenga	Managing Executive - Sacks Division
Wayne Dickson	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

Thomas Wallace	Managing Director
Tendai Hofisi	Finance Director
Trymore Chikomo	Commercial Executive
Tsepang Nare	Finance Manager

Rutanhi Beverages Limited

Calum Philp	Chief Executive Officer
Christiaan Botha	Projects Director
Diptiman Das	Group Sales & Marketing Director
Chiedza Makomva	Group Marketing Executive

Prodairy (Private) Limited

Edwin Chilundo	Managing Director
Nqobani Mthethwa	Finance Director
Stacey Jackson	Operations Executive
Ishmael Mtema	Commercial Executive
Rutendo Makunike	Warehouse & Distribution Executive

Probottlers (Private) Limited

Rory Harley	Managing Director
Cloudius Zihura	Finance Director
Sumit Tomar	Commercial Executive

The Buffalo Brewing Company

Richard Mann	Managing Director
Stephen Mushanyuki	Sales & Marketing Executive

Prodistribution (Private) Limited

Onward Nyabadza	Managing Director
Evelyn Banga	Accountant

Mafuro Farming

Sean Webster	Managing Director
Michael Bwahera	Finance Manager

Sabi Thorn

Johan Van Der Riet	Managing Director
Kirsten Pistorius	Chief Operations Officer

Saxin

Andrew Dobson	Managing Director
Terence Duncan	Finance Director

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 **pages 162 and 163**. 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 and Risk and the Finance and 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 **pages 162** 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 No. 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 No. 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.

Safari Mafuro Dairy Farm, Marondera

Sustainabilty 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.

Grasslands Mafuro Dairy Farm, Marondera

Sustainability Strategy **and Governance** (continued)

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 its 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 for 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.

Inclusivity and Responsiveness

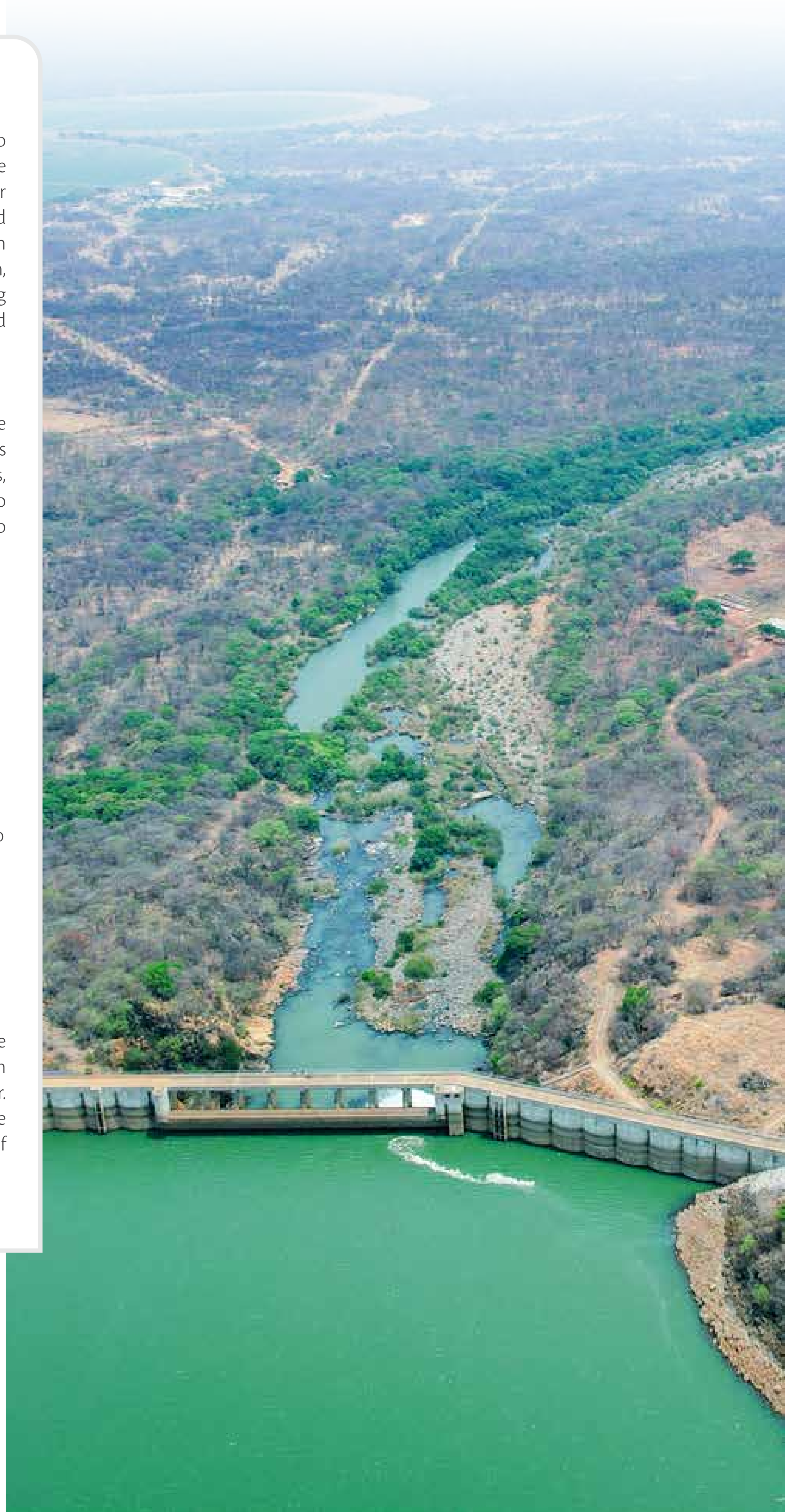
The Group respects, considers and responds to the interests of its stakeholders. Although the Group's objectives may be limited to the interests of its owners, members and customers, other individuals or groups also have rights, claims or specific interests that we take into account.

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.

Sustainability Strategy **and Governance** (continued)



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 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.

East Range Mafuro Farm in Kwekwe draws water from the Sebakwe Dam located less than 10 kilometers from this farm for its pasture irrigation

Sustainability **Achievements**

Key Sustainability Successes within the Group

The following are the key sustainability successes of F2023 within the Group's businesses:

- **FSSC 22000 Food Safety Management Certification – Colcom & AMP Group**
  Please refer to **page 220** for Colcom FSSC 22000 Food Safety Management Certification and **page 222** for AMP Group's FSSC 22000 Certification.

FSSC 22000

- **ISO 22000 Food Safety Management Certification – Probrands**
  Probrands is working towards being certified for the International Management System Standards (MSS) of ISO 22000 (Food Safety Management). The business had its first internal audit in December 2022.

- **BRCGS for Packaging Materials upgrade from B to AA rating - Natpak**
  Natpak's three divisions have been certified to Brand Reputation Compliance Global Standard (BRCGS) for Packaging Materials in F2022. BRCGS is the Global Food Safety Initiative (GFSI) benchmarked certification which gives customers assurance on product safety, quality, authenticity and legality. As a result of the audit that took place during F2023, Natpak's certification was upgraded from B to AA rating.

- **The Coca Cola Company Supplier Guiding Principles technical assessment – Natpak**
  Following Natpak's successful audit in F2021 by The Coca Cola Company for compliance with its Coca Cola Supplier Guiding Principles and for passing the technical assessment for conditional supplier status, Natpak was periodically audited in F2022 with unconditional supplier status for Coca Cola packaging achieved in August 2022.

- **New Flour Mill in Bulawayo commissioned in F2023 – National Foods**
  A new flour mill was commissioned in Bulawayo by National Foods which will make the milling process more energy efficient, with a 25% increase in capacity compared to the old mill. There will also be improvements in health and safety through dust control, use of safety switches and lower noise levels.

- **New Automated Bread Factory in Bulawayo commissioned in June 2023 – Baker's Inn**
  The new plant uses energy efficient boilers and ovens, reducing its resource consumption and air emissions. Its coolers use a closed loop system which reduces the amount of water used.

Sustainability **Achievements** (continued)

- **Water Recycling Project – Irvine's**
  Irvine's 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 5 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. Recycled water is being used to clean crates in the processing plant which reduces the total amount of water used.

- **Solar Power - Profeeds**
  In F2022 Profeeds started installing supplementary solar power at its shops throughout the country to ensure a continuous supply of electricity, especially for the refrigerators stocking veterinary medical supplies.

- **Electric forklifts – Natpak**
  Natpak continues to use electric forklifts to improve the air quality in the work environment. Four of Natpak's five forklifts are electric.

- **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 so that National Foods' air emissions are kept within its current green band, as set in its emissions permit. During F2023, the volume incinerated at the boilers more than tripled compared to F2022, with a total of 1 801 tonnes of non-recyclable waste being sent to the boilers in F2023 compared to 482 tonnes in F2022.

  In the reporting year, Profeeds and Prodairy sent 122 tonnes and 118 tonnes, respectively, of suitable waste to National Foods' Harare cyclonic boiler, reducing their waste to landfill and National Foods' reliance on coal.

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 implemented and strengthened its waste management system. The recycling plant improved output capacity and 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 is recycled into pellets. These are for internal use in the production of black sheeting and also sold to other players in the industry. During F2023, 774 tonnes of recyclable waste was recycled at the plant.

  The initiative of collecting pre-consumer plastics from clients for recycling that was launched in F2022 continued successfully with 32 tonnes of recyclable plastics being collected in F2023 compared to 17 tonnes in F2022.

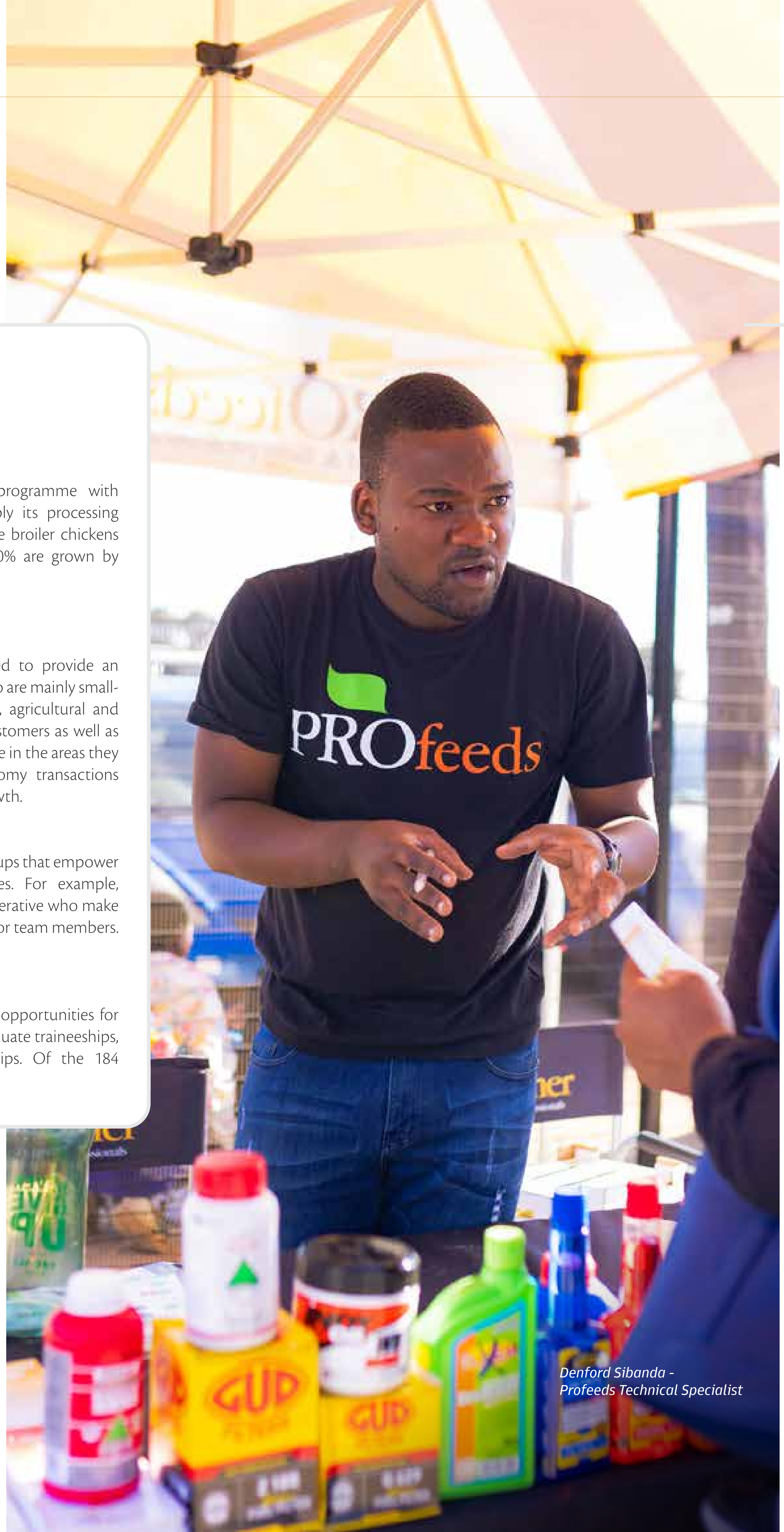
  Alpha Packaging continued to produce egg trays from 100% waste paper. A total of 1 037 tonnes of recycled paper was used in F2023; an increase of 68% in the volume of paper being recycled due to the second egg tray plant being commissioned.

- **Contract Grower Programme – Irvine's Zimbabwe**
  Irvine's continued its outgrower programme with 30 independent farmers who supply its processing plant with birds for slaughter. Of the broiler chickens processed at Irvine's Zimbabwe 100% 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. For example, Irvine's worked with a women's cooperative who make and repair protective clothing items for team members.

- **Community Skills Development within the Group**
  The Group is providing job training opportunities for 184 young people in the form of graduate traineeships, attachments and/ or apprenticeships. Of the 184 students, 49% were women.



Denford Sibanda - Profeeds Technical Specialist

- **Casual Labour within the Group**
  During F2023 the Group's businesses gave the opportunity for ad hoc work by employing 5 694 casual labour over the year. From a community perspective this is a commendable contribution to society by giving unskilled workers the opportunity to work.

- **Provision of Healthcare – Providence Health**
  Providence Health, through its 16 clinics nationwide, continued to support the Group's employees and their dependents with the provision of healthcare services. A total of 23 341 clinic visits from employees as well as their dependents were recorded at these clinics. A further three onsite clinics are run by Providence Health look after the staff of seven of the Group's businesses, with a new clinic having opened in Ruwa outside Harare in November 2022. Over the reporting year a total of 14 373 clinic visits from employees and their dependents were recorded at these onsite clinics.

- **Medical Clinics at Irvine's Zimbabwe**
  Irvine's runs two clinics separately which have recorded over 10 000 visits annually over the past three years. In F2023 a total of 10 579 visits were recorded at the clinics - 7 829 visits from employees and 2 750 from their dependents.

- **School Education – Irvine's & Colcom**
  Irvine's and Colcom provided access to education for employees' families and local communities through the primary 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:

SDGs	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.
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)

SDGs	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 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 saving 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, outgrower 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 dams, 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 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 groups:

- **Internal Stakeholders:**
  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:**
  Customers, Suppliers, Financial Institutions, Communities, Regulators and Government, Non-Profit Organisations and Business Partners.
  The Group values its external stakeholders and is committed to establishing transparent relationships, taking their interests into account. The Group is committed in providing the best possible products and services by ensuring that we continue to commit to good quality, health & safety, environmental and community aware 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.

Stakeholder Engagement Process

During the course of F2023, the following key topics were identified as affecting the Group as an entity when engaging with its stakeholders:

- **Business strategy reviews**
  Business strategies were reviewed quarterly to enable adaptation to emerging opportunities and risks.
- **Product and price reviews**
  Customers and clients were engaged on the subject of changing products and pricing.
- **Staff welfare and benefits**
  Staff benefits including pensions, mortgage loans and insurance packages were discussed and addressed through strategic discussion forums.
- **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 on the issue of wages and salaries.
- **Currency (USD) issues**
  Meetings were held on the use of the United States Dollars for salaries and benefits.
- **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.
- **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.

Sustainability in **Our Value Chain** (continued)

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 fulfil 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 our 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 of human rights impacts. During the reporting year, no salient human rights issues were brought to the attention of management.

We are guided by the ILO Declaration on Fundamental Principles and Rights at Work and are committed to avoiding violations of workplace rights in respect of:

- freedom of association and the effective recognition of the right to collective bargaining;
- the elimination of all forms of forced compulsory labour;
- the effective abolition of child labour;
- the elimination of discrimination in respect of employment and occupation; and
- a safe and healthy working environment.

We also adopted the United Nations Guiding Principles on Business and Human Rights (UNGPs) that commits us to human rights due diligence, acknowledgement of and disclosure of our human rights impacts as well as provision of a Grievance Redress Mechanism and options for redress.

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 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 legislation. Our employees are free to be members of a trade union of their choice.

The Group employed a total of 10 806 staff in F2023 of which 46% were in permanent employment and 54% as contract staff.

Employee Gender Ratios

The Group places much emphasis on employing women within its businesses and had a slight increase in the number women employed in the Group, increasing from 21% in F2022 to 22% in F2023.

Women from our Group Companies attending a Girls Network Workshop organised by Providence Human Capital

Total Employees Gender Ratio

	Unit	2023	2022	2021	2020	2019
Male	Count	8 462	8 463	7 101	6 259	6 410
Female	Count	2 344	2 166	1 704	1 320	1 320
Total Employees		**10 806**	**10 629**	**8 805**	**7 579**	**7 730**
% Female		22%	21%	19%	17%	17%

Sustainability in **Our Value Chain** (continued)

Human Capital (continued)

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 F2023.

528 members of staff reached the milestone of working for one of the businesses for 10 years or more. Two members of staff crossed the incredible milestone of working for a business for 40 years (Irvine's and Colcom) and of the 528 awards presented, 26% were awarded to women.

Number of Employees crossing each Milestone in F2023

	Men	Women	Total
10 years	200	88	288
15 years	73	27	100
20 years	55	10	65
25 years	41	7	48
30 years	12	1	13
35 years	10	2	12
40 years	2	0	2
Total	**393**	**135**	**528**

Sustainability in **Our Value Chain** (continued)

Human Capital (continued)

Occupational Health & Safety

Occupational health & safety in our work place is 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 incidents are kept as low as possible.

Number of Injuries

	2023*	2022	2021	2020	2019
Total Number of Injuries	408	507	420	405	317
Lost time due to LTI	1 486	1 762	1 375		

* **Note:** In F2023 individual businesses gave occupational health & safety their specific focus by evaluating the injuries reported and dividing them between minor injuries, i.e. requiring First Aid only, and lost time injuries (LTIs) where employees were off work due to the injury incurred.

Sustainability in **Our Value Chain** (continued)

Human Capital (continued)

Occupational Health & Safety (continued)

The Group sustained a total of 408 injuries during the reporting year, of which 188 were lost time injuries (LTIs) resulting in 1 486 days lost due to injury. Comparing F2023 with F2022, there was a drop of 20% in the total number of injuries recorded and a 16% drop in the number of last days incurred due to injury.

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 continued to provide 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 driving skills
- 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:

- First aid training
- Breast cancer awareness
- Mental health care

Sustainability in **Our Value Chain** (continued)

Human Capital (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 the now eight onsite medical facilities run by Providence Health or through cooperation with the Providence Health clinics at various cities and towns throughout Zimbabwe. These clinics provide a corporate wellness program for the Group's employees and their dependents.

In F2023 a new clinic run by Providence Health was opened in Ruwa on Prodairy's premises which looks after the employees of the three Progroup businesses – Probottlers, Probrands and Prodairy.

The various Providence Health medical facilities reported a total of 28 943 visits from employees and 8 771 visits from dependents and the local community in F2023, highlighting the value and accessibility of these medical facilities for staff and their families.

The table below presents the number of visits recorded at the various onsite medical facilities.

In addition to the Providence Health run onsite clinics listed below, Irvine's runs two clinics separately which have recorded over 10 000 visits annually over the past three years. As shown in the table below, 7 829 clinic visits were recorded from employees and 2 750 from their dependents in F2023.

Total Number of Visits recorded at the Onsite Clinics

Individual Clinics run by Providence Health	Total Number of clinic visits made by employees	Total Number of clinic visits made by dependents	Total Number of clinic visits made by local community	Total 2023	Total 2022	Total 2021
National Foods	3 538	—	—	3 538	1 780	4 808
Colcom	5 214	2 860	242	8 316	8 994	3 257
AMP Meats	465	—	—	465	537	364
Natpak	1 378	—	—	1 378	865	1 415
Probottlers	103	—	—	103	—	—
Probrands	166	—	—	166	—	—
Prodairy	407	—	—	407	—	—
PHC Total	**11 271**	**2 860**	**242**	**14 373**	**12 176**	**9 844**
Irvine's	7 829	2 750	—	10 579	11 718	10 678
Total Number of Onsite Clinic Visits	**19 100**	**5 610**	**242**	**24 952**	**23 894**	**20 522**

Sustainability in **Our Value Chain** (continued)

Human Capital (continued)

Total Number of Visits recorded at the Providence Health Clinics countrywide

Providence Health opened up eight further clinics during F2023, providing access to medical care throughout Zimbabwe. The new clinics were opened at Chegutu, Beitbridge, Chinhoyi, Chiredzi, Gwanda, Hwange, Victoria Falls and Zvishavane, now covering all corners of the country.

The table below presents the number of visits recorded at the Providence Heath Clinics located in towns and cities throughout Zimbabwe.

Providence Health Clinics	Total Number of Visits by Employees in 2023	Total Number of Visits by Dependents in 2023	Total 2023	Total 2022	Total 2021
PHC Clinic Harare	12 729	4 446	17 175	15 355	5 740
PHC Clinic Bulawayo	2 949	680	3 629	3 337	435
PHC Clinic Mutare	461	449	910	1 091	—
PHC Clinic Masvingo	285	90	375	283	—
PHC Clinic Gwanda	58	—	58	25	—
PHC Clinic Gweru	402	—	402	196	—
PHC Clinic Kadoma	96	—	96	61	—
PHC Clinic Kwekwe	136	—	136	262	—
PHC Clinic Chegutu	173	4	177	—	—
PHC Clinic Beitbridge	79	—	79	—	—
PHC Clinic Chiredzi	48	—	48	—	—
PHC Clinic Hwange	82	—	82	—	—
PHC Clinic Victoria Falls	78	—	78	—	—
PHC Clinic Zvishavane	96	—	96	—	—
Total Number of PHC Clinic Visits	**17 672**	**5 669**	**23 341**	**20 610**	**6 175**

Sustainability in **Our Value Chain** (continued)

Human Capital (continued)

Human Development 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 our operations maintain the highest standard 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
- Safety, Health, Environment and Quality (SHEQ)
- Southern African Grain Milling Academy (SAGMA) Milling Course
- Association of Chartered Certified Accountants (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

Professional Development

National Foods and Innscor Africa Limited are accredited training centres for the Chartered Accountants Training Outside Public Practice (TOPP), certified by the Institute of Chartered Accountants of Zimbabwe (ICAZ). TOPP is the financial management training route that offers prospective Chartered Accountants (CAs) an alternative to the conventional TIPP (Training Inside Public Practice) to qualifying as CAs.

In F2023, a total of 55 students (34 men and 21 women) across the Group attended this training. The highest proportion of students were from National Foods (5 men and 9 women) of which seven (4 men and 3 women) sat for their Assessment of Professional Competence (APC) examination in December 2022 and are now qualified Chartered Accountants.

Sustainability in **Our Value Chain** (continued)

The Environment

The Group's decisions and activities have an impact on the environment. The impacts arise from the Group's use of resources, location of the Group's activities – whether in rural or urban areas, the generation of pollution and waste, and the impact of the Group's activities on the broader environment.

To reduce its environmental impacts, the Group follows 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 environment and through accurate reporting improve our performance as well as the performance of others within our sphere of influence. 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.

Scope of Data

Sustainability reporting is a cyclical process where we aim to expand the scope that's being reported on gradually over time. It is a continuous process of improving efficiency through accurate data collection and over the course of the reporting year, the Group has incorporated more precise data and information collection from an environmental perspective through its sustainability reporting.

Sustainability in **Our Value Chain** (continued)

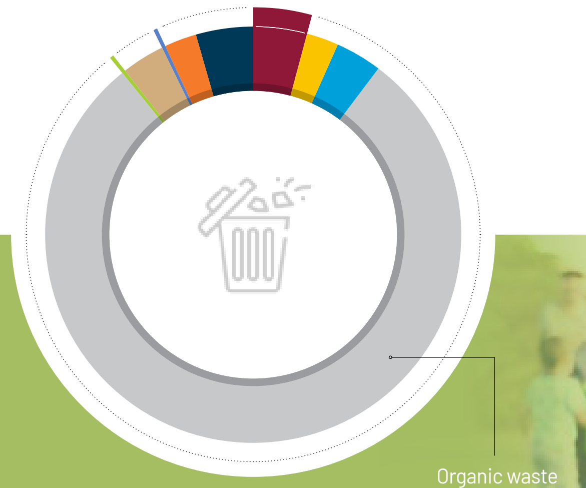
The Environment (continued)

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 43 177 tonnes of waste, of which 4.23% was disposed at landfills. 78.86% of the Group's waste was suitable for use on farms with the majority being chicken manure which was used as organic fertilizer. 3.4% was plastics and 3.55% paper or cardboard waste that was recycled. During the reporting year 1 801 tonnes of waste was incinerated in the National Foods' cyclonic boiler compared to 482 tonnes in F2022; a significant increase cutting National Foods' reliance on coal and reducing the volume of waste ending up at landfill.

The Group's types of waste are presented in the chart below.



Waste to landfill	4.23%
Biological waste rendered	2.67%
Paper & cardboard	3.55%
Scrap metal	0.21%
Plastics	3.41%
Tetra packs	0.29%
Coal ash	2.61%
Waste to boiler	4.17%

Recycled Waste

Natpak through its chipping machine crushes branded plastic waste to chips, which are bought by small enterprises for their plastic molding machines. During F2023 Natpak recycled 744 tonnes of plastics in this way as well as received 32 tonnes of clean pre-consumer plastic for recycling from customers. National Foods recycled 77 tonnes of plastic while Colcom recycled 76 tonnes.

The corrugated box manufacturer, Alpha Packaging, recycled 1 037 tonnes of waste cardboard and recycled paper to make mulch to produce egg trays. 5.8 tonnes of rejected Tetra Pak reusable packaging was supplied by Prodairy to its local community based organisation, Clean Marondera, who converted the packaging into shopping bags.

For plastics, which are non-recyclable and are not halogenated, National Foods' cyclonic boilers were the best waste disposal solution turning waste into energy, within permitted air pollution parameters. During F2023 Profeeds sent 122 tonnes and Prodairy 118 tonnes of waste to the cyclonic boiler, resulting in a total of 1 801 tonnes of waste being used for energy, further reducing the amount of waste disposed at landfills.

Sustainability in **Our Value Chain** (continued)

The Environment (continued)

Sustainable Resource Use

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.

Energy Consumption – within the Group

Energy Type	Unit	2023	2022	2021	2020	2019
Electricity and Coal Usage						
Electricity	MWh	100 437	133 637	98 099	80 210*	100 272
Coal used for heating	Tonnes	11 060	9 136	8 159	7 203*	5 895*
Diesel Usage						
Diesel used for Ovens & Boilers	Litres	5 328 526	5 573 098	6 810 447	6 070 305*	5 892 984*
Diesel for Generators only**	Litres	4 255 985	1 982 592	—	—	—
Diesel for Fleet***	Litres	825 661	—	—	—	—
Total Diesel	**Litres**	**10 410 172**	**7 555 690**	**6 810 447**	**6 070 305***	**5 892 984***

* Data was re-evaluated in conformity with standard measurements.
** Started measuring this in F2022
*** Started measuring this in F2023

Energy Consumption – outside the Group

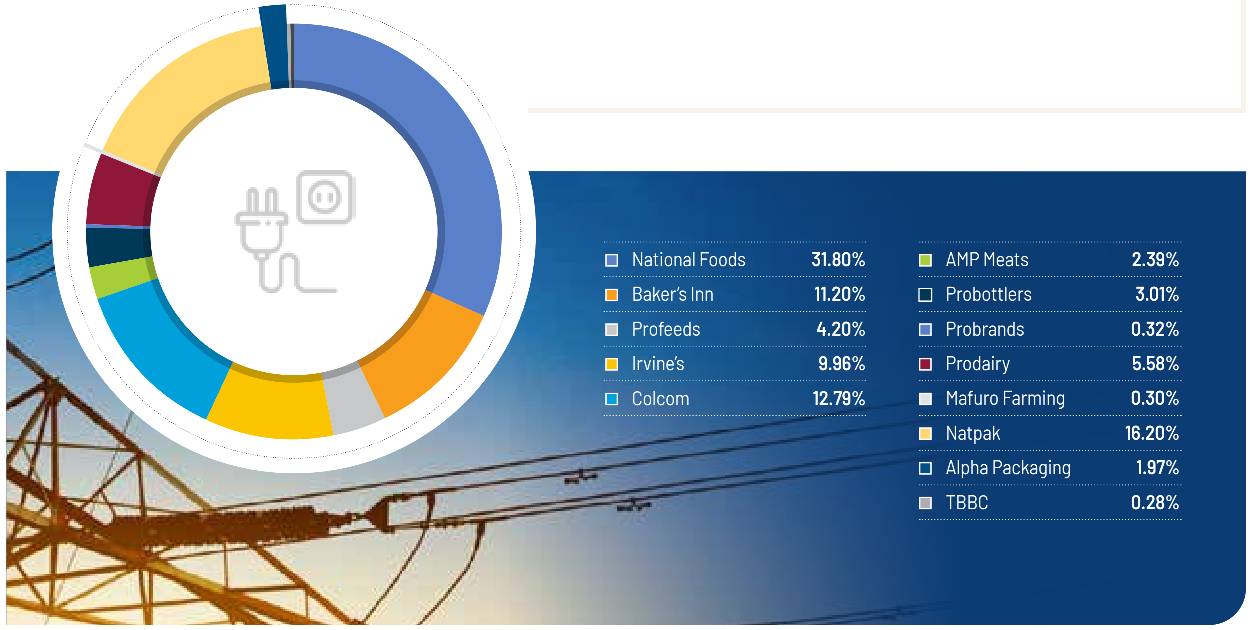
Energy Type	Unit	2023	2022	2021	2020	2019
Diesel	Litres	4 344 037	6 492 150	6 003 334	6 736 479	7 177 527
Petrol	Litres	309 800	339 000	1 178 488	849 662	524 646
Total	**Litres**	**4 653 837**	**6 831 150**	**7 181 822**	**7 586 141**	**7 702 173**

Sustainability in **Our Value Chain** (continued)

The Environment (continued)

Due to the challenged grid power availability during the reporting year, the total electricity used by the Group dropped by 25% from 133 637 MWh in F2022 to 100 437 MWh in F2023.

Total Electricity Usage per Business (%)



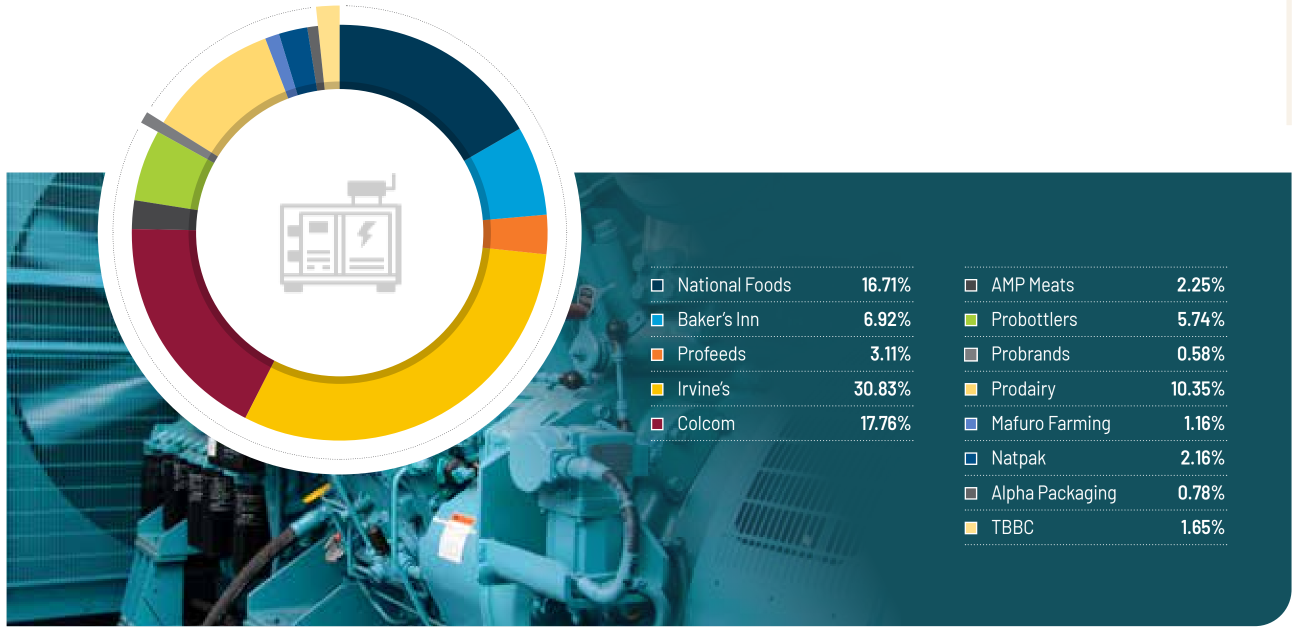
Total Diesel Usage per Business for processing (%)

The Innscor Group of businesses recorded 4 225 985 litres of diesel used to run generators as a result of power outages experienced throughout the reporting year; an increase of 115% compared to F2022.

Sustainability in **Our Value Chain** (continued)

The Environment (continued)

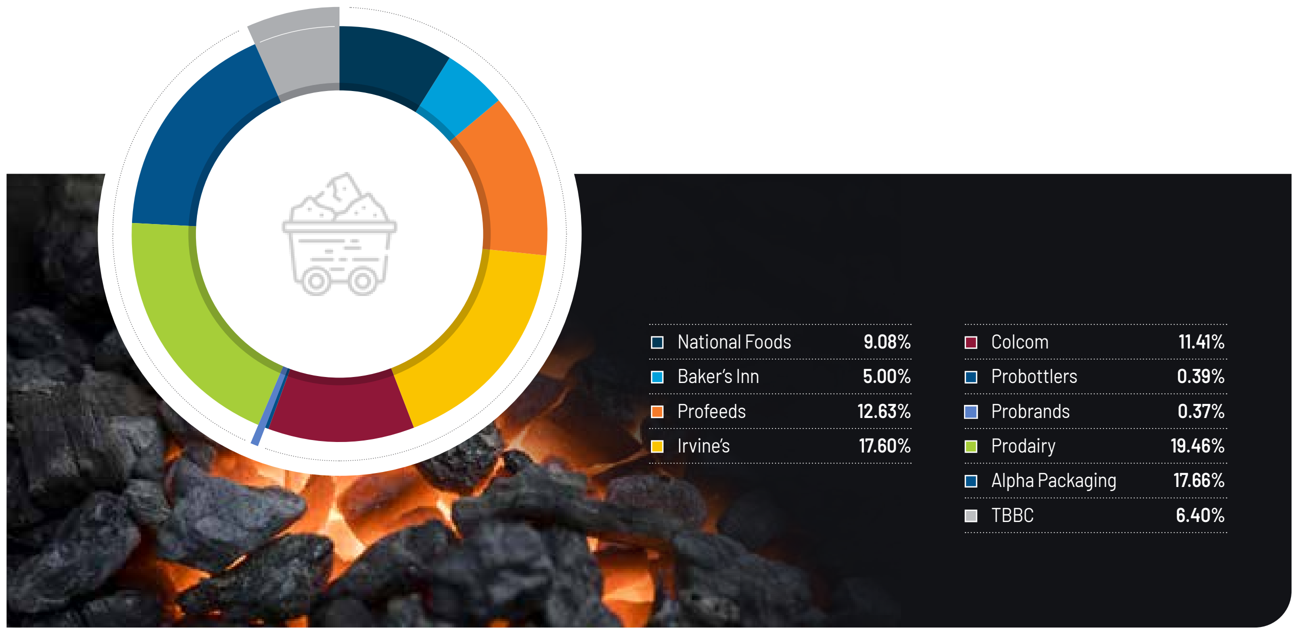
Total Diesel Usage per Business for generators only (%)



National Foods	16.71%	AMP Meats	2.25%
Baker's Inn	6.92%	Probottlers	5.74%
Profeeds	3.11%	Probrands	0.58%
Irvine's	30.83%	Prodairy	10.35%
Colcom	17.76%	Mafuro Farming	1.16%
		Natpak	2.16%
		Alpha Packaging	0.78%
		TBBC	1.65%

Total Coal Usage per Business (%)

A total of 11 060 tonnes of coal were used by the Group for processing during the reporting year.

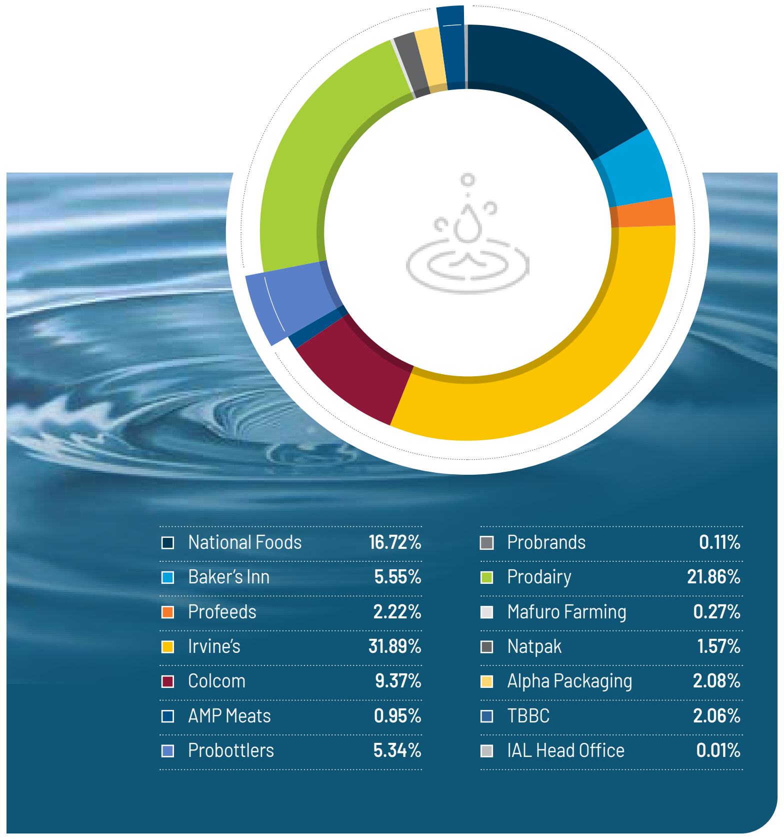


National Foods	9.08%	Colcom	11.41%
Baker's Inn	5.00%	Probottlers	0.39%
Profeeds	12.63%	Probrands	0.37%
Irvine's	17.60%	Prodairy	19.46%
		Alpha Packaging	17.66%
		TBBC	6.40%

Sustainability in **Our Value Chain** (continued)

The Environment (continued)

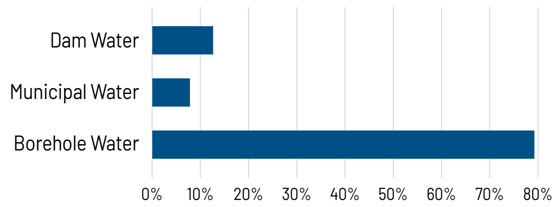
Total Water Usage per Business (%)



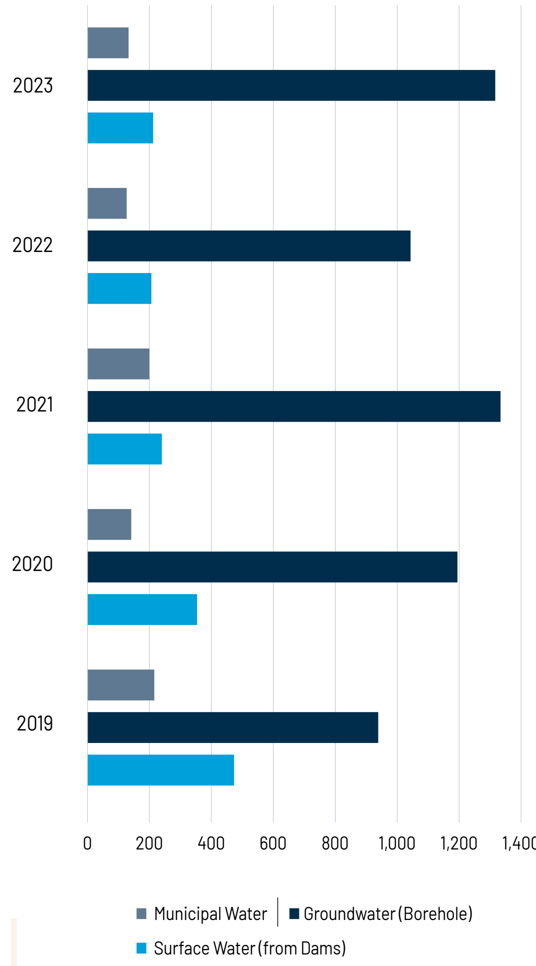
National Foods	16.72%	Probrands	0.11%
Baker's Inn	5.55%	Prodairy	21.86%
Profeeds	2.22%	Mafuro Farming	0.27%
Irvine's	31.89%	Natpak	1.57%
Colcom	9.37%	Alpha Packaging	2.08%
AMP Meats	0.95%	TBBC	2.06%
Probottlers	5.34%	IAL Head Office	0.01%

The Group used in total 1 659 748 m³ of water which 8% was sourced from municipal water provided by the Municipalities and 79% from borehole water – as reflected in the Water Usage per Business chart above. 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 (000m³)



As the graph above shows, the Group continues to rely heavily on borehole water, especially in the Harare area. Due to the expansion of the Group's businesses' operations, the reporting year saw an overall increase of 21% in the amount of water used.

Sustainability in **Our Value Chain** (continued)

The Environment (continued)

Climate Change Mitigation and Adaptation

Overview

The effects of climate change have become a global concern for all businesses. The Group recognises that our 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.

Climate Change Mitigation and Adaptation

Changes in climate can in turn have an impact on our 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 adapts its 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) (United Kingdom's) 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 https://www.carbonfootprint.com/international_electricity_factors.html.

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

- Scope 1 Calculations including emissions from direct fuel use – e.g. diesel, coal and petrol
- 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.

Sustainability in **Our Value Chain** (continued)

The Environment (continued)

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 2023 were used for these calculations.

The carbon footprint was calculated based on the fuel used for the production processes only.

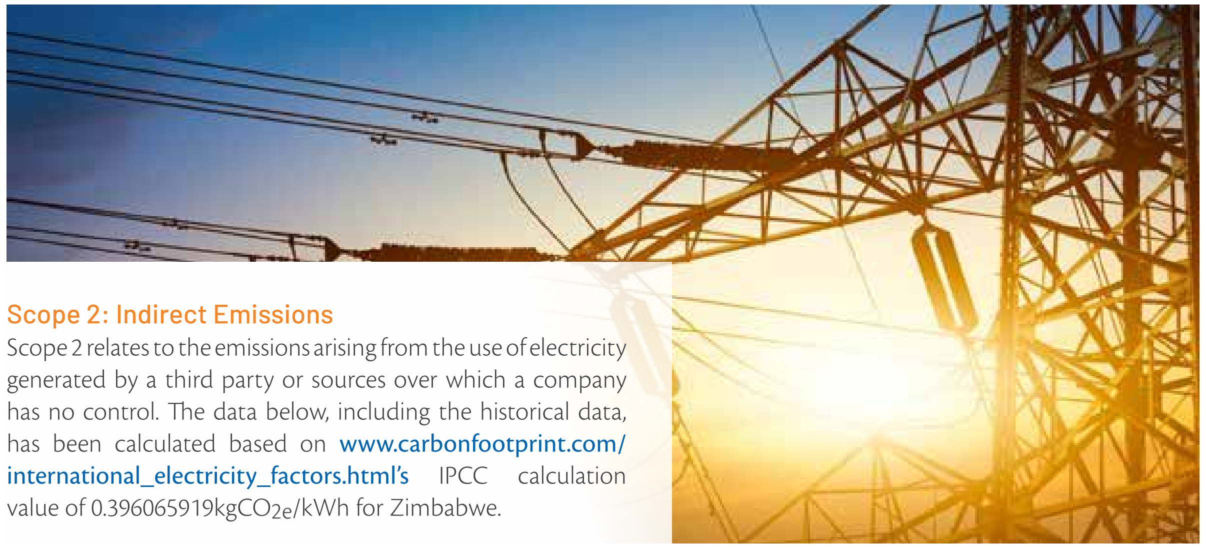
This includes the use of coal as well as diesel used to run ovens, boilers and generators. In this reporting year, the scope of the Scope 1 calculation has been expanded to include the fleet fuel usage of all the vehicles owned by the businesses. This has been separated out as seen in the table below.

Table: Scope 1: Direct Emissions

Emissions sources	Unit	2023	2022	2021	2020	2019
Fuels (Coal and Diesel for ovens, boilers & generators)*	tonnes CO_{2e}	51 993	40 707	32 599	33 752	30 119
Fuel used by company owned vehicles**	tonnes CO_{2e}	24 554	—	—	—	—
Total	**Tonnes CO_{2e}**	**76 509**	**40 707***	**32 599***	**33 752***	**30 119***

* The historical data has also been recalculated using the DEFRA 2023 factors to allow the annual data be comparable with the 2023 data.

** This was recorded from F2023 going forward.



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 a company has no control. The data below, including the historical data, has been calculated based on www.carbonfootprint.com/international_electricity_factors.html's IPCC calculation value of 0.396065919kgCO_{2e}/kWh for Zimbabwe.

Table: Scope 2: Indirect Emissions

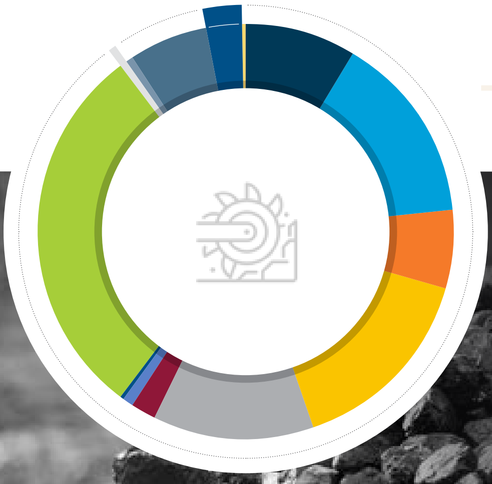
Emissions sources	Unit	2023	2022	2021	2020	2019
Electricity	tonnes CO_{2e}	39 235	97 540	71 590	58 535	73 176

Sustainability in **Our Value Chain** (continued)

The Environment (continued)

Carbon Footprint for Scope 1 per Business (%)

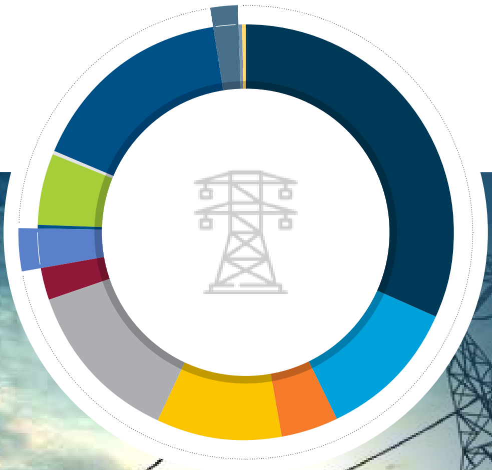
In this year's report each business' Scope 1 carbon footprint includes coal and diesel used to run ovens, boilers and generators plus the fuel to run company owned fleet vehicles.



National Foods	8.84%	AMP Meats	1.74%
Baker's Inn	14.76%	Probottlers	1.04%
Profeeds	6.09%	Probrands	0.27%
Irvine's	15.14%	Prodairy	29.24%
Colcom	12.65%	Mafuro Farming	0.63%
		Natpak	0.45%
		Alpha Packaging	6.23%
		TBBC	2.87%
		IAL Head Office	0.05%

Carbon Footprint for Scope 2 per Business %

The Scope 2 carbon footprint focuses purely on emissions from indirect sources which applies to the use of electricity.



National Foods	31.82%	AMP Meats	2.39%
Baker's Inn	11.21%	Probottlers	3.01%
Profeeds	4.20%	Probrands	0.32%
Irvine's	9.90%	Prodairy	5.58%
Colcom	12.80%	Mafuro Farming	0.30%
		Natpak	16.21%
		Alpha Packaging	1.97%
		TBBC	0.28%
		IAL Head Office	0.01%

Sustainability in **Our Value Chain** (continued)

The Environment (continued)

Animal Welfare

Overview

Animal welfare forms part of ethical behaviour to ensure that animal and animal-based products are produced in accordance with minimum acceptable standards to protect both humans and animals.

This provides reassurance to a growing and justifiable concern amongst many global consumers.

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.

Principles of Animal Welfare

The principles of animal welfare which the Group's businesses adhere to is 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.

Sustainability in **Our Value Chain** (continued)

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 its 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.

Key Raw Materials Used

Materials Used	Unit	2023	2022	2021	2020	2019
Maize and maize bran	Tons	375 821	261 036	291 656	319 957	393 849
Soya meal and bran	Tons	124 850	98 435	62 555	68 451	88 341
Wheat and wheat bran	Tons	95 500	232 285	240 082	227 147	366 204
	Tons	**596 171**	**591 756**	**594 293**	**615 555**	**848 394**

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.

Sustainability in **Our Value Chain** (continued)

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.

The Group places great emphasis on ensuring the businesses' food products are correctly labelled and carry accurate information. Product labelling is essential to ensure the appropriate product information is available for consumers to make an educated purchasing decision, especially with regards to ingredients, allergy warnings, expiry dates and handling instructions.

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, ISO 17025, ISO 22000 (Food Safety Management) 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 as being of significant value to its operations. 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.

Community Skills Development

Education and culture are the foundations for social and economic development and are 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 attachments and/or graduate trainee programmes for young people to learn and develop skills in a working environment. The table below summarises the placements offered by each business within the Group during F2023.

Profeeds, together with the Grain Millers Association and other feed and milling industry participants, is participating in developing the Diploma, Bachelors and Masters programmes in Grain Milling Science & Management at Bindura University. The aim of the programmes is to develop a guided learners' platform that meets industrial skills expectations.

Company	Graduate trainee	Intern / Attachment	Apprentice	Total	Percentage women
National Foods	3	—	2	5	20%
Baker's Inn	—	66	—	32	48%
Profeeds	20	7	—	27	52%
Irvine's	6	—	—	6	50%
Colcom	—	14	—	14	64%
AMP	11	9	—	20	60%
Probottlers	—	—	1	1	0%
Probrands	—	4	—	4	100%
Prodairy	7	13	—	20	45%
Mafuro Farming	—	6	—	6	33%
Natpak	3	—	—	3	33%
Alpha Packaging	—	3	2	5	20%
TBBC	3	—	—	3	67%
Syntegra	—	4	—	4	25%
Total	**53**	**126**	**5**	**184**	**49%**

Sustainability in **Our Value Chain** (continued)

Community Involvement & Development (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.

Working with the Communities

Community Involvement and Development is not restricted to monetary support or quantitative outputs. It can involve being responsive to community development needs and aspirations in a manner that encourages being socially responsible even where non-monetary resources such as staff volunteering and skills transfer are involved.

Sustainability in **Our Value Chain** (continued)

Community Involvement & Development (continued)

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.

In addition to the regular food donations, as a Group, we are very much engaged with the communities we serve. Our social investment also focused on staff welfare and working with the communities we work in. As a result of all these initiatives, the Group spent a total of USD 1 253 895 on its corporate social responsibility (CSR) programmes. More detailed information about each businesses' CSR initiatives can be found at the front of this annual report from **pages 33 to 151**.

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

Sustainability in **Our Value Chain** (continued)

Economic Performance

Overview

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

Economic Indicators

Value Added Statements

	2023 USD	2022 USD	2021 USD	2020 USD	2019 USD
Economic Value Generation					
Value Generated*	279 957 660	267 293 610	203 130 944	129 399 183	125 535 312
Other income and interest	11 716 371	8 904 466	2 345 923	3 344 136	4 999 424
Fair value adjustments	7 822 468	7 134 438	(2 378 367)	(524 028)	(91 984)
Equity Accounted Earnings	1 722 897	6 028 400	7 240 485	6 450 622	8 582 796
	301 219 396	**289 360 914**	**210 338 985**	**138 669 913**	**139 025 548**
Economic Value Distribution					
Other operating costs	(99 032 028)	(84 272 375)	(128 838 202)	(86 141 311)	(79 910 713)
Staff Costs and benefits	(98 509 321)	(84 851 137)	—	—	—
Impairment and related income/(charges)	(15 404 704)	222 318	720 544	877 991	(222 599)
Depreciation and Amortisation	(23 443 245)	(20 903 645)	(16 910 137)	(15 984 299)	(12 734 188)
Providers of Capital	(16 514 739)	(19 080 867)	(11 463 865)	(3 862 106)	(2 016 168)
Provision for Taxes	(10 471 340)	(16 650 593)	(22 525 280)	(5 749 517)	(10 488 275)
Value Added	**37 844 019**	**63 824 615**	**31 322 045**	**27 810 671**	**33 653 605**
Payments to Government					
Corporate Tax – Associates	2 719 360	2 977 915	1 213 688	477 877	1 709 537
Corporate Tax – Subsidiary	12 611 657	14 884 011	8 254 472	5 466 709	2 308 165
Intermediate Money Transfer Tax (IMTT)	7 829 630	7 818 328	3 148 903	3 161 997	2 434 235
Value Added Tax (VAT)	3 464 628	2 164 321	1 330 763	2 931 122	1 476 728
Import Duty	4 494 630	4 782 825	2 935 931	1 013 742	1 062 238
Other Taxes	9 979 086	9 423 946	8 472 142	9 050 752	3 314 005
Total	**41 098 991**	**42 051 347**	**25 355 899**	**22 102 199**	**12 304 908**

Sustainability in **Our Value Chain** (continued)

Defined Contribution Pension Plan

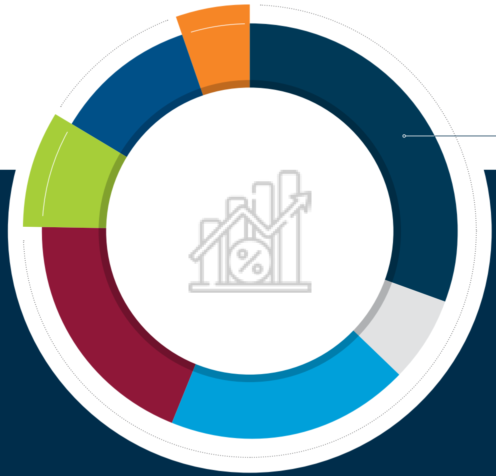
The Group ensures that all qualifying employees are members of voluntary and statutory pension schemes managed through self-administered defined contribution pension schemes and the relevant statutory bodies. We manage the Innscor Africa Limited Pension Fund and the National Foods Pension Fund under 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:

	2023	2022	2021	2020	2019
Pension	1 250 973	1 246 904	567 283	324 298	721 432

Innscor Group's Payments to Government in F2023

The Group's total payments to the Zimbabwean Government for F2023 amounted to USD 41 098 991. Key contributions to the fiscal revenue in F2023 were through the payment of Corporate Tax for Subsidiaries (30.69%), Intermediary Money Transfer Tax (IMTT) Tax (19.05%), PAYE 19.03% and Value Added Tax (VAT) payments (8.43%).



Sustainability Within Our Businesses

Sustainability within **Our Businesses**

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.

Tariro Ndlovu - Quality Analyst CCB Unit

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, Organica and Allegros. F2023 saw the launch of the new Pearlenta Nutri Active Cereals range, while the Gloria and Red Seal brands 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. The volume of waste sent to the boilers in F2023 more than doubled compared to F2022. A total of 1 801 tonnes of waste was incinerated during F2023, assisting National Foods in reducing its reliance on coal.
- National Foods places high value on the health and safety of its employees and has an active and auditable Occupational, Environmental, Health and Safety Policy and Programs in place to guide all operations. During F2023 one lost time injury (LTI) was recorded.
- A new Flour mill was installed at National Foods Bulawayo making the milling processes more energy efficient. The modern mill can achieve higher roll pressures when grinding which results in higher flour extractions as well as improved water absorption when flour is used for baking. The modern design also has significant improvements on health and safety – improved dust control, guarding of moving parts, use of safety switches and lower noise levels. The new mill has an increase of 25% in capacity per hour on wheat milled compared to the old mill.
- In January 2023 National Foods' Cereal, Culinary and Baby Food (CCB) Unit commissioned a second extrusion line after reaching full capacity on the first line and achieving a market share of circa 60% in the Instant Porridge category which is the core category in the unit. Through this new line, National Foods was able to introduce a new cereal range which includes cornflakes, instant cereals, bran and wholegrain flakes.

Key annual environmental data for National Foods

		2023	2022	2021
Overall Water Usage per tonne of product	m^3/tonne	0.45	0.32	0.75
Scope 1: Carbon Footprint				
Processing & generators	tonnes CO_2e	5 745.99	3 593.09	1 880.81
Fleet for owned vehicles only	tonnes CO_2e	1 021.19		
Total	**tonnes CO_2e**	**6 767.18**	**3 593.09**	**1 880.81**
Scope 2: Carbon Footprint	**tonnes CO_2e**	**12 650.64**	**21 446.80**	**12 591.15**

Note:
1. For the historical data to be comparable, the 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 2023.
2. Total tonnes CO_2e rather than specific tonnes CO_2e per tonne of product for Carbon Footprint Scope 1 & 2 has been calculated to compare the previous years. This is in response to an inconsistent electricity supply experienced by the Group in F2023, resulting in a significant increase in diesel usage to run generators which has skewed the data presented in last year's sustainability report.

IAL Executive site visit - National Foods New Flour Mill in Bulawayo
Left to right: Jerry Gadoh - Flour Unit Manager, Ngabutho Moyo - Flour Operations Executive. Godfrey Gwainda - IAL Group Financial Officer, Julian Schonken - IAL Group Chief Executive Officer and Alastair Warren-Codrington - Business Development Executive

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 Sales and Distribution as well as third party hired 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. At both bakeries, 80% of the bread baked is the Premium Soft White bread.

Key Sustainability Highlights

- The automated factory in Bulawayo has been completed and was commissioned in June 2023. The plant uses energy efficient boilers and ovens, reducing resource consumption and emissions. In addition, the coolers at the new plant use a closed loop system hence saving on water consumption.
- Baker's Inn employs 1 393 staff at its Harare and Bulawayo bakeries, providing economic stability for them and their families. In addition, 1 183 casual staff were given employment opportunities throughout the year.

Sustainability within **Our Businesses** (continued)

Key annual environmental data for Baker's Inn

		2023	2022	2021
Overall Water Usage per 10 000 loaves	m^3/10 000 loaves	9.81	11.16	11.03
Scope 1: Carbon Footprint				
Processing & generators	tonnes CO_{2e}	11 248.85	11 244.64	9 276.35
Fleet of owned vehicles only	tonnes CO_{2e}	45.47		
Total	**tonnes CO_{2e}**	**11 294.32**	**11 244.64**	**9 276.35**
Scope 2: Carbon Footprint	**tonnes CO_{2e}**	**4 455.44**	**6 658.75**	**5 613.01**

Note:
1. For the historical data to be comparable, the 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 2023.
2. Total tonnes CO_{2e} rather than specific tonnes CO_{2e} per 10 000 loaves has been calculated to compare the previous years' Scope 1 & 2 Carbon Footprint. This is in response to an inconsistent electricity supply experienced by the Group in F2023, resulting in a significant increase in diesel usage to run generators which has skewed this year's data.

Commissioning of Bulawayo Bakeries plant

Sustainability within **Our Businesses** (continued)

Profeeds & Nutrimaster

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

The company distributes its feed through 53 retail stores nationwide with continued expansion plans throughout Zimbabwe. The shops provide a complete agri-solution for Zimbabwe farmers with stock feed, veterinary products, equipment, implements, seed, fertiliser and other agri inputs on sale and provide training on product use.

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

Key Sustainability Highlights

- In F2023 Profeeds continued with upgrading its production facilities. The upgrade of Plant PF2 was completed improving production efficiency, and a new hammer mill was installed enhancing overall throughput and dust reduction. Plant PF1 hammer mill was upgraded to increase milling efficiency and improve feed throughput.
- Profeeds has developed and successfully implemented a waste management plan whereby all major waste streams generated are separated and recycled or reused. In F2023 Profeeds sold 353mt of maize chaff and production screening to farmers with a further 122mt being sent to the National Foods cyclonic boiler, assisting National Foods in reducing its reliance on coal.
- Profeeds has started installing supplementary solar power at its shops throughout the country to ensure a continuous supply of electricity, especially for the refrigerators stocking veterinary medical supplies. 7 shops had solar installed in F2022 with a further 14 shops being brought on board in F2023.
- In order to continue its commendable work with small-scale farmers around the country, Profeeds received approval from the Medicines Control Authority of Zimbabwe (MCAZ) of its veterinary warehouse compliance. Profeeds also became a member of the Council of Veterinary Surgeons of Zimbabwe (CVSZ).
- In F2023 Profeeds joined the Grain Millers Association of Zimbabwe (GMAZ).
- Our Profeeds Executive Director, Tidings Chimphondah became the Chair for the industry on Climate Change & Sustainability through the Confederation of Zimbabwe Industries (CZI).

Sustainability within **Our Businesses** (continued)

Key annual environmental data for Profeeds

		2023	2022	2021
Overall Water Usage per tonne of product	m^3/tonne	0.26	0.36	0.25
Scope 1: Carbon Footprint				
Processing & generators	tonnes CO_{2e}	3 698.30	4 525.24	3 832.35
Fleet of owned vehicles only	tonnes CO_{2e}	966.13		
Total	**tonnes CO_{2e}**	**4 664.43**	**4 525.24**	**3 832.35**
Scope 2: Carbon Footprint	**tonnes CO_{2e}**	**1 670.88**	**1 601.24**	**1 624.49**

Note: **1.** For the historical data to be comparable, the 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 2023.
2. Total tonnes CO_{2e} rather than specific tonnes CO_{2e} per tonne of product has been calculated to compare the previous years' Scope 1 & 2 Carbon Footprint. This is in response to an inconsistent electricity supply experienced by the Group in F2023, resulting in a significant increase in diesel usage to run generators which has skewed this year's data.

Sustainability within **Our Businesses** (continued)

Irvine's

Irvine's is Zimbabwe's leading poultry producer and is the largest producer of broiler day old chicks in the country. A chicken processing plant and an egg plant as well as feed mill are all located at Derbyshire Farm. Irvine's is one of Zimbabwe's largest table egg producers.

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. Phase 1 is in progress and involves procurement and installation of coarse and fine screens to filter water. Recycled water is now being used to clean crates.

- **Command Livestock Agricultural Programme**
  Irvine's continued in its partnership with the Command Livestock Agricultural Programme which commenced in 2017. 12 poultry demonstration houses, complete with equipment, and the first batch of chicks and the necessary feed were set up. The beneficiaries 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**
  Irvine's provided free training in rural areas on best poultry farming methods resulting in these farmers achieving a 95% success rate, which equates to a commercial grower in the region. In F2023 Irvine's offered free technical support to small-scale growers in order to help them increase their profit yields. Regional Technical Sales Representatives were deployed to fully cover the whole country. Over 2 000 small-scale poultry farmers attended training sessions held across customer points. Irvine's prides itself in contributing towards the local empowerment of poultry farmers in Zimbabwe.

- **Contract Grower Programme**
  As part of its contract grower programme, Irvine's has 30 independent farmers who supply its processing plant with birds for slaughter. Of the broiler chickens processed at Irvine's Zimbabwe, 100% are grown by contract farmers.

Sustainability within **Our Businesses** (continued)

Key Sustainability Highlights (continued)

- **Animal Welfare**
  Irvine's gives animal welfare high priority by following best practice standards. All team members in the departments that handle or deal with live animals are trained using Irvine's comprehensive animal welfare manual to ensure that animals are handled correctly at all times.

- **Disease Prevention**
  - Irvine's being the biggest and only fully integrated poultry company in the country, it has in place robust biosecurity measures meant to protect the country from disease outbreaks. The threat of Avian Influenza is significant as it is currently causing much concern in neighbouring South Africa.
  - To assist in reducing the devastating Newcastle Disease, which can be problematic in small-scale flocks, Irvine's, in conjunction with the Department of Veterinary Services, conducted annual vaccinations of small-scale farmers' birds around Irvine's Derbyshire and Lanark farms, all 8 contract breeder farms and all 30 contract broiler grower farms. A total of 110 000 small-scale farmers' birds were vaccinated in F2023.

Key annual environmental data for Irvine's

		2023	2022	2021
Overall Water Usage per tonne of product	m^3/tonne	22.218	22.221	47.12
Overall Water Usage per 10 000 chicks	m^3/10 000 chicks	7.04	6.84	–
Scope 1: Carbon Footprint				
Processing & generators	tonnes CO_{2e}	8 760.05	5 071.13	6 922.94
Fleet for owned vehicles only	tonnes CO_{2e}	2 832.42		
Total	**tonnes CO_{2e}**	**11 592.47**	**5 071.13**	**6 922.94**
Scope 2: Carbon Footprint	**tonnes CO_{2e}**	**3 936.27**	**3 370.09**	**4 371.66**

Note: 1 For the historical data to be comparable, the 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 2023.
2 Total tonnes CO_{2e} rather than specific tonnes CO_{2e} per tonne of product or per 10 000 chicks for Carbon Footprint Scope 1 & 2 has been calculated to compare the previous years. This is in response to an inconsistent electricity supply experienced by the Group in F2023, resulting in a significant increase in diesel usage to run generators which has skewed the data presented in last year's sustainability report.

Sustainability within **Our Businesses** (continued)

Colcom

Colcom is Zimbabwe's leading pork producer and has its abattoir and factory at the Colcom Complex in Harare. Triple C Pigs is headquartered in Norton at Grasmere Farm and has four other farms situated in various locations around the country that raise pigs for Colcom.

Key Sustainability Highlights

- Colcom's abattoir attained FSSC 22000 certification (Food Safety Management) in June 2023, making it the first and only FSSC certified pork abattoir in Zimbabwe. This certification demonstrates Colcom's commitment to food safety, quality and continual improvement by following recognised global food safety standards.
- In F2023 Colcom invested in a new 12 tonne distribution vehicle which is fuel efficient with low emissions.
- Solar power runs the IT server to ensure a non-stop supply of power while LED lights have been installed throughout Colcom's operations to save energy.
- Colcom places high value on having as little negative impact on the environment as possible. For this reason all cleaning products used are environmentally safe as they are made of non-Ozone depleting substances.
- Colcom continued to invest in the prevention of the spread of African Swine Fever and Foot & Mouth disease, both detrimental to the meat industry.
- Colcom has developed a waste management plan, emphasising 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. This included implementing a chain of custody to ensure safe disposal of waste, onsite waste segregation into specially constructed waste bunkers and recycling of paper and plastics through third party enterprises.
  - In F2023 69 tonnes of recyclable plastic and 79 tonnes of waste paper were recycled through third parties, while 267 tonnes of coal ash were recycled and used by local brick makers. 12% of Colcom's waste was disposed of at landfill.
  - Colcom engaged in a weekly distribution of over 30 tons of organic manure to local farmers in close proximity to the Colcom satellite farms, with 15 to 20 farmers benefiting from this scheme.

Sustainability within **Our Businesses** (continued)

Key annual environmental data for Colcom Group

		2023	2022	2021
Overall Water Usage per tonne of product	m^3/tonne	5.80	5.39	7.53
Scope 1: Carbon Footprint				
Processing & generators	tonnes CO_2e	5 330.27	7 347.92	6 687.70
Fleet of owned vehicles only	tonnes CO_2e	4 350.74		
Total	**tonnes CO_2e**	**9 681.01**	**7 347.92**	**6 687.70**
Scope 2: Carbon Footprint	**tonnes CO_2e**	**5 087.96**	**6 946.47**	**6 790.48**

Note: **1.** For the historical data to be comparable, the 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 2023.
2. Total tonnes CO_2e rather than specific tonnes CO_2e per tonne of product has been calculated to compare the previous years' Scope 1 & 2 Carbon Footprint. This is in response to an inconsistent electricity supply experienced by the Group in F2023, resulting in a significant increase in diesel usage to run generators which has skewed this year's data.

Sustainability within **Our Businesses** (continued)

AMP Group

AMP Group was founded in 2003 as Associated Meat Packers. The business is committed to consistently providing the highest quality protein with a particular focus on meat. In addition to the flagship AMP Factory Shop at Coventry Road in Harare, AMP supplies quality meat to the nation through its network of strategically located Texas Meats, Texas Chicken, Texas Meat Market, Texas Dairy and Butcher Box Grab & Go outlets.

The Butcher box e-platform offers delivery of specially assembled meat boxes directly to our customers. The group also has a wholesale division which caters for the unique needs of our bulk customers.

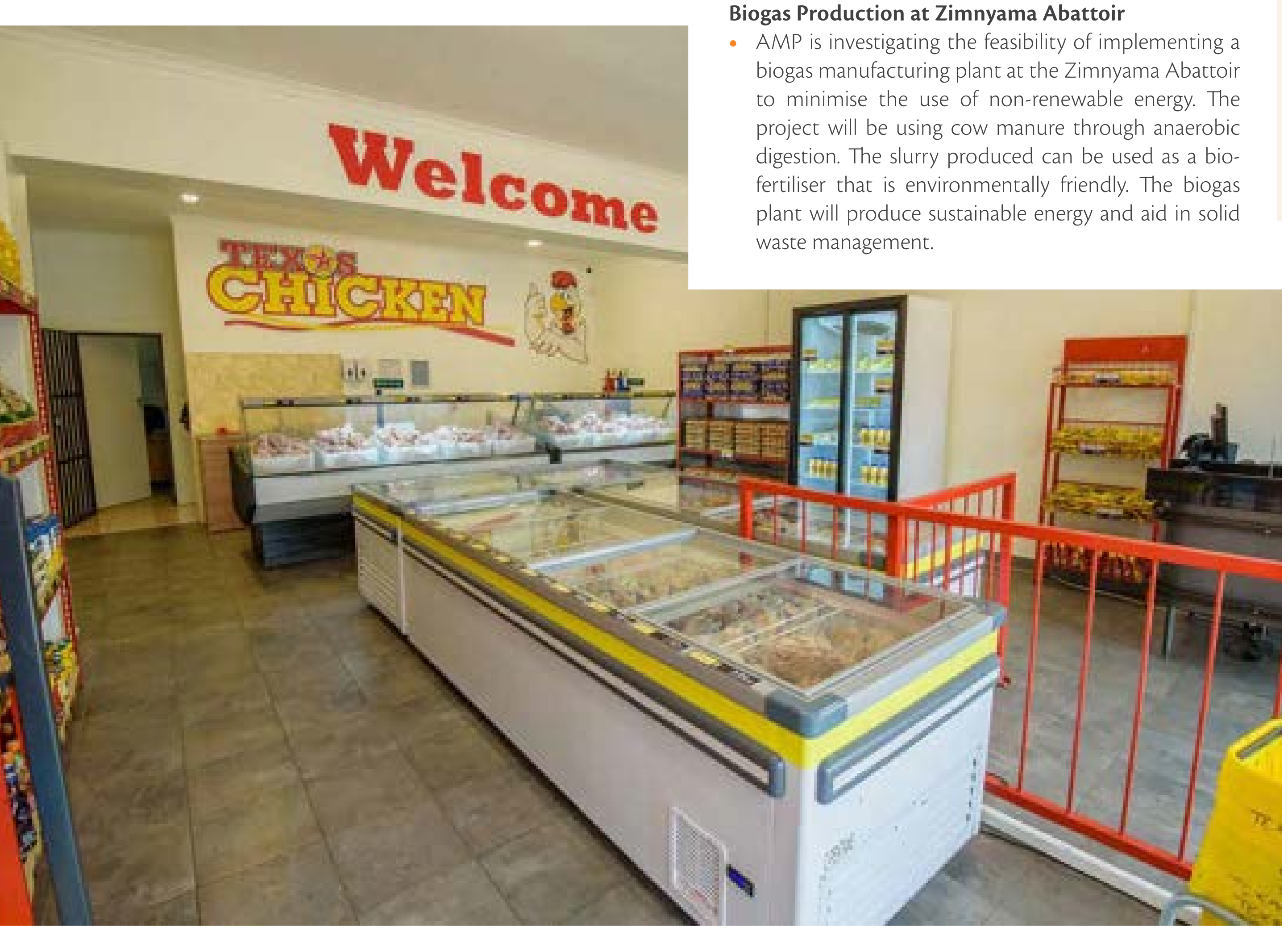
Key Sustainability Highlights

FSSC 22000

- Following the unannounced FSSC 22000 v5.1 (Food Safety Management) surveillance audit in June 2023, AMP maintained its certification, cementing AMP's commitment to providing customers and consumers with quality meat that is processed from a factory that meets global safety, hygiene and quality requirements.

Biogas Production at Zimnyama Abattoir

- AMP is investigating the feasibility of implementing a biogas manufacturing plant at the Zimnyama Abattoir to minimise the use of non-renewable energy. The project will be using cow manure through anaerobic digestion. The slurry produced can be used as a bio-fertiliser that is environmentally friendly. The biogas plant will produce sustainable energy and aid in solid waste management.



Sustainability within **Our Businesses** (continued)

Key annual environmental data for AMP Group

		2023 AMP	2023 Zimnyama	2022 AMP	2022 Zimnyama
Overall Water Usage per tonne of product	m^3/tonne	1.50	3.75	1.19	—
Scope 1: Carbon Footprint					
Processing & generators	tonnes CO_{2e}	161.93	94.79	434.60	54.70
Fleet of owned vehicles only	tonnes CO_{2e}	1 072.94	—		
Total	**tonnes CO_{2e}**	**1 234.87**	**94.79**	**434.60**	**54.70**
Scope 2: Carbon Footprint	**tonnes CO_{2e}**	**860.94**	**90.61**	**1 255.37**	**117.75**

Note:
1. For the historical data to be comparable, the 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 2023.
2. Total tonnes CO_{2e} rather than specific tonnes CO_{2e} per tonne of product has been calculated to compare the previous years' Scope 1 & 2 Carbon Footprint. This is in response to an inconsistent electricity supply experienced by the Group in F2023, resulting in a significant increase in diesel usage to run generators which has skewed this year's data.

Sustainability within **Our Businesses** (continued)

Probottlers

Probottlers produces carbonated soft drinks (CSD) and cordials at a factory located in Ruwa outside Harare. The company was launched in 2013 under the Bally House Crush and Cordial range and produces a CSD "Fizzi" as well as mixers under the St Clairs range.

Key Sustainability Highlights

- Probottlers' current loading rate on finished goods on its 30-tonner dispatch trucks is 19.8 tonnes. The aim is to increase this to 27 tons on a 30-tonner truck which will reduce the business' current carbon footprint per truck.
- Gradually replacing cardboard and Masonite boards from the pallet stacking system with more durable plastic pallets.

Sustainability within **Our Businesses** (continued)

Key annual environmental data for Probottlers

		2023	2022	2021
Overall Water Usage per kiloliter of product	m^3/kL product	1.56	1.74	1.43
Scope 1: Carbon Footprint				
Processing & generators	tonnes CO_{2e}	753.52	1 029.78	695.65
Fleet for owned vehicles only	tonnes CO_{2e}	40.37		
Total	**tonnes CO_{2e}**	**793.89**	**1 029.78**	**695.65**
Scope 2: Carbon Footprint	**tonnes CO_{2e}**	**1 197.89**	**829.88**	**712.37**

Note: 1 For the historical data to be comparable, the 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 2023.

2. Total tonnes CO_{2e} rather than specific tonnes CO_{2e} per kiloliter of product for Carbon Footprint Scope 1 & 2 has been calculated to compare the previous years. This is in response to an inconsistent electricity supply experienced by the Group in F2023, resulting in a significant increase in diesel usage to run generators which has skewed the data presented in last year's sustainability report.

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, ranging from grocery essentials and household products. Probrands' product portfolio encompasses a wide range of offerings, including its esteemed in-house brand, Probrands, which comprises high-quality rice, pasta, pulses, salt, popcorn and candles.

Additionally, Probrands offers the renowned Royal brand, specialising in baking products. Furthermore, its operations encompass a state-of-the-art candle factory and a cutting-edge condiments processing plant.

Key Sustainability Highlights

- Refer to **page 178** for Probrands ISO 22000 (Food Safety Management) Certification.
- Probrands places high value on the health and safety of its employees and has a comprehensive Occupational Health and Safety Policy in place. In F2023 no lost time injury (LTI) was recorded, which is commendable.

Sustainability within **Our Businesses** (continued)

Key annual environmental data for Probrands

		2023	2022	2021
Overall Water Usage per tonne of product	m^3/tonne	0.19	0.16	0.42
Scope 1: Carbon Footprint				
Processing & generators	tonnes CO_2e	162.38	377.35	250.08
Fleet for owned vehicles only	tonnes CO_2e	45.26		
Total	**tonnes CO_2e**	**207.64**	**377.35**	**250.08**
Scope 2: Carbon Footprint	**tonnes CO_2e**	**124.74**	**118.89**	**129.81**

Note:
1. For the historical data to be comparable, the 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 2023.
2. Total tonnes CO_2e rather than specific tonnes CO_2e per tonne of product for Carbon Footprint Scope 1 & 2 has been calculated to compare the previous years. This is in response to an inconsistent electricity supply experienced by the Group in F2023, resulting in a significant increase in diesel usage to run generators which has skewed the data presented in last year's sustainability report.

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. 36 dairy farmers, 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

Water Recovery System

- Prodairy installed a water recovery system where sterilised water, which is clean hot water, is being recovered for reuse in the production plant. Approximately 1 000 m3 is being recovered per week.

Refrigeration Gas Recovery Unit

- Prodairy purchased a refrigeration gas recovery unit which eliminates the release of refrigerants directly into the atmosphere during servicing, repairs or retrofits.

Flow Meters

- Flow meters have been installed in the plant to enhance resource consumption monitoring.

Solar Powered Lights

- Solar powered lights were installed at one of the Prodairy warehouses to provide lighting during power cuts and to advocate the use of renewable energy.

Tetra Pak Packaging

- Prodairy is continuing to increase its Tetra Pak waste reuse program by using the packaging to produce bins which have been distributed throughout the offices.
- The local community based organisation, Clean Marondera, continued to use discarded clean Tetra Pak packaging to produce shopping bags.
- Unrecyclable Tetra Pak waste is now being sent to the National Foods' cyclonic boiler as fuel, thereby decreasing National Foods' reliance on coal to run the boiler.

Waste Management

- Prodairy has developed a waste management plan, emphasising 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. Only 4% of Prodairy's waste ends up being disposed of at landfill with third parties collecting and reusing recyclable waste.

Sustainability within **Our Businesses** (continued)

Key annual environmental data for Prodairy

		2023	2022	2021
Overall Water Usage per kiloliter of product	m^3/kL product	4.82	3.65	3.42
Scope 1: Carbon Footprint				
Processing & generators	tonnes CO_2e	8 689.14	5 169.84	3 470.26
Fleet of owned vehicles only	tonnes CO_2e	13 696.77		
Total	**tonnes CO_2e**	**22 385.91**	**5 169.84**	**3 470.26**
Scope 2: Carbon Footprint	**tonnes CO_2e**	**2 218.67**	**1 526.97**	**1 130.72**

Note:
1. For the historical data to be comparable, the 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 2023.
2. Total tonnes CO_2e rather than specific tonnes CO_2e per kiloliter of product has been calculated to compare the previous years' Scope 1 & 2 Carbon Footprint. This is in response to an inconsistent electricity supply experienced by the Group in F2023, resulting in a significant increase in diesel usage to run generators which has skewed this year's data.

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, having started its operations in 2018. Safari Farm is the second site for the new and innovative farming model using open pasture for dairy cattle.

Safari Dairy Farm Marondera

This concept was initially started at the Grasslands Research Station in Marondera, which is currently being used mostly for rearing calves. As part of its expansion program, Mafuro Farming set up a third farm outside Kwekwe which started operating in April 2023. Prodairy is Mafuro Farming's sole customer and started collecting milk from the farm in Kwekwe during the same month. The cattle using the Mafuro model are producing approximately 21 litres per cow, which is far above the national average of approximately 14 litres per cow.

Key Sustainability Highlights

- A new farm has been set up outside Kwekwe which also follows pasture based dairy farming.
- Introduction and adoption of the Interherd Plus computer program used by the Herd Health department to capture information on artificial inseminations serves, lactations, heifers, dams (mother cows), etc.
- Adoption and use of a mini incubator to test antibiotics in milk.
- Recruitment of an Operations Manager to oversee the operations of the company and to improve planning and management across the departments.
- Engagement of a Crops and Pastures Consultant for improvement and maintenance of the pastures which form the basis of the feed system for the herd.
- Planting of maize silage to enhance the feed for the herd for the year ahead.
- Replanting of rye grass in pivots for improved pasture quality.
- 100% of the effluent is recycled and used as fertilisers on the pastures.
- With the remote location of the Safari Farm, solar has been installed to run the office buildings. A total of 563 kWh was generated in F2023, an increase of 31% since its installation in F2022.The solar setup has backup batteries to provide power at night.
- 139 of 208 employees, i.e. 66% of Mafuro Farming's staff are employed from the local communities.

Sustainability within **Our Businesses** (continued)

Key annual environmental data for Mafuro Farming

		2023
Overall Water Usage per kiloliter of product	m^3/kL product	1.194
Scope 1: Carbon Footprint		
Processing & generators	tonnes CO_{2e}	448.65
Fleet of owned vehicles only	tonnes CO_{2e}	35.87
Total	**tonnes CO_{2e}**	**484.52**
Scope 2: Carbon Footprint	**tonnes CO_{2e}**	**118.80**

East Range Dairy Farm Kwekwe

Sustainability within **Our Businesses** (continued)

Natpak

Natpak is one of Zimbabwe's key plastic packaging manufacturers, who uses state of the art technology and equipment in their manufacturing processes at three factories in Harare. 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 primary food packaging such as pouches used in poultry packaging, bread bags, FFS sheeting used in sugar, rice, salt, milk, snacks and treats packaging as well as secondary packaging such as shrink and stretch wrap film, baler bags and black sheeting. The printing of the plastic packaging of many of Zimbabwe's iconic brands takes place at both the Flexibles and Sacks factories, using advanced printing presses.

Key Sustainability Highlights

- All three divisions have been certified to Brand Reputation Compliance Global Standard (BRCGS) for Packaging Materials in F2022. BRCGS is a Global Food safety Initiative (GFSI) benchmarked certification which gives customers assurance on product safety, quality, authenticity and legality. As a result of the audit that took place during F2023, Natpak's certification was upgraded from B to AA rating.
- Following Natpak's successful audit in 2021 by The Coca Cola Company for compliance with its Coca Cola Supplier Guiding Principles and for passing the technical assessment for conditional supplier status, Natpak was periodically audited in 2022 with unconditional supplier status for Coca Cola packaging achieved in August 2022.
- To improve the efficiency of its operations, Natpak invested in a new latest technology printer for its woven sacks business, twelve new weaving looms and two new twisters as well as a plates mounting machine to improve the quality of its printing operations.
- To improve the safety of its operations, Natpak invested in a fire suppression system in the printing sections, a new cure room as well as battery powered lighting.

Sustainability within **Our Businesses** (continued)

Key Sustainability Highlights (continued)

Waste Management

- Natpak is a member of the Zimbabwe Recyclers Association as a way of 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 internal use in the production of black sheeting and also sold to other players in the industry. During F2022, 713 tonnes of recyclable waste was recycled at the plant while in F2023, 774 tonnes were recycled.
- The collection of pre-consumer plastic waste from customers for recycling commenced in F2022 where a cumulative total of 17.2 tonnes had been received from customers for recycling. In F2023, 32 tonnes were received from customers for recycling.
- Blade sharpener has been purchased for recycling in order to improve the efficiencies of the recycling process.

Key annual environmental data for Natpak

		2023	2022	2021
Overall Water Usage per tonne of product	m^3/tonne	1.90	1.55	0.03
Scope 1: Carbon Footprint				
Processing & generators	tonnes CO_{2e}	243.95	313.35	102.03
Fleet for owned vehicles only	tonnes CO_{2e}	98.55		
Total	**tonnes CO_{2e}**	**342.50**	**313.35**	**102.03**
Scope 2: Carbon Footprint	**tonnes CO_{2e}**	**6 441.66**	**6 499.48**	**4 995.54**

Note:
1. For the historical data to be comparable, the 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 2023.
2. Total tonnes CO_{2e} rather than specific tonnes CO_{2e} per tonne of product for Carbon Footprint Scope 1 & 2 has been calculated to compare the previous years. This is in response to an inconsistent electricity supply experienced by the Group in F2023, resulting in a significant increase in diesel usage to run generators which has skewed the data presented in last year's sustainability report.

Sustainability within **Our Businesses** (continued)

Alpha Packaging

Alpha Packaging aims to be the largest corrugated box and egg tray manufacturer in Zimbabwe, with the ability to export its production to the rest of the Southern African Development Community (SADC) region. The business started to operate in June 2017 and Natpak has a 78% share in the company.

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, such as Lotus Stationery, for the production of the egg trays.

Key Sustainability Highlights

- With a zero waste philosophy, all non-recyclable paper waste is sold to its subsidiary, Recycling Solutions, who sends it to the National Foods cyclonic boiler. Recyclable paper waste is used for egg tray production and any excess is sold through Recycling Solutions.
- The production of egg trays is so successful, the company has built a second egg tray plant.
- During F2023 Alpha Packaging used 1 037 tonnes of recycled paper for its egg tray production.
- Solar power runs the offices, reducing Alpha Packaging's reliance on diesel run generators during power outages.

Sustainability within **Our Businesses** (continued)

Key annual environmental data for Alpha Packaging

		2023	2022	2021
Overall Water Usage per tonne of product	m^3/tonne	3.24	2.79	2.05
Scope 1: Carbon Footprint				
Processing & generators	tonnes CO_{2e}	4 769.48	3 048.05	3 584.31
No owned fleet vehicles	tonnes CO_{2e}	0.00		
Total	**tonnes CO_{2e}**	**4 769.48**	**3 048.05**	**3 584.31**
Scope 2: Carbon Footprint	**tonnes CO_{2e}**	**781.53**	**581.12**	**548.06**

Note:
1. For the historical data to be comparable, the 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 2023.
2. Total tonnes CO_{2e} rather than specific tonnes CO_{2e} per tonne of product has been calculated to compare the previous years' Scope 1 & 2 Carbon Footprint. This is in response to an inconsistent electricity supply experienced by the Group in F2023, resulting in a significant increase in diesel usage to run generators which has skewed this year's data.

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 Licence
- City of Harare – City Health Licence
- Ruwa Local Board – Health Registration Certificate

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

Individual **Business Awards**

IAL Head Office

Presented by	Award
Institute of Directors Zimbabwe	Director of the Year Awards 2023 • 2022 Report of the Year – Merit Award • 2022 Director of the Year Award Runner-up – Julian Schonken

National Foods

Presented by	Award
Buy Zimbabwe	National Foods - Winner - Buy Zimbabwe Manufacturer of the Year Award (FMCG) National Food - Winner - Buy Zimbabwe Quality Award National Foods - Runner - Up - Buy Zimbabwe Farmers Support
Marketers Association of Zimbabwe (MAZ)	National Foods - 3rd Best Business to Business Brand in Zimbabwe - Super Brand Awards Red Seal - Winner of Food Grain Sector - Super Brand Awards Pearlenta - 1st Runner - Up FMCG Food Grain Sector - Super Brand Awards Mahatma - 2nd Runner - Up FMCG Food Grain Sector - Super Brand Awards Red Seal - 6th Best Business to Consumer Brand in Zimbabwe - Super Brand Awards
Africa Food Awards 2023 - Kenya	National Foods - Company of the Year Award New Product of the Year Award - Organica Plant Based Meal, Pearlenta Smart Carbs Cereals, Pearlenta Nutri Active.

Bakeries

Presented by	Award
Marketers Association of Zimbabwe (MAZ)	Superbrand Awards 2022 - FMCG Bakery Sector - Winner
Marketers Association of Zimbabwe (MAZ)	Best Business to Consumer Brand of the Year 2022 - 3rd Position

Irvine's

Presented by	Award
Zimbabwe CEO's Network	Company of the Year Platinum Winner
Marketers Association of Zimbabwe (MAZ)	Winner in the FMCG Meat Sector
National Annual Quality Awards	Product of the Year

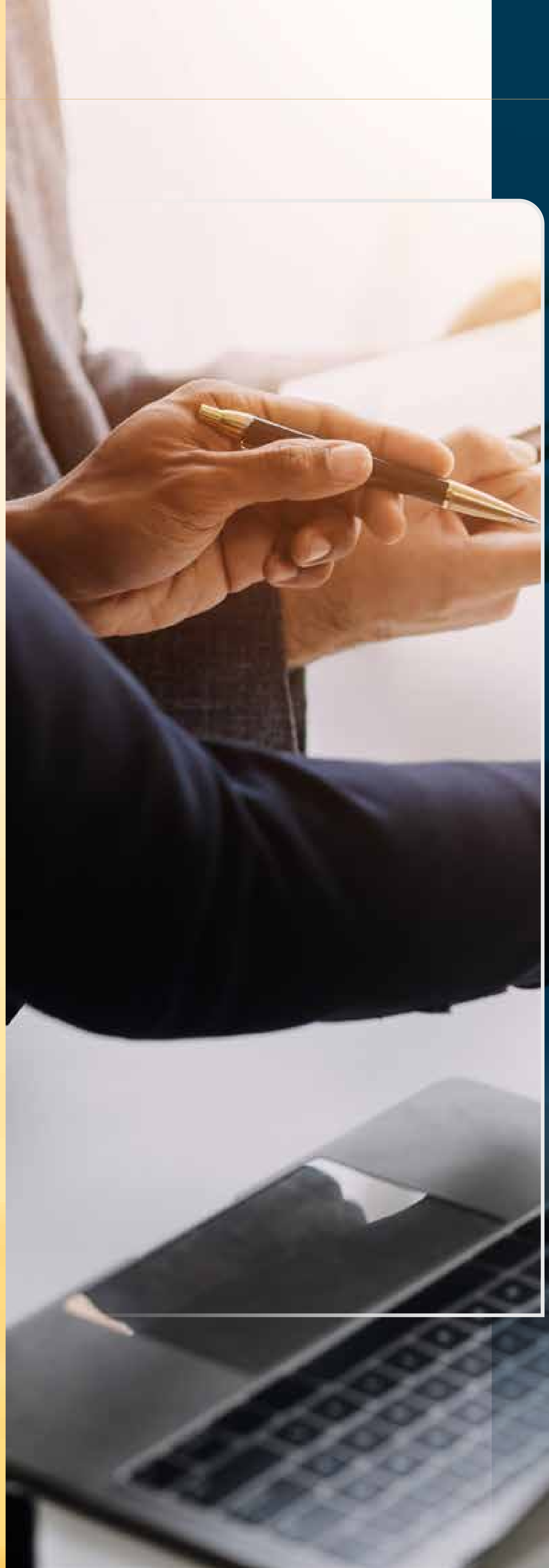
Probrands

Presented by	Award
Marketers Association of Zimbabwe (MAZ)	20th Position Business to Consumer Category

Prodairy

Presented by	Award
Harare Metropolitan Province	Investor of the Year 2022 for the Ruwa Milk Production Plant

Individual **Business Awards** (continued)



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 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 year. In preparing the accompanying financial statements, generally accepted accounting practices have been followed. Suitable accounting policies have been used and consistently applied, as well, 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, except for Property, Plant and Equipment ("PPE") measurement model, which was changed from historic cost model to revaluation model. All the principal accounting policies applied by the Group conform to International Financial Reporting Standards, ("IFRS") and all applicable amendments to IFRS, except where otherwise stated.

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. Group 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, which includes assessments of the relative strengths and weaknesses of key control areas. 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 financial statements for the year ended 30 June 2023, which appear on **pages 246 to 327**, 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 September 2023

G GWAINDA CA (Z)
Executive Director
Registered Public Accountant
28 September 2023

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 return are true, correct and up to date.

A D LORIMER
Company Secretary
Harare
28 September 2023

Report of **Directors**

The Directors have the pleasure in presenting their report together with the audited consolidated financial statements of the Group for the year ended 30 June 2023.

Share Capital

At 30 June 2023 the authorised share capital of the Company comprised of 800,000,000 ordinary shares and 1,000 Non-Voting Class "A" ordinary shares. The Group has 575 926 450 ordinary shares and 1,000 Non-Voting Class "A" ordinary shares in issue for both F2023 and F2022.

Dividends

Ordinary shares

The Board declared a final dividend of 1.05 US cents per share (2022: 1.56 US cents) and an interim dividend of 1.60 US cents per share (2022: 0.81 US cents). This brings the total dividend in respect of the 2023 financial year to 2.65 US cents per share (2022: 2.37 US cents).

Non-voting class "A" ordinary shares

The Board declared a final dividend of USD 305 000 (2022: USD 453 588) and an interim dividend of USD 460 000 (2022: USD 231 351) to the Innscor Africa Employee Share Trust (Private) Limited. This brings the total dividend for non-voting class "A" ordinary shares in respect of the 2023 financial year to USD 765 000 (2022: USD 684 939).

Directors and their Interests

In terms of the Company's Articles of Association, Messrs M.J. Fowler and G. Gwainda retire from office by rotation at the Company's Annual General Meeting of Shareholders on 8 December 2023 and being eligible offer themselves for re-election as Directors. The beneficial interests of the Directors of the Company in the shares of the Company are disclosed in **Note 23.4** 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 2023.

Auditors

Members will be asked to approve the remuneration of the auditors for the financial year ended 30 June 2023 and to reappoint BDO Zimbabwe Chartered Accountants as auditors of the Company to hold office for the ensuing year.

For and on behalf of the Board.

A B C CHINAKE
Independent, Non-Executive Chairman
Harare
28 September 2023

G GWAINDA CA (Z)
Executive Director
Registered Public Accountant
28 September 2023

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REPORT OF THE INDEPENDENT AUDITORS

TO THE MEMBERS OF INNSCOR AFRICA LIMITED

Qualified Opinion

We have audited the consolidated financial statements of **INNSCOR AFRICA LIMITED AND ITS SUBSIDIARIES** (herein after referred to as, "the Group"), set out on pages 246 to 327, which comprise the consolidated statement of financial position as at 30 June 2023, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matters discussed in the Basis for Qualified Opinion section of our report below, the Group consolidated financial statements present fairly, the financial position of the Group as at 30 June 2023, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

Basis for Qualified Opinion

(i) Non-compliance with International Accounting Standard 8 (IAS 8) Accounting Policies, Changes in Accounting Estimates and Errors: Initial application of a change in accounting policy ("Adoption of the revaluation model for Property, Plant and Equipment")

The Group's comparative amount for property, plant and equipment ("PPE") is stated in the statement of financial position at USD 258 611 731. The Group changed its accounting policy from the historical cost model to the revaluation model for PPE during the year. The Group has not accounted for this change in accounting policy from the date of change onwards but has accounted for the change retrospectively with effect from the year ended 30 June 2022, which constitutes a departure from the requirements of International Accounting Standard 8 (IAS 8). Had the Group followed the requirements of IAS 8, the value of PPE presented in the comparative financial information would have been lower by USD 161 444 738, while the reserves and the deferred tax liability would have been also lower by USD 127 879 749 and USD 33 564 989 respectively.

(ii) Non-compliance with International Accounting Standard 21 (IAS 21), The Effects of Changes in Foreign Exchange Rates: Change in presentation and functional currency ("Translation of comparative financial information")

The following amounts are in the Group's comparative statement of financial position:-

Financial statement area	Amount (USD)
Right of use asset	3 429 936
Investments in associates	50 798 423
Other assets	23 144 192
Biological assets	22 884 231
Inventories	114 017 800
Deferred tax liabilities	32 755 715
Other reserves	116 336 327
Distributable reserves	156 719 610
Non controlling interest	127 155 610

The Group has not translated the foregoing balances from the Zimbabwe Dollar (ZWL), a currency of a hyperinflationary economy, accounted for in terms of International Accounting Standard 29, Financial Reporting in Hyperinflationary Economies, to the United States Dollar (USD), the new presentation and functional currency, at the closing exchange rate at the date of the most recent statement of financial position but has applied to these comparative balances the spot exchange rates on dates that the amounts initially arose, which constitutes a departure from International Accounting Standard 21 (IAS 21).The Group's records show that had management complied with IAS 21, the comparative amount for net equity would have been lower by USD 185 374 295, while the profit for the period stated in the comparative statement of profit or loss would have been higher by USD 18 775 252. Since opening balances affect the current year trading results, the misstatement of comparative financial information resulted in the profit for the current year being understated by USD 30 767 245.

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

Key Audit Matters

Key audit matters are those matters that in our professional judgement were of most significance in our audit of financial statements. Except for the matters described in the Basis for Qualified Opinion section, we have determined that there are no other key audit matters to communicate 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 and the Company Secretary's Certification 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 2023" which we expect to receive after the date of the auditor's report. The other information does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and in doing so consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we have obtained prior to the date of the auditors' report, we conclude that there is a material misstatement of the other information, we are required to report that fact. Given the nature of the matters set out in the Qualified Opinion section above, we have determined that the other information is materially misstated for the same reasons.

Responsibilities of the Directors for the consolidated financial statements

The Directors are responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards and for such internal controls as the directors determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

REPORT OF THE INDEPENDENT AUDITORS
TO THE MEMBERS OF INNSCOR AFRICA LIMITED (continued)

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

Auditors' responsibilities for the audit of the consolidated financial statements
Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 International Standards on Auditing (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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

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

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

REPORT OF THE INDEPENDENT AUDITORS
TO THE MEMBERS OF INNSCOR AFRICA LIMITED (continued)

Report on 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:

Section 193(1)
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 company'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 ended 30 June 2018 up to and including 30 June 2023. This results in non-compliance with the requirements of the Act.

Section 193(2)
We have no other matters to report in respect of Section 193(2) requirements of the Act, in addition to those already addressed in the Basis for Qualified Opinion section of our report.

BDO Zimbabwe
Chartered Accountants
Per: Martin Makaya CA(Z)
Partner

Registered Public Auditor
PAAB Certificate No: 0407
28 September 2023

Kudenga House
3 Baines Avenue
Harare

Group Statement of Profit or **Loss and Other Comprehensive Income**

for the year ended 30 June 2023

	Note	30 June 2023 USD	30 June 2022 USD
Revenue	8	**804 039 805**	**700 994 290**
Cost of raw materials	20.2	(524 082 145)	(433 700 680)
Profit before operating expenses and other trading income		**279 957 660**	**267 293 610**
other trading income	9.1	8 644 812	7 050 741
operating expenses	10.1	(197 541 349)	(169 123 512)
Operating profit before depreciation, interest, fair value adjustments, equity accounted earnings and tax		**91 061 123**	**105 220 839**
financial (loss)/gain	9.2	(15 404 704)	222 318
depreciation & amortisation	10.3	(23 443 245)	(20 903 645)
fair value adjustments - listed equities	18.1	(695 272)	116 279
fair value adjustments - biological assets	19.4	8 517 740	7 018 159
Operating profit before interest and equity accounted earnings		**60 035 642**	**91 673 950**
interest income	11.1	3 071 559	1 853 725
interest expense	11.2	(16 514 739)	(19 080 867)
equity accounted earnings	16.2	1 722 897	6 028 400
Profit before tax		**48 315 359**	**80 475 208**
tax expense	12.1	(10 471 340)	(16 650 593)
Profit for the year		**37 844 019**	**63 824 615**
Profit for the year attributable to:			
equity holders of the parent	24.2	32 146 774	45 281 822
non-controlling interests	25.1	5 697 245	18 542 793
		37 844 019	**63 824 615**
Other comprehensive income for the year that will not be reclassified subsequently to profit or loss			
Revaluation surplus on property, plant and equipment	13.1	—	161 444 738
Deferred tax on revaluation surplus	26	—	(33 564 989)
Revaluation surplus, net of deferred tax		**—**	**127 879 749**
Revaluation surplus attributable to:			
equity holders of the parent	24.1	—	89 515 824
non-controlling interests	25.1	—	38 363 925
Other comprehensive income for the year that will not be reclassified subsequently to profit or loss, net of tax		**—**	**127 879 749**
Total comprehensive income for the year attributable to:			
equity holders of the parent		32 146 774	134 797 646
non-controlling interests		5 697 245	56 906 718
		37 844 019	**191 704 364**
Basic earnings per share (cents)	6	**5.63**	**7.96**
Diluted basic earnings per share (cents)	6	**5.63**	**7.96**

Group Statement of **Financial Position**

as at 30 June 2023

	Note	30 June 2023 USD	30 June 2022 USD
ASSETS			
Non-current assets			
property, plant and equipment	13	312 855 810	258 611 731
right-of-use assets	14	4 514 119	3 429 936
intangible assets	15	8 918 541	8 882 775
investments in associates	16	51 407 711	50 798 423
other assets	18	15 303 142	13 210 829
biological assets	19.1	5 193 699	3 199 569
		398 193 022	**338 133 263**
Current assets			
other assets	18	7 296 590	9 933 363
biological assets	19.2	25 609 066	19 684 662
inventories	20	105 550 510	114 017 800
trade and other receivables	21	88 020 712	86 042 886
cash and cash equivalents	22.5	29 173 106	32 861 146
		255 649 984	**262 539 857**
Total Assets		**653 843 006**	**600 673 120**
EQUITY AND LIABILITIES			
Capital and reserves			
ordinary share capital	23.2	1 171 521	1 171 521
class A ordinary share capital		2	2
share premium	23.2	4 080 962	4 080 962
other reserves	24.1	116 179 828	116 336 327
distributable reserves	24.2	169 907 567	156 719 610
attributable to shareholders of the parent		**291 339 880**	**278 308 422**
non-controlling interests	25.1	126 330 986	127 155 610
Total equity		**417 670 866**	**405 464 032**
Non-current liabilities			
deferred tax liabilities	26	33 214 938	32 755 715
lease liability	27.1	3 453 576	2 677 870
interest-bearing borrowings	28.1	19 263 994	10 102 785
		55 932 508	**45 536 370**
Current liabilities			
lease liability	27.1	1 240 212	794 414
interest-bearing borrowings	28.1	48 839 823	35 685 783
trade and other payables	29	121 421 194	98 196 819
provisions	30	2 548 848	1 804 179
current tax liabilities	31	6 189 555	13 191 523
		180 239 632	**149 672 718**
Total liabilities		**236 172 140**	**195 209 088**
Total equity and liabilities		**653 843 006**	**600 673 120**

For and on behalf of the Board.

A B C CHINAKE
Independent, Non-Executive Chairman
Harare
28 September 2023

G GWAINDA CA (Z)
Executive Director
Registered Public Accountant
28 September 2023

Group Statement of **Changes in Equity**

for the year ended 30 June 2023

	Note	Ordinary Share Capital USD	Class "A" Ordinary Share Capital USD	Share Premium Reserve USD	Other Reserves: Restructure Reserve USD	Other Reserves: Revaluation Reserve USD	Other Reserves: Foreign Currency Translation Reserve USD	Other Reserves: Treasury Shares Reserve USD	Other Reserves: Share-based Payment Reserve USD	Other Reserves: Total Other Reserves USD	Distributable Reserves USD	Attributable to Equity Holders of the Parent USD	Non-Controlling Interests USD	Total Shareholders' Equity USD
		attributable to equity holders of the parent												
Balances at 30 June 2021		**1 171 278**	**2**	**3 919 431**	**(4 555 088)**	**—**	**29 673 031**	**(721 715)**	**129 062**	**24 525 290**	**122 294 156**	**151 910 157**	**72 236 397**	**224 146 554**
Share-based payment charge		—	—	—	—	—	—	—	900	900	—	900	—	900
Issue of shares	**23.2**	243	—	161 531	—	—	—	—	(129 962)	(129 962)	—	31 812	—	31 812
Profit for the year	**24.2**	—	—	—	—	—	—	—	—	—	45 281 822	45 281 822	18 542 793	63 824 615
Dividend	**7**	—	—	—	—	—	—	—	—	—	(10 856 368)	(10 856 368)	(5 291 475)	(16 147 843)
Transactions with owners in their capacity as owners	**25.4**	—	—	—	2 424 275	—	—	—	—	2 424 275	—	2 424 275	3 303 970	5 728 245
Revaluation surplus, net of deferred tax	**24.1 & 25.1**	—	—	—	—	89 515 824	—	—	—	89 515 824	—	89 515 824	38 363 925	127 879 749
Balances at 30 June 2022		**1 171 521**	**2**	**4 080 962**	**(2 130 813)**	**89 515 824**	**29 673 031**	**(721 715)**	**—**	**116 336 327**	**156 719 610**	**278 308 422**	**127 155 610**	**405 464 032**
Profit for the year	**24.2**	—	—	—	—	—	—	—	—	—	32 146 774	32 146 774	5 697 245	37 844 019
Dividend	**7**	—	—	—	—	—	—	—	—	—	(18 958 817)	(18 958 817)	(6 746 279)	(25 705 096)
Transactions with owners in their capacity as owners	**24.1**	—	—	—	—	—	—	(156 499)	—	(156 499)	—	(156 499)	224 410	67 911
Balances at 30 June 2023		**1 171 521**	**2**	**4 080 962**	**(2 130 813)**	**89 515 824**	**29 673 031**	**(878 214)**	**—**	**116 179 828**	**169 907 567**	**291 339 880**	**126 330 986**	**417 670 866**

Group Statement of **Cash Flows**

for the year ended 30 June 2023

	Note	30 June 2023 USD	30 June 2022 USD
Operating activities			
Cash generated from operating activities	**22.1**	112 070 442	100 195 847
interest income	**11.1**	3 071 559	1 853 725
interest expense	**11.2**	(16 514 739)	(19 080 867)
taxes paid	**31.1**	(12 611 657)	(14 884 011)
Total cash available from operations		**86 015 605**	**68 084 694**
Investing activities	**22.2**	**(85 811 556)**	**(50 278 122)**
Net cash outflow before financing		**204 049**	**17 806 572**
Financing activities		**(3 892 089)**	**(19 114 350)**
issue of shares	**23.2**	—	243
share premium	**23.2**	—	161 531
dividends paid by holding company	**7.1**	(18 958 817)	(10 856 368)
dividends paid by subsidiaries to minority shareholders	**7.2**	(6 746 279)	(5 291 475)
drawdowns on borrowings	**28.2**	57 984 241	42 837 383
repayment of borrowings	**28.2**	(35 668 992)	(48 394 010)
lease payments		(570 153)	(366 119)
purchase of Treasury Shares	**24.1**	(156 499)	—
cash received from non-controlling interests	**25.2**	224 410	2 794 465
Net decrease in cash and cash equivalents		**(3 688 040)**	**(1 307 778)**
Cash and cash equivalents at the beginning of the year	**22.5**	**32 861 146**	**34 168 924**
Cash and cash equivalents at the end of the year	**22.5**	**29 173 106**	**32 861 146**

Notes to the **Financial Statements**

for the year ended 30 June 2023

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 Victoria Falls Stock Exchange ("VFEX"). 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 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") except where otherwise stated.

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 financial statements.

2.2 Basis of preparation

The Group's consolidated financial statements have been prepared based on the statutory records that are maintained under the historical cost basis except for equity investments and some assets that have been measured at fair value.The financial statements are presented in United States Dollars (USD) and all values have been rounded to the nearest dollar, except where otherwise indicated.

The principal accounting policies of the Group are consistent with those applied in the previous year, except for Property, Plant and Equipment ("PPE") measurement model, which was changed from historic cost model to revaluation model. All the principal accounting policies applied by the Group conform to International Financial Reporting Standards, ("IFRS") and all applicable amendments to IFRS, except where otherwise stated.

2.3 Change in functional and presentation currency

Following the promulgation of Statutory Instrument ("SI") 185 of 2020, issued on 24 July 2020, the Group has continued to see a steady increase in the use of foreign currency across its businesses and, in accordance with the requirements of IAS 21 ("The Effects of Changes in Foreign Exchange Rates"), has been through a process of assessing its functional currency. In assessing functional currency, the following factors were considered:

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

The Group concluded that based on the above factors, there has been a change in the Group's functional currency from ZWL to United States Dollars ("USD") with effect from the beginning of the current financial year. The change in the Group's functional currency is further supported by the Listing Requirements of the VFEX, which require issuers to present financial statements in USD.

Procedures to convert comparative financial statements to USD

IAS 21 directs that entities operating in hyperinflationary economies should translate their last reported inflation-adjusted financial statements using the closing rate of exchange at the reporting date in order to derive and present comparative financial statements under a newly assessed functional currency.

Notes to the **Financial Statements** (continued)

for the year ended 30 June 2023

2 Statement of compliance (continued)

2.3 Change in functional and presentation currency (continued)

Procedures to convert comparative financial statements to USD (continued)

The Directors are of the opinion that using the provisions of IAS 21 to convert the Group's consolidated inflation-adjusted financial statements from previous periods, as a basis for presenting comparative and opening balance sheet information in terms of the new functional currency, will result in the material misstatement of the Group's comparative financial statements and in an endeavour to present true and fair comparative financial performance and position, the Group used alternative procedures and techniques in the translation process as follows:

The Statement of Profit or loss and other comprehensive income

- All ZWL transactions concluded during the period were converted to USD using the spot rate existing at the date of the transaction.
- USD transactions were accounted for at original USD value.

Statement of Financial Position

- The Group changed its accounting policy for Property, Plant and Equipment to the revaluation method, and appointed an independent professional valuer to perform the revaluation of PPE as at 30 June 2022, refer to **Note 2.4**.
- Investments in Associates were recalculated by taking the Group's share of the net assets of the Associate, after accounting for any revaluations at entity level and adopting conversion principals documented here within the associate financials.
- Biological asset values were recalculated, based on USD fair values and USD historical costs at 30 June 2022.
- Deferred Taxation was recomputed using the updated tax legislation, and the provisions of IAS 12 (Income Taxes), taking account of the new USD carrying values of assets and liabilities.
- All other assets and liabilities were converted in line with IAS 21.

2.4 Change in accounting policy Property, plant and equipment

With effect from 30 June 2022, the Group changed its accounting policy for Property, Plant and Equipment from Cost Method to Revaluation Method.

The revalued amounts were based on a valuation exercise performed by Integrated Properties (Private) Limited, an independent accredited professional valuer. Integrated Properties has experience in valuing assets of the Group's nature. A valuation model in accordance with that recommended by the International Valuation Standards Committee has been applied.

The revaluation surplus, net of deferred tax, has been included under Revaluation Reserves, with the movement shown under Other Comprehensive Income.

3 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 30 June 2023. 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 the amount of investor's returns.

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 former 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 July 2022 but have not had a material effect on the Group.

- Amendment to IAS 12 – deferred tax related to assets and liabilities arising from a single transaction
- Amendment to IAS 12 – International tax reform - pillar two model rules
- IFRS 17 Insurance Contracts (Amendments to IFRS 4)
- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)
- Definition of Accounting Estimates (Amendments to IAS 8)
- Amendments to IFRS 17
- Annual Improvements to IFRS Standards 2018 – 2020

Amendment to IAS 12 – deferred tax related to assets and liabilities arising from a single transaction

These amendments require companies to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences.

The amendments have no impact on the Group's financial statements.

Notes to the **Financial Statements** (continued)

for the year ended 30 June 2023

4 Changes in accounting policy and disclosures (continued)

4a New and Amended IFRSs adopted (continued)

Amendment to IAS 12 - International tax reform - pillar two model rules
These amendments give companies temporary relief from accounting for deferred taxes arising from the Organisation for Economic Co-operation and Development's (OECD) international tax reform. The amendments also introduce targeted disclosure requirements for affected companies.

The amendments have no impact on the Group's financial statements.

IFRS 17 Insurance Contracts (Amendments to IFRS 4)
IFRS 17 requires insurance liabilities to be measured at a current fulfillment value and provides a more uniform measurement and presentation approach for all insurance contracts. These requirements are designed to achieve the goal of a consistent, principle-based accounting for insurance contracts. IFRS 17 supersedes IFRS 4 Insurance Contracts as of 1 January 2023.

The amendments have no impact on the Group's financial statements.

Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)
The amendments require that an entity discloses its material accounting policies, instead of its significant accounting policies. Further amendments explain how an entity can identify a material accounting policy. Examples of when an accounting policy is likely to be material are added.

The amendments have no impact on the Group's financial statements.

Definition of Accounting Estimates (Amendments to IAS 8)
The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The amendments clarify that a change in accounting estimate that results from new information or new developments is not the correction of an error.

The amendments have no impact on the Group's financial statements.

Amendments to IFRS 17
Amends IFRS 17 to address concerns and implementation challenges that were identified after IFRS 17 Insurance Contracts was published in 2017.

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 9 – The amendment clarifies which fees an entity includes when it applies the '10 per cent' test in paragraph B3.3.6 of IFRS 9 in assessing whether to derecognise a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.

Notes to the **Financial Statements** (continued)

for the year ended 30 June 2023

4 Changes in accounting policy and disclosures (continued)

4a New and Amended IFRSs adopted (continued)

Annual Improvements to IFRS Standards 2018 – 2020 (continued)
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. This will ensure consistency with the requirements in IFRS 13.

The amendments have no impact on the Group's financial statements.

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	
Amendment to IFRS 16 - Leases on sale and leaseback	1 January 2024	Applicable
Amendments to IAS 7 and IFRS 7 on Supplier finance arrangements	1 January 2024	Applicable
Non-current Liabilities with Covenants (Amendments to IAS 1)	1 January 2024	Applicable
Classification of Liabilities as Current or Non-Current (Amendments to IAS 1)	1 January 2024	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 (or as) the Group satisfies a performance obligation by transferring a promised good or service to a customer. A good is transferred when the customer obtains control of the asset.

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.

Notes to the **Financial Statements** (continued)

for the year ended 30 June 2023

5 Summary of significant accounting policies (continued)

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.

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. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. Capitalisation commences 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 is suspended during periods in which active development is interrupted. Capitalisation ceases 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.

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 rates in accordance with those shown on **Note 28.1**, 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.

Notes to the **Financial Statements** (continued)

for the year ended 30 June 2023

5 Summary of significant accounting policies (continued)

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.

Retirement benefit costs
Retirement benefits are provided for Group employees through the Innscor Africa Limited Pension Fund, the Catering Industry 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.

Foreign currency translation
As stated in the Basis of Preparation paragraph in **2.2** above, the Group's financial statements are presented in United States 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 translated at the functional currency rate of exchange ruling at the reporting date. All exchange rate differences are taken to the Group's Statement of Profit or Loss.

Foreign operations
Assets and liabilities of subsidiaries and associated companies denominated in foreign currencies are translated into United States 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, if there are no significant flactuations in exchange rates. 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 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 and recognise the resulting gain or loss, if any, profit or loss, other comprehensive income, as appropriate.

Notes to the **Financial Statements** (continued)

for the year ended 30 June 2023

5 Summary of significant accounting policies (continued)

Business combinations and Goodwill (continued)

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 in profit or loss. If the contingent consideration is classified as equity, it is not re-measured and its subsequent settlement shall be accounted for within equity.

Goodwill is initially measured at cost, being the excess of the consideration transferred over the 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.

Property, plant and equipment ("PPE")

Property, plant and equipment are initially stated at cost. 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.

Subsequently, property, plant and equipment are carried at revalued amounts based on periodic valuations by external independent valuers, being its fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. These revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

Subsequent costs are included in the carrying amount or recognised as a separate asset as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Increases in the carrying amount arising on revaluation are credited to the revaluation reserve. Decreases that offset previous increases are charged against revaluation reserve directly in equity.; all other decreases are charged to the Statement of Profit or Loss.

Depreciation is calculated on a straight line basis over the expected useful lives of the assets such that the revalued amount 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 in the year that it is incurred.

Notes to the **Financial Statements** (continued)

for the year ended 30 June 2023

5 Summary of significant accounting policies (continued)

Property, plant and equipment ("PPE") (continued)

Land is not depreciated.

The various rates of depreciation are listed below:

Freehold property	— 2%
Buildings and improvements	— 2.5%
Leasehold improvements	— the lesser of period of lease or 10 years
Plant, Fittings and Equipment	— 3% - 25%
Vehicles	— 10% - 30%

The carrying values of PPE are reviewed for impairment annually, or earlier where indications are that the carrying value may be irrecoverable. When the carrying amount exceeds the estimated recoverable amount, assets are written down to their recoverable amounts.

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 received,
- 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.

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.

Notes to the **Financial Statements** (continued)

for the year ended 30 June 2023

5 Summary of significant accounting policies (continued)

Right-of-use assets and lease liability (continued)

Initial recognition (continued)

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 interest rate implicit in the lease, if that can be readily determined. If the implicit rate in the lease cannot be readily determined, the Group uses the Group's incremental borrowing rate.

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. 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.

Notes to the **Financial Statements** (continued)

for the year ended 30 June 2023

5 Summary of significant accounting policies (continued)

Intangible assets (continued)

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.

Impairment of non-financial assets

The Group assesses at each reporting date, or earlier where indications that impairment exists, whether an asset may be impaired. 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.

Customer contract related balances

Trade receivables include amounts that have been billed in accordance with customer contract terms and amounts that the Group has an unconditional right to, with only passage of time before the amounts can be billed in accordance with the customer contract terms. In accordance with IFRS 15, where significant financing is provided to the customer, revenue is adjusted to reflect the impact of the financing transaction. These transactions could arise from the customer finance credits if the contracted interest rate is below the market rate or through implied financing transactions due to payment terms of more than one year from the date of transfer of control. The Group has elected to not adjust revenue for transactions with payment terms, measured from the date of transfer of control, of one year or less.

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.

Notes to the **Financial Statements** (continued)

for the year ended 30 June 2023

5 Summary of significant accounting policies (continued)

Investments in associates (continued)

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.

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

Financial instruments

Financial assets

Recognition

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.

Classification

The Group's financial assets are classified as either amortised cost, fair value through other comprehensive income (FVTOCI) or fair value through profit or loss (FVTPL). The classification depends on the cashflow characteristics of the financial asset and the business model in which it is held.

Amortised cost

Financial assets are classified at amortised cost if the financial asset is held in a business model whose objective is to hold financial assets in order to collect contractual cash flows and contractual terms give rise to payments that are solely payments of principal and interest ("SPPI") on the principal amount outstanding. 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 other comprehensive income (FVTOCI)

A financial asset is measured at fair value through other comprehensive income (FVOCI), if 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.

Notes to the **Financial Statements** (continued)

for the year ended 30 June 2023

5 Summary of significant accounting policies (continued)

Financial instruments (continued)

Fair value through profit or loss (FVTPL)

Financial assets are classified at fair value through profit or loss if it fails the SPPI test or if it is designated at FVTPL. Financial assets 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.

Derecognition

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 2022.

Measurement

At initial recognition, the Group measures a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset, except for financial assets measured at FVTPL. 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 as a gain or loss 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 recognizes 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.

Notes to the **Financial Statements** (continued)

for the year ended 30 June 2023

5 Summary of significant accounting policies (continued)

Financial instruments (continued)

Impairment of financial assets (continued)

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.

Financial liabilities

Recognition

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 derecognised 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.

Notes to the **Financial Statements** (continued)

for the year ended 30 June 2023

5 Summary of significant accounting policies (continued)

Financial instruments (continued)

Interest-bearing borrowings (continued)

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 are presented as current liabilities if payment was due within one year or less. If not, they are presented as non-current liabilities. Trade payables are initially measured at fair value, and 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 known amounts 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 or 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 and hatching eggs. At initial recognition, biological assets are measured at fair value.

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 price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Refer to **Note 19.6** on 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.

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.

Notes to the **Financial Statements** (continued)

for the year ended 30 June 2023

5 Summary of significant accounting policies (continued)

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.

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.

Notes to the **Financial Statements** (continued)

for the year ended 30 June 2023

5 Summary of significant accounting policies (continued)

Taxes (continued)

Deferred tax (continued)

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.

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 in **Note 23.3**.

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 given in **Note 23.3**.

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.

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.

Notes to the **Financial Statements** (continued)

for the year ended 30 June 2023

5 Summary of significant accounting policies (continued)

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 259** 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 - 17 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 value of 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.

Refer to **Note 19** for the carrying amount of biological assets and the estimates and assumptions used to determine fair value.

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. Refer to **Note 27** for the carrying amount of deferred tax assets and the evidence supporting recognition.

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 **Note 15** for the assumptions applied in testing the cash generating units for goodwill impairment.

Notes to the **Financial Statements** (continued)

for the year ended 30 June 2023

5 Summary of significant accounting policies (continued)

Key estimates, uncertainties and judgements (continued)

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.

vi) Share Based Payments

Certain employees (including senior executives) of the Group receive remuneration in the form of share-based payment transactions, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Share options awarded to employees in terms of the rules of the 2016 Innscor Africa Limited Share Option Scheme are measured by reference to the fair value at the date on which they are granted. Estimating the fair value for share-based payments transactions requires determining the most appropriate inputs to the valuation model, which is dependent on the terms and conditions of the grant. The estimates also requires determining the most appropriate inputs to the valuation model including the expected life of the share option, volatility, dividend yield and making assumptions about them. The fair value is determined by an external valuer using the Binomial Tree model, further details of which are provided in **Note 23.3**.

The cost of equity-settled transactions is recognised, together with the corresponding increase in equity, over the period in which the services conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (the vesting date). The cumulative expense recognised reflects the extent to which the vesting period has expired and the Group's best estimates of the number of equity instruments that will ultimately vest. The income statement charge for the period represents the movement in the cumulative expense at the beginning and end of that period.

Notes to the **Financial Statements** (continued)

for the year ended 30 June 2023

5 Summary of significant accounting policies (continued)

Key estimates, uncertainties and judgements (continued)

viii) Principal assumptions underlying estimation of fair value of property and equipment

The property and equipment was valued as at 30 June 2022 by Integrated Property (Private) Limited in accordance with the relevant professional guidelines and statements issued under the Royal Institute of Chartered Surveyors Appraisal and Valuation Manual, International Valuations Standards Committee ("IVSC") and the Real Estate Institute of Zimbabwe ("REIZ") Standards.

Freehold properties was valued in using the market comparable approach. This method compares like with like, extracts data from properties recently sold or on offer similar to those to be valued with the same planning controls. The data is then analysed and applied to the subject property varied by scrutiny of comparable not exactly equivalent in size, quality and location. Equipment and motor vehicles were valued based on the depreciated replacement cost basis as there was no active market for such assets in Zimbabwe during the year. The depreciated replacement cost is derived from adjusting current prices drawn from recent transactions in general, for contractual, location and inherent differences. Refer to **Note 13** for the valuation details and inputs used in the valuation process.

6 Earnings per share

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 F2022, and therefore no longer have a dilutive effect at the end of the financial year.

Notes to the **Financial Statements** (continued)

for the year ended 30 June 2023

6 Earnings per share (continued)

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 following reflects the income and share data used in the basic, headline and diluted earnings per share computations, for the year.

	Note	30 June 2023 USD	30 June 2022 USD
6.4 Earnings per share			
a Net profit attributable to equity holders of the parent		**32 146 774**	**45 281 822**
b Reconciliation of basic earnings to headline earnings:			
Adjustment for capital items (gross of tax):			
(Profit)/loss on disposal of property, plant and equipment	9.2	(14 096)	559 042
Profit on disposal and restructure of associate and subsidiaries	9.2	—	(2 588 029)
Tax effect on adjustments		3 485	389 446
Non-controlling interests' share of adjustments		—	(271 668)
Net reconciling items		**(10 611)**	**(1 911 209)**
Headline earnings attributable to equity holders of the parent		**32 136 163**	**43 370 613**
c Reconciliation of weighted average number of shares			
Number of ordinary shares in issue at the beginning of the year	23.2	575 926 450	569 876 450
Add: Weighted Average number of shares issued during the year		—	3 959 288
Less: Weighted Average number of Treasury Shares acquired in the current year		(238 520)	—
Less: Weighted Average number of Treasury Shares from prior years		(4 639 901)	(4 639 901)
Weighted average number of ordinary shares		**571 048 029**	**569 195 837**
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		**571 048 029**	**569 195 837**
Effect of dilution:			
Share Options	23.3	—	—

Notes to the **Financial Statements** (continued)

for the year ended 30 June 2023

	Note	30 June 2023 USD	30 June 2022 USD
6 Earnings per share (continued)			
6.4 Earnings per share (continued)			
d Reconciliation of weighted average number of shares after effects of dilution (continued)			
Weighted average number of ordinary shares adjusted for the effect of dilution		**571 048 029**	**569 195 837**
Basic earnings per share (cents)		5.63	7.96
Headline earnings per share (cents)		5.63	7.62
Diluted basic earnings per share (cents)		5.63	7.96
Diluted headline earnings per share (cents)		5.63	7.62

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 F2022 of 1.56 US cents per share (F2021: 1.01 US cents per share) was paid during the current year and USD 460 000 (F2022: USD 231 351) was paid to Class "A" ordinary shareholders. In the current year an interim dividend of 1.60 US cents per share (F2022: 0.81 US cents per share) was declared and paid to ordinary shareholders whilst USD 453 588 (F2022: USD 283 333) was declared and paid to Class "A" ordinary shareholders.

No dividend was paid with respect to treasury shares.

	Note	30 June 2023 USD	30 June 2022 USD
Ordinary Shareholders			
Current year (2023/2022) interim dividend		9 214 823	4 665 004
Prior year (2022/2021) final dividend		8 984 017	5 761 180
Less paid in respect of treasury shares - interim (2023/2022)		(80 782)	(37 815)
Less paid in respect of treasury shares - final (2022/2021)		(72 829)	(46 685)
Net Paid to IAL Shareholders		**18 045 229**	**10 341 684**
Class "A" Shareholders			
Innscor Africa Limited Employee Share Trust - current year (2023/2022) interim dividend		460 000	231 351
Innscor Africa Limited Employee Share Trust - prior year (2022/2021) final dividend		453 588	283 333
Net paid to Class "A" Shareholders		913 588	514 684
Total Dividend Paid	24.2	**18 958 817**	**10 856 368**

Notes to the **Financial Statements** (continued)

for the year ended 30 June 2023

	Note	30 June 2023 USD	30 June 2022 USD
7 Dividends (continued)			
7.2 Dividends paid by subsidiaries to non-controlling interests			
Associated Meat Packers (Private) Limited		509 818	292 323
Callcape Investments (Private) Limited		118 388	—
Interden (Private) Limited		12 839	—
Investline (Private) Limited		27 990	—
Irvine's Zimbabwe (Private Limited	17.3	75 201	1 389 630
Mafuro Farming (Private) Limited		3 236	—
National Foods Holdings Limited	17.3	3 786 175	2 150 644
Natpak (Private) Limited		200 240	510 129
Natpak Mauritius (Private) Limited		197 933	125 010
Rafferty Investments (Private) Limited t/a Providence Human Capital		84 102	2 568
Probottlers (Private) Limited		379 693	335 693
Prodairy (Private) Limited		487 296	249 542
Prodistribution (Private) Limited		1 439	—
Sabithorn (Private) Limited		922	—
Saxin Enterprises (Private) Limited		368 507	229 179
Syntegra Solutions (Private) Limited		98 900	6 757
Superlinx (Private) Limited		393 600	—
Total	25.1	**6 746 279**	**5 291 475**

7.3 Final Dividend

On 22 September 2023, the Board declared a final dividend of 1.05 US cents per share in respect of the year 2023 (FY2022: 1.56 US cents per share) to shareholders registered in the books of the Company by close of business on 13th October 2023. This brings the total dividend in respect of the 2023 financial year to 2.65 US cents per share (FY2022: USD 2.47 US cents per share.

The Board, on the same date, also declared a final dividend totalling USD 305 000 (F2022: USD 453 388) to Innscor Africa Employee Share Trust (Private) Limited (Class "A" Shareholders) which brings the total dividend in respect of the 2023 financial year to USD 765 000 (2022: USD 684 939).

	Note	30 June 2023 USD	30 June 2022 USD
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		**804 039 805**	**700 994 290**

Notes to the **Financial Statements** (continued)

for the year ended 30 June 2023

8 Revenue

8.2 Disaggregation of revenue from contracts with customers

The Group's revenue was derived from the sale of consumer goods, provision of payroll and information technology services to customers.

Segments	Note	Mill-Bake USD	Protein USD	Beverages & Other Light Manufacturing and Services USD	Services USD	Intersegment elimination USD	Total USD
June 2023							
Information technology services	33	—	—	—	3 229 172	—	3 229 172
Beverages & Other Light Manufacturing and Services	33	—	—	213 246 940	—	—	213 246 940
Mill-bake	33	435 061 375	—	—	—	—	435 061 375
Protein	33	—	235 373 146	—	—	—	235 373 146
Payroll Services	33	—	—	—	3 222 541	—	3 222 541
Other	33	—	—	—	2 718 250	—	2 718 250
Intersegment Revenue		—	—	—	—	(88 811 619)	(88 811 619)
		435 061 375	**235 373 146**	**213 246 940**	**9 169 963**	**(88 811 619)**	**804 039 805**
Timing of revenue recognition							
At a point in time		**435 061 375**	**235 373 146**	**213 246 940**	**9 169 963**	**(88 811 619)**	**804 039 805**
June 2022							
Information technology services	33	—	—	—	2 278 230	—	2 278 230
Beverages & Other Light Manufacturing and Services	33	—	—	165 639 602	—	—	165 639 602
Mill-bake	33	372 611 752	—	—	—	—	372 611 752
Protein	33	—	216 551 666	—	—	—	216 551 666
Payroll Services	33	—	—	—	1 820 220	—	1 820 220
Other	33	—	—	—	8 759 940	—	8 759 940
Intersegment Revenue	33	—	—	—	—	(66 667 120)	(66 667 120)
		372 611 752	**216 551 666**	**165 639 602**	**12 858 390**	**(66 667 120)**	**700 994 290**
Timing of revenue recognition							
At a point in time		**372 611 752**	**216 551 666**	**165 639 602**	**12 858 390**	**(66 667 120)**	**700 994 290**

Notes to the **Financial Statements** (continued)

for the year ended 30 June 2023

		Note	30 June 2023 USD	30 June 2022 USD
9	**Other income**			
9.1	Other trading income			
	Sundry income and sales		5 920 042	4 242 708
	Rent received		145 590	307 009
	Management fees		902 811	788 456
	Insurance claim		37 819	53 036
	Other*		1 638 550	1 659 532
			8 644 812	**7 050 741**

* Includes sale of empty bags, directors' fees received from associates and commissions from trading arrangements.

		Note	30 June 2023 USD	30 June 2022 USD
9.2	Financial (loss)/income			
	Exchange (losses)/gains - realised		(12 527 290)	3 818 795
	Exchange losses - unrealised	22.1	(3 475 364)	(6 262 673)
	Profit on disposal of gold coins	18	2 459	—
	Dividend income		581 395	637 209
	Profit on restructure of subsidiary and disposal of associate	22.4	—	2 588 029
	Profit/(loss) on disposal of property, plant and equipment	22.1	14 096	(559 042)
			(15 404 704)	**222 318**
10	**Operating costs**			
10.1	Analysis			
	Distribution costs		35 659 949	25 199 580
	Finance & Administration costs		32 181 233	32 520 069
	Information Technology costs		3 961 867	2 924 523
	Marketing & Advertising costs		4 471 863	4 493 976
	Selling costs		22 757 116	19 134 227
	Staff costs		98 509 321	84 851 137
			197 541 349	**169 123 512**
10.2	Included in operating costs are:			
	Key management's emoluments comprising:			
	Independent, non-executive directors - fees		171 684	148 008
	Non-independent, non-executive directors - fees		88 250	80 528
	Executive and other management remuneration**		9 015 795	8 986 469
	Total	35.2	**9 275 729**	**9 215 005**

** This constitutes the total remuneration and all other benefits to Group, Subsidiaries, Divisional executives and management shown on **pages 166 to 171**.

Notes to the **Financial Statements** (continued)

for the year ended 30 June 2023

		Note	30 June 2023 USD	30 June 2022 USD
10	**Operating costs** (continued)			
10.3	Depreciation and amortisation			
	Depreciation on property, plant and equipment	13	22 353 039	20 665 805
	Depreciation on right-of-use assets	14	1 069 554	232 711
	Amortisation on intangible assets	15	20 652	5 129
			23 443 245	**20 903 645**
10.4	Audit fees and expenses		**700 396**	**641 200**
11	**Interest Income and Expense**			
11.1	Interest income		**3 071 559**	**1 853 725**
	Interest income was earned from positive bank balances and advances to associate companies as well as 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		15 724 175	18 622 905
	Lease finance charges	27.2	790 564	457 962
	Total interest expense		**16 514 739**	**19 080 867**
	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	31	10 012 117	14 643 665
	Deferred tax	26.1	459 223	2 006 928
			10 471 340	**16 650 593**
12.2	Tax rate reconciliation		%	%
	Statutory rate of taxation, inclusive of AIDS levy		24.72	24.72
	Adjusted for:			
	Excess pension		0.33	0.04
	Donations, fines and legal expenses		0.04	1.40
	Depreciation on excess cost of passenger motor vehicles		0.10	0.07
	Tax on income from associates		(0.21)	(7.67)
	Fair value adjustments on listed equities		(1.37)	2.44
	Dividend receivable		(0.29)	(0.16)
	Effects of change in tax rate		—	—
	Depreciation on right-of-use		0.01	0.36
	Other		(1.66)	(0.51)
	Effective tax rate		**21.67**	**20.69**

Notes to the **Financial Statements** (continued)

for the year ended 30 June 2023

	Note	Freehold property USD	Leasehold improvements USD	Plant, fittings & equipment USD	Motor vehicles USD	Total USD
13 Property, plant and equipment						
Gross carrying amount						
At 30 June 2021		**14 701 137**	**1 595 084**	**64 884 711**	**3 146 699**	**84 327 631**
Additions	13.1	2 042 616	484 286	55 353 549	3 181 896	61 062 347
Disposals	13.1	—	(2 008)	(800 332)	(678 367)	(1 480 707)
Acquisition of subsidiaries	13.1	335 426	—	647 547	5 794 959	6 777 932
Diposal of subsidiaries	13.1	(1 682 191)	—	—	—	(1 682 191)
Revaluation surplus	13.1	50 129 579	3 162 232	55 086 153	1 228 755	109 606 719
At 30 June 2022		**65 526 567**	**5 239 594**	**175 171 628**	**12 673 942**	**258 611 731**
Additions	13.1	6 931 803	1 986 246	60 074 853	8 969 344	77 962 246
Disposals	13.1	(14 347)	(120 351)	(1 352 190)	(1 719 809)	(3 206 697)
At 30 June 2023		**72 444 023**	**7 105 489**	**233 894 291**	**19 923 477**	**333 367 280**
Depreciation						
At 30 June 2021		**3 234 072**	**541 106**	**25 938 414**	**1 955 049**	**31 668 641**
Charge for the year	13.1	2 370 300	432 051	9 333 116	8 530 338	20 665 805
Disposals	13.1	—	(1 035)	(144 080)	(319 470)	(464 585)
Acquisition of subsidiaries	13.1	4 027	—	26 487	173 630	204 144
Disposal of subsidiaries	13.1	(235 986)	—	—	—	(235 986)
Revaluation surplus	13.1	(5 372 413)	(972 122)	(35 153 937)	(10 339 547)	(51 838 019)
At 30 June 2022		—	—	—	—	—
Charge for the year	13.1	1 689 102	818 473	15 294 258	4 551 206	22 353 039
Disposals	13.1	(2 535)	(59 909)	(1 114 813)	(664 312)	(1 841 569)
At 30 June 2023		**1 686 567**	**758 564**	**14 179 445**	**3 886 894**	**20 511 470**
Carrying amount						
At 30 June 2023	13.1	**70 757 456**	**6 346 925**	**219 714 846**	**16 036 583**	**312 855 810**
At 30 June 2022	13.1	**65 526 567**	**5 239 594**	**175 171 628**	**12 673 942**	**258 611 731**

Notes to the **Financial Statements** (continued)

for the year ended 30 June 2023

	Note	30 June 2023 USD	30 June 2022 USD
13.1 Reconciliation of opening and closing carrying amounts			
Opening carrying amount		**258 611 731**	**52 658 990**
Gross carrying amount	13	258 611 731	84 327 631
Accumulated depreciation	13	—	(31 668 641)
Movements in carrying amount for the year		**54 244 079**	**205 952 741**
Additions	13 & 22.2	77 962 246	61 062 347
Disposals	13	(1 365 128)	(1 016 122)
Depreciation charge for the year	10.3	(22 353 039)	(20 665 805)
Acquisition of subsidiaries	22.3	—	6 573 788
Revaluation surplus	13	—	161 444 738
Disposal of subsidiaries	13	—	(1 446 205)
Closing carrying amount		**312 855 810**	**258 611 731**
Gross carrying amount	13	333 367 280	258 611 731
Accumulated depreciation	13	(20 511 470)	—

13.2 Property, plant and equipment pledged as security

As at 30 June 2023 and 30 June 2022, no items of property, plant and equipment were pledged as security for borrowings.

13.3 Revaluation of PPE

The Group's PPE was revalued for the first time on 30 June 2022 by Integrated Properties (Private) Limited, a qualified, independent professional valuer, following a change in accounting policy on subsequent measurement of PPE from historic cost model to revaluation model. Revaluations on PPE will be carried out with sufficient regularity to ensure that the carrying values of PPE are not materially different from the market values. No revaluations were done in 2023 since there were no significant changes in the market values of the PPE.

The fair value of PPE was determined in accordance with the relevant professional guidelines and statements issued under the Royal Institute of Chartered Surveyors Appraisal and Valuation Manual (the "Red Book") 6th Edition, International Valuations Standards Committee("IVSC") and the Real Estate Institute of Zimbabwe ("REIZ") Standards. The valuation basis was based on market comparison method for land and freehold property while the cost approach was used on the valuation of equipment. Both valuation approaches conform to international valuation standards. The different levels of determining the fair values have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices)

Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

There are no Level 1 and Level 2 assets and there were no transfers between Levels during the year ended 30 June 2023.

Notes to the **Financial Statements** (continued)

for the year ended 30 June 2023

	Note	Freehold property USD	Plant, Fittings & Equipment USD	Total USD
14 Right-of-use assets				
14.1 Reconciliation of Right-use-of assets				
Carrying amount at 1 July 2021		**1 573 026**	**49 573**	**1 622 599**
Additions/lease modifications		2 039 543	505	2 040 048
Depreciation charge for the year	10.3	(231 374)	(1 337)	(232 711)
Carrying amount at 30 June 2022		**3 381 195**	**48 741**	**3 429 936**
Additions/lease modifications		1 944 018	209 719	2 153 737
Depreciation charge for the year	10.3	(1 028 424)	(41 130)	(1 069 554)
Carrying amount at 30 June 2023		**4 296 789**	**217 330**	**4 514 119**
14.2 Analysis				
Opening balance			3 429 936	1 622 599
Additions/lease modifications			2 153 737	2 040 048
Depreciation charge for the year		10.3	(1 069 554)	(232 711)
Carrying amount			**4 514 119**	**3 429 936**

	Notes	Goodwill on acquisition USD	Other intangible assets USD	Total USD
15 Intangible assets				
Carrying amount at 30 June 2021	15.2	**8 861 705**	**12 685**	**8 874 390**
Gross carrying amount		8 861 705	15 624	8 877 329
Accumulated amortisation		—	(2 939)	(2 939)
Additions during the year		**—**	**13 514**	**13 514**
Additions	22.2	—	5 553	5 553
Acquisition of Mafuro Farming (Private) Limited	22.3	—	7 961	7 961
Amortisation of intangibles	10.3	—	(5 129)	(5 129)
Carrying amount 30 June 2022	15.2	**8 861 705**	**21 070**	**8 882 775**
Gross carrying amount		8 861 705	29 138	8 890 843
Accumulated amortisation and impairment losses		—	(8 068)	(8 068)
Additions	22.2	—	56 418	56 418
Amortisation of intangibles	10.3	—	(20 652)	(20 652)
Carrying amount at 30 June 2023	15.2	**8 861 705**	**56 836**	**8 918 541**
Gross carrying amount		8 861 705	85 556	8 947 261
Accumulated amortisation and impairment losses		—	(28 720)	(28 720)

Notes to the **Financial Statements** (continued)

for the year ended 30 June 2023

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. There were no indications that the Trademark and Computer Software were impaired as at 30 June 2023.

15.2 Impairment testing of Goodwill

Goodwill impairment assessment is performed every year.

The Group performed an annual impairment test as at 30 June 2023. 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 forecast profitability of the business units from which the Goodwill arose.

	Note	30 June 2023 USD	30 June 2022 USD
Goodwill has been allocated to the following businesses:			
Irvine's Zimbabwe (Private) Limited		555 154	555 154
National Foods Holdings Limited		7 491 602	7 491 602
Probottlers (Private) Limited		814 949	814 949
	15	**8 861 705**	**8 861 705**

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 12% (2022: 12%).

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 of the 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.

The assessment using a discount rate of 12% showed that there was no impairment required on the goodwill for the year.

A rise in pre-tax discount rate to 17.5% (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 (FY2024 to FY2028).

A perpetual growth rate of 5% was assumed at the end of the 5 year period and the results also indicate that the goodwill is not impaired.

Notes to the **Financial Statements** (continued)

for the year ended 30 June 2023

	Note	Opening Balance 30 June 2022 USD	Dividend received USD	Equity Accounted Earnings USD	Closing Balance 30 June 2023 USD
16 Investments In Associates					
16.1 Year Ended 30 June 2023					
Afrigrain Trading Limited	**16.3**	19 887 370	—	1 836 828	21 724 198
National Foods Logistics (Private) Limited	**16.4**	1 530 120	—	328 373	1 858 493
Nutrimaster (Private) Limited	**16.5**	3 553 463	(289 279)	360 820	3 625 004
Paperhole Investments (Private) Limited	**16.6**	14 607 345	(291 150)	(1 394 480)	12 921 715
Probrands (Private) Limited	**16.7**	1 452 964	(56 905)	(505 934)	890 125
Profeeds (Private) Limited	**16.8**	9 767 161	(476 275)	1 097 290	10 388 176
Total		**50 798 423**	**(1 113 609)**	**1 722 897**	**51 407 711**

	Note	Opening Balance 30 June 2021 USD	Loans advanced/ (repaid) USD	Restructure/ (Disposal) USD	Dividend received USD	Equity Accounted Earnings USD	Closing Balance 30 June 2022 USD
16.1.1 Year Ended 30 June 2022							
Afrigrain Trading Limited	**16.3**	18 136 505	—	—	—	1 750 865	19 887 370
National Foods Logistics (Private) Limited	**16.4**	676 477	67 249	—	(235 552)	1 021 946	1 530 120
Nutrimaster (Private) Limited	**16.5**	3 553 463	—	—	—	—	3 553 463
Paperhole Investments (Private) Limited	**16.6**	14 086 248	—	—	(1 084 791)	1 605 888	14 607 345
Probrands (Private) Limited	**16.7**	1 172 541	—	—	(56 128)	336 551	1 452 964
Profeeds (Private) Limited	**16.8**	8 920 943	—	—	(464 937)	1 311 155	9 767 161
Baker's Inn Logistics (Private) Limited	**16.9**	2 746 562	—	(2 746 562)	—	—	—
Bevco Limited	**16.10**	237 757	—	(237 757)	—	—	—
IL Integrated Agri Business (Private) Limited	**16.11**	2 102 834	—	(2 102 834)	—	—	—
Innscor Appliances Manufacturing (Private) Limited	**16.12**	3 108 732	—	(3 108 732)	—	—	—
Mafuro Farming (Private) Limited	**16.13**	439 457	—	(441 452)	—	1 995	—
Pure Oil Industries (Private) Limited	**16.14**	11 900 000	—	(11 900 000)	—	—	—
Total		**67 081 519**	**67 249**	**(20 537 337)**	**(1 841 408)**	**6 028 400**	**50 798 423**

Notes to the **Financial Statements** (continued)

for the year ended 30 June 2023

	Note	30 June 2023 USD	30 June 2022 USD
16 Investments In Associates (continued)			
16.2 Reconciliation of opening and closing carrying amounts			
Balance at the beginning of the year	**16.1 & 16.1.1**	**50 798 423**	**67 081 519**
Restructure/(disposal) of associates	16.1 & 16.1.1	—	(20 537 337)
Dividends received	16.1 & 22.2	(1 113 609)	(1 841 408)
Equity accounted earnings	16.1	1 722 897	6 028 400
Loans advanced/(repaid)	16.1.1 & 22.2	—	67 249
Balance at the end of the year		**51 407 711**	**50 798 423**

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	30 June 2023 USD	30 June 2022 USD
Reconciliation of the investment in associate			
Balance at the beginning of the year	16.1 & 16.1.1	19 887 370	18 136 505
Equity accounted earnings	16.1 & 16.1.1	1 836 828	1 750 865
Balance at the end of the year	**16.1 & 16.1.1**	**21 724 198**	**19 887 370**
Reconciliation of share of net assets to carrying amount of the investment			
Net Assets		43 544 193	39 862 437
49.89% Share of net assets		**21 724 198**	**19 887 370**
Carrying amount of investment		**21 724 198**	**19 887 370**

16.4 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 holds an effective 18.73% in Natlog through NFHL which holds 50% in the company.

	Note	30 June 2023 USD	30 June 2022 USD
Reconciliation of the investment in associate			
Balance at the beginning of the year	**16.1 & 16.1.1**	**1 530 120**	**676 477**
Equity accounted earnings	16.1 & 16.1.1	328 373	1 021 946
Dividend received	16.1 & 16.1.1	—	(235 552)
Loan advanced	16.1 & 16.1.1	—	67 249
Balance at the end of the year	**16.1 & 16.1.1**	**1 858 493**	**1 530 120**
Reconciliation of share of net assets to carrying amount of the investment			
Net Assets		3 716 986	3 060 240
50% Share of net assets		**1 858 493**	**1 530 120**
Carrying amount of investment		**1 858 493**	**1 530 120**

Notes to the **Financial Statements** (continued)

for the year ended 30 June 2023

	Note	30 June 2023 USD	30 June 2022 USD
16 Investments In Associates (continued)			

16.5 Nutrimaster (Private) Limited

Nutrimaster (Private) Limited, **("Nutrimaster")** is an entity involved in fertiliser and chemicals manufacturing. The Group equity accounted for its 49.50% shareholding in Nutrimaster through Profeeds (Private) Limited, **("Profeeds")** effective 1 July 2022.

	Note	30 June 2023 USD	30 June 2022 USD
Reconciliation of the investment in associate			
Balance at the beginning of the year	**16.1 & 16.1.1**	**3 553 463**	**3 553 463**
Equity accounted earnings	16.1 & 16.1.1	360 820	—
Dividend received		(289 279)	—
Balance at the end of the year	**16.1 & 16.1.1**	**3 625 004**	**3 553 463**
Reconciliation of share of net assets to carrying amount of the investment			
Net Assets		7 323 240	7 178 713
49.5% Share of net assets		**3 625 004**	**3 553 463**
Outstanding loan balance			
Carrying amount of investment		**3 625 004**	**3 553 463**

16.6 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.

	Note	30 June 2023 USD	30 June 2022 USD
Reconciliation of the investment in associate			
Balance at the beginning of the year	**16.1 & 16.1.1**	**14 607 345**	**14 086 248**
Equity accounted earnings	16.1 & 16.1.1	(1 394 480)	1 605 888
Dividends received	16.1 & 16.1.1	(291 150)	(1 084 791)
Balance at the end of the year	**16.1**	**12 921 715**	**14 607 345**
Reconciliation of share of net assets to carrying amount of the investment			
Net Assets		29 995 050	33 366 310
50% Share of net assets		**14 997 525**	**16 683 155**
Carrying amount of investment		**14 997 525**	**16 683 155**

Notes to the **Financial Statements** (continued)

for the year ended 30 June 2023

	Note	30 June 2023 USD	30 June 2022 USD
16 Investments In Associates (continued)			
16.7 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	1 452 964	1 172 541
Equity accounted earnings	16.1 & 16.1.1	(505 934)	336 551
Dividend received	16.1 & 16.1.1	(56 905)	(56 128)
Balance at the end of the year	16.1 & 16.1.1	890 125	1 452 964
Reconciliation of share of net assets to carrying amount of the investment			
Net Assets		2 270 727	3 706 541
39.2% Share of net assets		890 125	1 452 964
Carrying amount of investment		890 125	1 452 964
16.8 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	9 767 161	8 920 943
Equity accounted earnings	16.1 & 16.1.1	1 097 290	1 311 155
Dividend received	16.1 & 16.1.1	(476 275)	(464 937)
Balance at the end of the year	16.1 & 16.1.1	10 388 176	9 767 161
Reconciliation of share of net assets to carrying amount of the investment			
Net Assets		21 200 359	19 932 982
49% Share of net assets		10 388 176	9 767 161
Carrying amount of investment		10 388 176	9 767 161

Notes to the **Financial Statements** (continued)

for the year ended 30 June 2023

	Note	30 June 2023 USD	30 June 2022 USD
16 Investments In Associates (continued)			
16.9 Baker's Inn Logistics (Private) Limited			
Baker's Inn Logistics (Private) Limited, **("BIL")** is a logistics company which handles distribution for the Group's bakery operations and other third parties. The Group acquired the remaining 50% in BIL effective 30 June 2022 and gained control of the company and started to account for it as a subsidiary.			
Reconciliation of the investment in associate			
Balance at the beginning of the year	16.1.1	—	2 746 562
Restructure	22.3	—	(2 746 562)
Balance at the end of the year	16.1.1	—	—
Reconciliation of share of net assets to carrying amount of the investment			
Net Assets		—	—
50% Share of net assets		—	—
Outstanding loan balance	16.1.1		
Carrying amount of investment		—	—
16.10 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 22.3**.			
Reconciliation of the investment in associate			
Balance at the beginning of the year	16.1.1	—	237 757
Restructure	22.3	—	(237 757)
Balance at the end of the year	16.1.1	—	—
Reconciliation of net assets share to carrying amount of the investment			
Net Assets		—	—
50% Share of net assets		—	—
Carrying amount of investment		—	—

Notes to the **Financial Statements** (continued)

for the year ended 30 June 2023

	Note	30 June 2023 USD	30 June 2022 USD
16 Investments In Associates (continued)			
16.11 IL Integrated Agri Business (Private) Limited			
IL Integrated Agri Business (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 22.4**.			
Reconciliation of the investment in associate			
Balance at the beginning of the year	16.1.1	**—**	**2 102 834**
Restructure	16.1.1	—	(2 102 834)
Balance at the end of the year	16.1.1	**—**	**—**
Reconciliation of net assets share to carrying amount of the investment			
Net Assets		—	—
50% Share of net assets		**—**	**—**
Carrying amount of investment		**—**	**—**
16.12 Innscor Appliances Manufacturing (Private) Limited			
Innsscor Appliances Manufacturing (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 22.4**.			
Reconciliation of the investment in associate			
Balance at the beginning of the year	16.1.1	**—**	**3 108 732**
Restructure	16.1.1	—	(3 108 732)
Balance at the end of the year		**—**	**—**
Reconciliation of net assets share to carrying amount of the investment			
Net Assets		—	—
25.05% Share of net assets		**—**	**—**
Carrying amount of investment		**—**	**—**

Notes to the **Financial Statements** (continued)

for the year ended 30 June 2023

	Note	30 June 2023 USD	30 June 2022 USD
16 Investments In Associates (continued)			
16.13 Mafuro (Private) Limited			
Mafuro (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 through Prodairy and obtained control of the company.			
Reconciliation of the investment in associate			
Balance at the beginning of the year	16.1.1	**—**	**439 457**
Equity accounted earnings	16.1.1	—	1 995
Restructure	22.3	—	(441 452)
Balance at the end of the year	16.1.1	**—**	**—**
Reconciliation of share of net assets to carrying amount of the investment			
Net Assets		—	—
45% Share of net assets		**—**	**—**
Outstanding loan balance			
Carrying amount of investment		**—**	**—**
16.14 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) Limited through National Foods Holdings. As at 30 June 2022, the investment in Pure Oil was disposed, refer to **Note 22.4**.			
Reconciliation of the investment in associate			
Balance at the beginning of the year	16.1.1	**—**	**11 900 000**
Restructure	22.4	—	(11 900 000)
Balance at the end of the year	16.1.1	**—**	**—**
Reconciliation of share of net assets to carrying amount of the investment			
Net Assets		—	—
40% Share of net assets		**—**	**—**
Carrying amount of investment		**—**	**—**

Notes to the **Financial Statements** (continued)

for the year ended 30 June 2023

	Note	Revenue USD	Profit after tax USD	Current assets USD	Non-current assets USD	Current liabilities USD	Non-current liabilities USD	Equity USD
16 Investments In Associates (continued)								
16.15 Summarised financial information of associates								
Afrigrain Trading Limited	16.3							
30 June 2023		133 136 292	3 681 756	756 826	80 426 418	—	37 639 051	43 544 193
30 June 2022		81 319 250	3 509 451	756 826	59 419 058	—	20 313 447	39 862 437
National Foods Logistics (Private) Limited	16.4							
30 June 2023		11 040 145	656 746	3 370 802	1 336 966	67 444	923 338	3 716 986
30 June 2022		11 265 722	2 043 892	3 007 939	755 755	54 778	648 676	3 060 240
Nutrimaster (Private) Limited	16.5							
30 June 2023		54 133 764	1 472 735	2 042 980	28 838 996	52 489	23 506 247	7 323 240
30 June 2022		—	—	4 163 242	21 947 915	1 689 247	17 243 197	7 178 713
Paperhole Investments (Private) Limited	16.6							
30 June 2023		68 267 592	(2 788 960)	18 808 226	16 111 483	339 208	5 365 811	25 843 430
30 June 2022		54 453 789	3 211 766	23 600 697	21 737 343	160 002	19 334 608	29 214 690
Probrands (Private) Limited	16.7							
30 June 2023		16 885 032	(1 290 648)	2 806 347	5 139 114	664 855	5 009 879	2 270 727
30 June 2022		18 197 629	858 548	4 869 288	3 749 489	250 908	4 661 328	3 706 541
Profeeds (Private) Limited	16.8							
30 June 2023		92 616 944	2 239 367	20 023 803	27 670 715	523 963	25 970 196	21 200 359
30 June 2022		75 879 825	2 675 827	14 728 346	34 425 008	2 181 589	27 038 783	19 932 982

Notes to the **Financial Statements** (continued)

for the year ended 30 June 2023

17 Group investments

Listed below are the Group's effective ordinary shareholding in each of the companies excluding dormant companies.

	2023	2022
17.1 List of investments		
Mill-Bake Segment		
National Foods Holdings Limited	37.45%	37.45%
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%
Baker's Inn Logistics (Private) Limited	100.00%	100.00%
National Foods Logistics (Private) Limited **	18.91%	18.91%
Nutrimaster Zimbabwe (Private) Limited *	49.50%	49.50%
Profeeds (Private) Limited *	49.00%	49.00%
Aquafeeds (Private) Limited #*	32.66%	32.66%
Produtrade (Private) Limited #*	49.00%	49.00%
Protein Segment		
Associated Meat Packers (Private) Limited	51.00%	51.00%
Intercane (Private) Limited #	75.01%	75.01%
Silkchin Trading (Private) Limited #	25.55%	25.55%
Colcom Holdings Limited	100.00%	100.00%
Irvine's Zimbabwe (Private) Limited	49.00%	49.00%
Beverages and Other Light Manufacturing		
African Consolidated Breweries	100.00%	100.00%
Alpha Packaging (Private) Limited #	45.69%	45.69%
Bevco Limited	50.00%	50.00%
Kershelmar Dairies (Private) Limited **	25.05%	25.05%
Mafuro Farming (Private) Limited #	40.08%	40.08%
Natpak (Private) Limited	58.33%	58.33%
Natpak Mauritius (Private) Limited #	58.33%	58.33%
Probottlers (Private) Limited	50.64%	50.64%
Probrands (Private) Limited *	39.20%	39.20%
Prodairy (Private) Limited	50.10%	50.10%
Prodistribution (Private) Limited	50.37%	50.37%
Saxin Enterprises (Private) Limited	60.00%	60.00%
The Buffalo Brewing Company (Private) Limited	50.20%	50.20%
Zando (Private) Limited	60.00%	60.00%

* Associates # Subsidiaries of subsidiaries
** Associates of a subsidiary #* Subsidiary of an Associate

Notes to the **Financial Statements** (continued)

for the year ended 30 June 2023

17 Group investments (continued)

Listed below are the Group's effective ordinary shareholding in each of the companies excluding dormant companies.

	2023	2022
17.1 List of investments (continued)		
Head Office Services		
Afrigrain Trading Limited *	49.89%	49.89%
Ajax Finance (Private) Limited	100.00%	100.00%
Botanegra (Private) Limited #	35.00%	35.00%
Callcape Investments (Private) Limited	50.00%	50.00%
Innscor (Private) Limited	100.00%	100.00%
Innscor Africa (Zambia) Limited	100.00%	100.00%
Innscor International Limited	100.00%	100.00%
Innscor South Africa (Proprietary) Limited	100.00%	100.00%
Innscor Zambia Holdings Limited	100.00%	100.00%
Investline (Private) Limited	70.00%	70.00%
MyCash Financial Services (Private) Limited	70.00%	70.00%
Paperhole Investments (Private) Limited *	50.00%	50.00%
Rafferty Investments (Private) Limited t/a Providence Human Capital	60.00%	60.00%
Syntegra Solutions (Private) Limited	50.00%	50.00%
Yeldam Investments (Private) Limited #	35.00%	35.00%

* Associates # Subsidiaries of subsidiaries
** Associates of a subsidiary #* Subsidiary of an Associate

17.2 Country of incorporation

All Group companies are incorporated in Zimbabwe except for the following operating companies:

Company	Country of incorporation
African Consolidated Breweries	Mauritius
Afrigrain Trading Limited	Mauritius
Bevco Limited	Mauritius
Innscor Africa (Zambia) Limited	Zambia
Innscor International Limited	Mauritius
Innscor South Africa (Proprietary) Limited	South Africa
Innscor Zambia Holdings Limited	Zambia
Natpak Mauritius Limited	Mauritius

Notes to the **Financial Statements** (continued)

for the year ended 30 June 2023

	Note	National Foods Holdings Limited	Irvine's Zimbabwe (Private) Limited
17 Group investments (continued)			
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
Proportion of ownership interests held by non-controlling interests before intragroup and consolidation adjustments		62.55%	51.00%
Profit allocated to non-controlling interests for the year ended:			
30 June 2023		4 709 643	108 407
30 June 2022		1 624 387	855 782
Reconciliation of non-controlling interests			
Accumulated non-controlling interests of the subsidiary as at 30 June 2022		**65 779 756**	**22 728 097**
Profit allocated to non-controlling interests		4 709 643	108 407
Dividend paid to non-controlling interests	7.2	(3 786 175)	(75 201)
Closing accumulated non-controlling interests of the subsidiary		**66 703 224**	**22 761 303**

The summarised financial information of these subsidiaries is based on amounts before inter-company eliminations is provided below:

	Note	National Foods Holdings Limited USD	Irvine's Zimbabwe (Private) Limited USD
Year ended 30 June 2023:			
Revenue		343 577 748	146 997 321
Profit after tax		7 529 869	212 562
Current assets		93 480 724	45 147 197
Non-current assets		91 734 664	41 010 668
Current liabilities		(68 159 900)	(34 846 759)
Non-current liabilities		(10 408 006)	(5 552 443)
Cash flows from operating activities		22 670 772	8 229 348
Cash flows from investing activities		(16 337 658)	(8 515 520)
Cash flows from financing activities		(6 531 002)	1 648 931
Dividends paid to non controlling interests	7.2	(3 786 175)	(75 201)

Notes to the **Financial Statements** (continued)

for the year ended 30 June 2023

	Note	National Foods Holdings Limited USD	Irvine's Zimbabwe (Private) Limited USD
17 Group investments (continued)			
17.3 Non-controlling interests in significant subsidiaries (continued)			
Year ended 30 June 2022:			
Revenue		282 301 045	131 452 523
Profit after tax		15 929 433	12 426 424
Current assets		94 657 342	38 669 131
Non-current assets		75 768 027	35 945 154
Current liabilities		(56 240 169)	(22 650 890)
Non-current liabilities		(9 394 353)	(7 398 497)
Cash flows from operating activities		4 559 781	30 343 281
Cash flows from investing activities		(12 248 704)	(6 654 809)
Cash flows from financing activities		2 715 422	2 847 723
Dividends paid to non controlling interests	7.2	(2 150 644)	(1 389 630)

	Note	30 June 2023 USD	30 June 2022 USD
18 Other assets			
Other assets consist of investments in listed equities, unit trusts, term deposits and long-term interest bearing receivables:			
18.1 Analysis			
Quoted equity investments		6 162 790	6 860 464
Taxes paid on a "without prejudice" basis	31.2	5 541 429	—
Treasury bills		2 730 111	2 741 504
Property unit trust		687 500	687 500
Advances and deposits		153 388	2 921 361
Gold coins		27 924	—
Total non-current other assets		**15 303 142**	**13 210 829**
Current			
Advances and deposits		**7 296 590**	**9 933 363**
Total other assets	36.4	**22 599 732**	**23 144 192**

Notes to the **Financial Statements** (continued)

for the year ended 30 June 2023

	Note	30 June 2023 USD	30 June 2022 USD
18 Other assets (continued)			
18.1 Analysis (continued)			
Reconciled as follows			
Balance at the beginning of the year	18.2	23 144 192	11 795 130
Advances and deposits	22.2	(5 404 745)	(567 217)
Fair value adjustments on listed equities	22.1	(695 272)	116 279
Interest earned on treasury bills	18.2	112 153	—
Proceeds on disposal of gold coins	22.2	(55 515)	—
Proceeds on statutory receivable	22.2	(123 547)	(100 000)
Profit on disposal of gold coins	9.2	2 459	—
Purchase of gold coins	22.2	78 578	—
Reclassification from trade receivable	22.4	—	11 900 000
Taxes paid on a "without prejudice" basis	22.2 & 31.2	5 541 429	—
Balance at the end of the year	36.4	22 599 732	23 144 192

	Note	Fair value through profit or loss USD	Other financial assets at amortised cost USD	Total USD
18.2 Other assets are analysed as follows:				
Opening balance - 30 June 2021	18.1	6 744 185	5 050 945	11 795 130
Advances and deposits	22.2	—	(567 217)	(567 217)
Fair value adjustments through profit or loss	22.1	116 279	—	116 279
Proceeds on treasury bills	18.1	—	(100 000)	(100 000)
Reclassification from trade receivables	18.1	—	11 900 000	11 900 000
Closing balance - 30 June 2022		6 860 464	16 283 728	23 144 192
Advances and deposits	18.1	—	(5 404 745)	(5 404 745)
Disposal of gold coins	18.1	2 459	—	2 459
Fair value adjustments through profit or loss	22.1	(695 272)	—	(695 272)
Interest earned on treasury bills	18.1	—	112 153	112 153
Proceeds on treasury bills	18.1	—	(123 547)	(123 547)
Proceeds on disposal of gold coins	22.2	(55 515)	—	(55 515)
Purchases at cost	18.1	78 578	—	78 578
Taxes paid on a "without prejudice" basis	22.2 & 31.2	—	5 541 429	5 541 429
Closing balance - 30 June 2023		6 190 714	16 409 018	22 599 732

18.3 Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial 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.

Notes to the **Financial Statements** (continued)

for the year ended 30 June 2023

18 Other assets (continued)

18.3 Fair value hierarchy (continued)

	Level 1 USD
Fair value through profit or loss:	
30 June 2023	
Long-term other financial assets	6 190 714
30 June 2022	
Long-term other financial assets	6 860 464

The Group did not have any financial 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 under other assets as at 30 June 2023 approximate their fair values as at the same date.

	Note	30 June 2023 USD	30 June 2022 USD
19 Biological Assets			
19.1 Non-current			
Opening balance		3 199 569	1 951 538
Purchases	22.2	10 908 886	361 614
Feed costs		3 379 662	633 125
Slaughter/consumption	20.2	(12 418 235)	(770 521)
Transfer from current biological assets	19.2	89 062	94 824
Acquisition of Mafuro Farming (Private) Limited	22.3	—	907 579
Fair value gain	19.4	34 755	21 410
Closing balance		5 193 699	3 199 569
19.2 Current			
Opening balance		19 684 662	14 555 534
Purchases		12 549 923	8 686 525
Feed costs		39 146 010	37 249 309
Slaughter/consumption	20.2	(53 902 906)	(47 558 558)
Transfer to non-current biological assets	19.1	(89 062)	(94 824)
Transfer to inventories		(262 546)	(333 407)
Acquisition of Mafuro Farming (Private) Limited	22.3	—	183 334
Fair value gain	19.4	8 482 985	6 996 749
	19.3	25 609 066	19 684 662

Notes to the **Financial Statements** (continued)

for the year ended 30 June 2023

	Note	Birds USD	Hatching Eggs USD	Cattle USD	Grass USD	Pigs USD	Total USD
19 Biological Assets							
19.3 Current biological assets movements							
At 1 July 2021		**10 989 056**	**84 195**	**257 843**	**—**	**3 224 440**	**14 555 534**
Purchases	**19.2**	1 650 362	709 851	6 044 619	281 693	—	8 686 525
Feed costs	**19.2**	31 837 422	—	31 951	—	5 379 936	37 249 309
Slaughter/consumption	**19.2**	(27 951 528)	(689 517)	(6 025 141)	—	(12 892 372)	(47 558 558)
Transfer to non-current biological assets	**19.1**	—	—	—	—	(94 824)	(94 824)
Transfer to inventories	**19.2**	—	—	—	(333 407)	—	(333 407)
Acquisition of Mafuro Farming (Private) Limited	**19.2**	—	—	—	183 334	—	183 334
Fair value (loss)/gain	**19.4**	(1 007 719)	—	27 021	—	7 977 447	6 996 749
At 30 June 2022		**15 517 593**	**104 529**	**336 293**	**131 620**	**3 594 627**	**19 684 662**
Purchases	**19.2**	5 496 446	1 250 005	5 017 990	785 482	—	12 549 923
Feed costs	**19.2**	22 934 362	—	359 542	—	15 852 106	39 146 010
Slaughter/consumption	**19.2**	(25 022 674)	(1 214 848)	(5 343 794)	—	(22 321 590)	(53 902 906)
Transfer to non-current biological assets	**19.1**	—	—	—	—	(89 062)	(89 062)
Transfer to inventories	**19.2**	—	—	—	(262 546)	—	(262 546)
Fair value gain	**19.4**	842 686	—	25 236	—	7 615 063	8 482 985
At 30 June 2023		**19 768 413**	**139 686**	**395 267**	**654 556**	**4 651 144**	**25 609 066**

	Note	30 June 2023 USD	30 June 2022 USD
19.4 Fair value gain of biological assets			
Fair value gain on non-current biological assets	**19.1**	34 755	21 410
Fair value gain on current biological assets	**19.2**	8 482 985	6 996 749
Total fair value gain	**19.7**	**8 517 740**	**7 018 159**

19 Biological Assets

19.5 Non-current and current biological assets volumes

As at 30 June 2023 the Group had the following number of living animals within current biological assets:

	Non-current		Current			
30 June 2023	**Cattle**	**Pigs**	**Birds**	**Hatching Eggs (each)**	**Cattle (each)**	**Pigs (each)**
Number of living animals	2 230	6 162	1 874 846	261 740	621	56 290
Live weight estimates (kg)	557 500	523 770	n/a	n/a	807 300	4 784 650

	Non-current		Current			
30 June 2022	**Cattle**	**Pigs**	**Birds**	**Hatching Eggs (each)**	**Cattle (each)**	**Pigs (each)**
Number of living animals	1 102	6 032	1 787 713	59 930	567	54 324
Live weight estimates (kg)	275 500	512 720	n/a	n/a	753 035	4 617 540

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

Type		Valuation Technique	Significant Unobservable Inputs	2023 Significant Unobservable Inputs Range	2022 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	12% 9% 65 weeks to slaughter 129 USD 53.09 per pullet 280 days	10% 12% 65 weeks to slaughter 129 USD 37.91 per pullet 280 days

Notes to the **Financial Statements** (continued)

for the year ended 30 June 2023

19 Biological Assets (continued)

19.6 Valuation Process (continued)

Valuation Technique (continued)

Type		Valuation Technique	Significant Unobservable Inputs	2023 Significant Unobservable Inputs Range	2022 Significant Unobservable Inputs Range
Birds -	Breeders - Parents	Cost Approach	Rearing Mortality Production Mortality Age of birds Hen House Average Average replacement cost per bird Average egg laying days	12% 9% 65 weeks to slaughter 170 USD 9.01 280 days	10% 12% 65 weeks to slaughter 170 USD 7.04 280 days
	Layer Breeders	Cost Approach	Rearing Mortality Production Mortality Age of birds Hen House Average Average replacement cost per bird Average egg laying days	12% 9% 70 weeks to slaughter 200 USD 9.02 336 days	10% 20% 70 weeks to slaughter 200 USD 9.02 336 days
	Layers	Fair Market Price	Rearing Mortality Production Mortality Age of birds Hen House Average Average replacement cost per bird"	12% 9% 80 weeks 340 days USD 1.21	6% 10% 80 weeks 340 days USD 1.21
	Broilers	Cost Approach	Mortality Kill Age	5% 35 days	5% 35 days
Cattle - Comprising of bulls, cows, weaner heifers, weaner steers, bulling heifers, steers and calves		Market Approach	—	—	—

Notes to the **Financial Statements** (continued)

for the year ended 30 June 2023

19 Biological Assets (continued)

19.6 Valuation Process (continued)

Valuation Technique (continued)

Type		Valuation Technique	Significant Unobservable Inputs	2023 Significant Unobservable Inputs Range	2022 Significant Unobservable Inputs Range
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 2 weeks Weight of pigs	USD 130.61 - USD 199.74 74.1% - 76% 18 weeks - 23 weeks 59kgs - 90kgs	USD 118.08 - USD 173.54 74.1% - 76% 18 weeks - 23 weeks 59kgs - 90kgs
Pigs - Comprising imported breeders		Replacement cost of the G41	Cost of a breeder of similar type	USD 1 453 per breeder	USD 1 196 per breeder

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.

	Note	Level 1 USD	Level 2 USD	Level 3 USD	Total USD	Fair value gain/(loss) USD
30 June 2023						
Pigs (non-current and current)		—	—	9 844 843	9 844 843	7 649 818
Cattle	19.3	—	—	395 267	395 267	25 236
Birds	19.3	—	—	19 768 413	19 768 413	842 686
Total		**—**	**—**	**30 008 523**	**30 008 523**	**8 517 740**
30 June 2022						
Pigs (non-current and current)		—	—	6 794 196	6 794 196	7 998 857
Cattle	19.3	—	—	336 293	336 293	27 021
Birds	19.3	—	—	15 517 593	15 517 593	(1 007 719)
Total		**—**	**—**	**22 648 082**	**22 648 082**	**7 018 159**

Notes to the **Financial Statements** (continued)

for the year ended 30 June 2023

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.

	% Change	Effect on profit before tax USD
2023		
Pigs		
Fair value less costs to sell - meat	3%	295 345
Cattle		
Fair value less costs to sell - meat	5%	19 763
Layers		
Fair value less costs to sell - birds	10%	1 976 841
2022		
Pigs		
Fair value less costs to sell - meat	3%	203 826
Cattle		
Fair value less costs to sell - meat	5%	16 815
Layers		
Fair value less costs to sell - birds	10%	1 551 759

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.

Notes to the **Financial Statements** (continued)

for the year ended 30 June 2023

	Note	30 June 2023 USD	30 June 2022 USD
20 Inventories			
20.1 Analysis			
Consumables		22 320 389	12 116 992
Finished products, net of allowance for obsolescence		20 152 330	28 756 881
Raw materials and packaging		62 504 133	72 512 431
Work in progress		573 658	631 496
		105 550 510	**114 017 800**
The amount of inventories written down in respect of obsolescence expense is USD 1 377 961 (2022: USD 1 088 081) (**Note 22.1**).			
20.2 Inventories consumed in cost of sales		457 761 004	385 371 601
Biological assets consumed - non-current	**19.1**	12 418 235	770 521
Biological assets consumed - current	**19.2**	53 902 906	47 558 558
Total cost of sales		**524 082 145**	**433 700 680**
21 Trade and other receivables			
21.1 Analysis			
Trade receivables	**36.3**	59 614 362	25 635 920
Prepayments		12 700 784	20 079 592
VAT Receivable		2 131 420	2 373 760
Other receivables*		14 950 542	38 188 524
		89 397 108	86 277 796
Allowance for credit losses	**21.3**	(1 376 396)	(234 910)
		88 020 712	**86 042 886**
* Included in other receivables are amounts due from employees.			
21.2 Credit quality of trade receivables			
As at 30 June 2023, trade and other receivables of USD 17 783 849 (2022: USD 23 484 457) were fully performing and the ageing of these trade and other receivables is as follows:			
Current (ordinarily up to 30 days)	**36.3**	17 783 849	23 484 457
Expected credit losses	**36.3**	(410 599)	(129 898)
		17 373 250	**23 354 559**

Notes to the **Financial Statements** (continued)

for the year ended 30 June 2023

	Note	30 June 2023 USD	30 June 2022 USD
21 Trade and other receivables			
21.2 Credit quality of trade receivables (continued)			
As at 30 June 2023 trade and other receivables of USD 41 830 513 (2022: USD 2 151 463) 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:			
30 to 90 days	36.3	38 161 561	1 422 192
Over 90 days	36.3	3 668 952	729 271
		41 830 513	**2 151 463**
Expected credit losses		(965 797)	(105 012)
		40 864 716	**2 046 451**
21.3 Expected credit loss - trade and other receivables			
Movements on the Group's allowance for expected credit losses are as follows:			
As at 1 July		234 910	147 089
Current year movements		1 141 486	87 821
Allowance for expected credit losses	22.1	1 238 107	(265 425)
Receivables (recovered)/written off	22.1	(96 621)	353 246
As at 30 June	21.1	**1 376 396**	**234 910**
21.4 There were no trade and other receivables that were pledged to secure borrowings for the Group.			
22 Cashflow information			
22.1 Cash generated from operating activities			
Profit before interest and tax		60 035 642	91 673 950
Adjustments for non-cash items:			
Receivables (recovered)/written off	21.3	(96 621)	353 246
Depreciation & amortisation	10.3	23 443 245	20 903 645
Fair value gain on biological assets - Unrealised		(1 221 430)	(241 099)
Fair value (loss)/gain on listed equities	18.1	695 272	(116 279)
Profit on restructure of subsidiaries and associates	22.4	—	(2 588 029)
Increase in allowance for credit losses	21.3	1 238 107	(265 425)
Inventory written off and provisions charged to profit or loss	20.1	1 377 961	1 088 081
Unrealised exchange (gains)/losses	9.2	3 475 364	6 262 673
Increase in provision for leave pay	30.1	2 110 728	4 416 794
Share-based payment charge		—	1 501
(Profit)/loss on disposal of fixed assets	9.2	(14 096)	559 042
Profit on disposal of Investments	18.1	(2 459)	—
		91 041 713	**122 048 100**

Notes to the **Financial Statements** (continued)

for the year ended 30 June 2023

	Note	30 June 2023 USD	30 June 2022 USD
22 Cashflow information (continued)			
22.1 Cash generated from operating activities (continued)			
Changes in working capital			
Decrease/(increase) in current biological assets		(4 702 974)	(4 879 859)
Decrease/(increase) in inventories		7 089 329	(30 752 872)
Decrease/(increase) in trade and other receivables		(3 215 933)	(14 152 006)
Increase in trade and other payables		23 224 366	31 813 351
Decrease in provisions and other liabilities	30.1	(1 366 059)	(3 880 867)
		21 028 729	**(21 852 253)**
		112 070 442	**100 195 847**
22.2 Investing activities			
Expenditure of property, plant and equipment	13 & 13.1	(77 962 246)	(61 062 347)
Expenditure of property, plant and equipment to maintain operations		(7 707 348)	(6 622 440)
Expenditure of property, plant and equipment to expand operations		(70 254 898)	(54 439 907)
Advances and deposits	18.1	5 404 745	567 217
Dividends received from associates	16.2	1 113 609	1 841 408
Net cash outflow from acquisition of subsidiaries	22.3	—	(2 370 455)
Net loans (advanced to)/repaid by associates	16.2	—	(67 249)
Proceeds from restructure of associates and subsidiaries	22.4	—	8 892 748
Proceeds on disposal of fixed assets		1 379 223	457 079
Proceeds on disposal of gold coins	18.1	55 515	—
Proceeds on disposal of non-current biological assets		659 362	516 347
Proceeds on statutory receivables	18.1	123 547	100 000
Purchase of gold coins	18.1	(78 578)	—
Purchase of intangible assets	15	(56 418)	(5 553)
Purchase of non-current biological assets	19.1	(10 908 886)	(361 614)
Net cashflows from transactions with non-controlling interests	25.3	—	1 214 297
Taxes paid on a "without prejudice" basis	18.1	(5 541 429)	—
Total cash utilised in investing activities		**(85 811 556)**	**(50 278 122)**

Notes to the **Financial Statements** (continued)

for the year ended 30 June 2023

22 Cashflow information (continued)

22.3 Net cashflow from acquisitions of additional interests in Associates

In July 2021, the Group gained control in Bevco Limited and 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 effective 40.08% shareholding. The Group further acquired an additional 50% direct interest in Baker's 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 liabilities as at the date of acquisitions above were as follows.

	Notes	Bevco 2022 USD	Mafuro 2022 USD	Baker's Inn Logistics 2022 USD	Total 2022 USD
Property, plant & equipment	13.1	—	1 473 788	5 100 000	6 573 788
Intangible assets	15	—	7 961	—	7 961
Non-current biological assets	19	—	907 579	—	907 579
Deferred tax assets	26.1	—	49 164	252 254	301 418
Current biological assets	19	—	183 334	—	183 334
Inventories		937 681	84 198	794 812	1 816 691
Trade & other receivables		302 029	95 464	1 432 893	1 830 386
Cash and cash equivalents		172 426	331 000	1 079 094	1 582 520
Loan receivable		122 539	—	—	122 539
Trade and other payables		(364 160)	(139 188)	(634 287)	(1 137 635)
Interest-bearing borrowings	28.2	(695 000)	(2 012 297)	(30 003)	(2 737 300)
Fair value of net assets of subsidiary at date of transaction		**475 515**	**981 003**	**7 994 763**	**9 451 281**
Less total non-controlling interests	25.1	(237 758)	(196 199)	—	(433 957)
Attributable fair value of net assets acquired		**237 757**	**784 804**	**7 994 763**	**9 017 324**
Total consideration		**237 757**	**784 804**	**7 641 711**	**8 664 272**
Carrying amount of investment at acquisition	16	237 757	441 452	2 746 562	3 425 771
Fair value of investment in associate	24.1	—	—	1 285 526	1 285 526
Consideration paid		—	343 352	3 609 623	3 952 975
Gain on bargain purchase	22.4	—	—	(353 052)	(353 052)
Cash consideration paid to third parties		—	(343 352)	(3 609 623)	(3 952 975)
Add cash and cash equivalents		172 426	331 000	1 079 094	1 582 520
Net cash inflow/(outflow)	22.2	**172 426**	**(12 352)**	**(2 530 529)**	**(2 370 455)**

Notes to the **Financial Statements** (continued)

for the year ended 30 June 2023

22 Cashflow information (continued)

22.4 Disposal/Restructure transactions

During 2022, the Group was involved in the following restructure transactions:

	Effective Date of Transaction	Effective Shareholding	Notes	Disposal Consideration USD	Carrying Amount on date of disposal USD	Profit/ (Loss) on Disposal USD
Bargain on acquisition of additional interest Bakers Inn Logistics (Private) Limited			22.3	—	—	353 052
Disposal of Pure Oil Industries (Private) Limited	30 June, 2022	15.13%	16.14	11 900 000	11 900 000	—
Disposal of IL Integrated Agri (Private) Limited	01 July 2021	50%	16.11	784 740	2 102 834	(1 318 094)
Disposal of Skitap (Private) Limited	01 July, 2021	50%	16.12	4 908 008	3 108 732	1 799 276
Disposal of Capri Properties	30 September 2021	100%	13.1	3 200 000	1 446 205	1 753 795
				20 792 748	**18 557 771**	**2 588 029**
Less: Pure Oil Industries (Private) Limited consideration to be received in instalments			18	(11 900 000)	(11 900 000)	—
Consideration for cashflow purpose			22.2	**8 892 748**	**6 657 771**	**2 588 029**

	Notes	30 June 2023 USD	30 June 2022 USD
22.5 Cash and cash equivalents at the end of the year			
Opening cash and bank balances		32 861 146	34 168 924
Decrease in cash ad cash equivalents		(3 688 040)	(1 307 778)
Closing cash and cash equivalents	36.4	**29 173 106**	**32 861 146**

23 Ordinary share capital

23.1 Authorised

800 000 000 ordinary shares

1 000 Non-Voting Class "A" ordinary shares

Notes to the **Financial Statements** (continued)

for the year ended 30 June 2023

	30 June 2023 USD	30 June 2022 USD
23 Ordinary share capital (continued)		
23.2 Issued and fully paid		
Ordinary Share Capital		
Opening balance	1 171 521	1 171 278
Issued during the year	—	243
575 926 450 (2022: 575 926 450) ordinary shares	**1 171 521**	**1 171 521**
Class "A" Ordinary Shares		
1 000 Non-Voting Class "A" ordinary shares	2	2
Share premium		
Opening balance	4 080 962	3 919 431
Issued during the year (2022: 6 050 000)	—	161 531
	4 080 962	**4 080 962**

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.

23.3 Share options

As at 30 June 2023, 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 USD 0.70 per share and for the second five years, USD 1.03 per share.

At the end of the year, the scheme had a remaining contractual life of half a year.

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 2023, these options were exercisable.

Notes to the **Financial Statements** (continued)

for the year ended 30 June 2023

23 Ordinary share capital (continued)

23.3 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 half a year.

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 2023, 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 this 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 2023

23 Ordinary share capital (continued)

23.3 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 2023 USD	30 June 2022 USD
Opening balance	—	6 050 000
Excercised during the year	—	(6 050 000)
Closing balance	**—**	**—**

	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%

23.4 Directors' shareholdings

At 30 June 2023, the company Directors held directly and/or indirectly the following number of shares:

	2023	2022
Z Koudounaris	115 010 187	114 817 346
M J Fowler	111 005 691	109 179 327
J P Schonken	5 053 820	5 176 487
G Gwainda	1 806 659	1 683 859
A B C Chinake	1 329 645	1 329 645
T N Sibanda	688 400	950 000
D K Shinya	11 900	11 900
	234 906 302	**233 148 564**

There has been no material change in the company Directors' interests from 30 June 2023 to the date of this report.

Notes to the **Financial Statements** (continued)

for the year ended 30 June 2023

24 Reserves

24.1 Nature and purpose of reserves

Restructure Reserve

The restructure reserve is used to record restructure transactions. The most significant transaction happened in the prior year when there was a decrease in shareholding in National Foods Holdings Limited, refer to **Note 25.3**.

Revaluation Reserve

The Group changed its subsequent measurement model for PPE from the historical cost model to the revaluation model in the prior year. A revaluation of PPE was carried out by independent professional valuers as at 30 June 2022 and the revaluation surplus, net of deferred tax arising from the revaluation of PPE was recorded through this reserve, refer to **Note 13.3**.

Foreign Currency Translation Reserve

The foreign currency translation reserve was used to record exchange rate differences arising from the translation of financial statements of foreign subsidiaries from USD to ZWL, before the Group's functional currency change from ZWL to USD.

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 2023 the Group held 5 020 201 (2022: 4 639 901) of its own shares. During the year the Group acquired 380 300 of its own shares for USD 156 499.

Share-Based Payment Reserve

This reserve is in respect of share-based payment which include the 2016 Innscor Africa Limited Share Scheme. All the shares under the scheme had been exercised by 30 June 2022, refer to **Note 23.3**.

Reconciliation of other reserves

	Notes	Restructure Reserve	Revaluation Reserve	Foreign Currency Translation Reserve	Treasury Shares Reserve	Share-Based Payment Reserve	Total Other Reserves
Balances as at 30 June 2021		**(4 555 088)**	**—**	**29 673 031**	**(721 715)**	**129 062**	**24 525 290**
Share-based payment charge		—	—	—	—	900	900
Issue of shares		—	—	—	—	(129 962)	(129 962)
Transactions with owners in their capacity as owners		2 424 275	—	—	—	—	2 424 275
Disposal of shares in National Foods Holdings Limited	25.4	1 138 749	—	—	—	—	1 138 749
Fair value on acquisition of Baker's Inn Logistics (Private) Limited	22.3	1 285 526	—	—	—	—	1 285 526
Revaluation surplus		—	89 515 824	—	—	—	89 515 824
Balances as at 30 June 2022		**(2 130 813)**	**89 515 824**	**29 673 031**	**(721 715)**	**—**	**116 336 327**
Purchase of Treasury Shares	24.1	—	—	—	(156 499)	—	(156 499)
Balances as at 30 June 2023		**(2 130 813)**	**89 515 824**	**29 673 031**	**(878 214)**	**—**	**116 179 828**

Notes to the **Financial Statements** (continued)

for the year ended 30 June 2023

	Note	30 June 2023 USD	30 June 2022 USD
24 Reserves (continued)			
24.2 Distributable reserves			
Opening balance		**156 719 610**	**122 294 156**
Profit for the year		32 146 774	45 281 822
Dividend paid	7.1	(18 958 817)	(10 856 368)
Closing balance		**169 907 567**	**156 719 610**
25 Non-controlling interests			
25.1 Reconciliation			
Opening balance		**127 155 610**	**72 236 397**
Profit for the year		5 697 245	18 542 793
Dividends paid	7.2	(6 746 279)	(5 291 475)
Revaluation surplus, net of deferred tax		—	38 363 925
Other transactions with non-controlling interests		224 410	3 303 970
Transactions with cash consideration	25.2	224 410	2 794 465
Acquisition of Subsidiaries	22.3	—	433 957
Disposal of interest in National Foods Holdings Limited	25.3	—	75 548
Closing balance		**126 330 986**	**127 155 610**
25.2 Cash received from non-controlling interests			
Contributions were received from non-controlling interests in the following businesses.			
MyCash Financial Services (Private) Limited		199 647	228 131
Sabithorn (Private) Limited		24 763	1 250 936
The Buffalo Brewing Company (Private) Limited		—	1 315 398
Contributions from non-controlling interests		**224 410**	**2 794 465**

25.3 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%.

	Note	National Foods Holdings Limited 30 June 2023 USD	30 June 2022 USD
Non-controlling interests			
Carrying amount of non-controlling interest disposed	25.1	—	(75 548)
Consideration received by non-controlling interests	22.2	—	1 214 297
Excess of consideration received recognised in the Restructure Reserve within equity	25.4	**—**	**1 138 749**

25.4 Transactions with non-controlling interests

	Note	30 June 2023 USD	30 June 2022 USD
Disposal of National foods Limited	25.3	—	1 138 749
Fair value on acquisation of Baker's Inn Logistics	22.3	—	1 285 526
		—	**2 424 275**

Notes to the **Financial Statements** (continued)

for the year ended 30 June 2023

	Note	30 June 2023 USD	30 June 2022 USD
26 Deferred Tax			
26.1 Reconciliation			
Opening balance		**32 755 715**	**(2 514 784)**
Charge to profit or loss	12.1	459 223	2 006 928
Acquisition of subsidiaries	22.3	—	(301 418)
Deferred tax on revaluation surplus		—	33 564 989
Closing balance		**33 214 938**	**32 755 715**
26.2 Analysis of net deferred tax liabilities			
Accelerated depreciation for tax purposes		32 308 708	32 627 029
Fair value adjustments on biological assets		2 105 585	1 734 889
Unrealised exchange rate (gains)/losses		(859 110)	(1 548 133)
Allowance for credit losses		(340 245)	(58 070)
		33 214 938	**32 755 715**

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 2023, the Group did not have any unrecognised tax losses from its sudsidiaries.

	Note	30 June 2023 USD	30 June 2022 USD
27 Lease liability			
27.1 Lease liabilities included in the statement of financial position			
Non-current		3 453 576	2 677 870
Current		1 240 212	794 414
Balance at 30 June	36.4	**4 693 788**	**3 472 284**
Lease Liabilities			
Maturity analysis - contractual undiscounted cash flows			
Less than one year		1 389 037	889 744
One to five years		5 382 714	1 391 293
More than five years		268 997	2 093 027
Total undiscounted contractual cashflows as at 30 June		**7 040 748**	**4 374 064**
Less total future finance costs		(2 346 960)	(901 780)
		4 693 788	**3 472 284**

Notes to the **Financial Statements** (continued)

for the year ended 30 June 2023

	Note	30 June 2023 USD	30 June 2022 USD
27 Lease liability (continued)			
27.2 Amounts recognised in the statement of profit or loss			
Depreciation charge for the year	**14.1**	1 069 554	232 711
Finance charges	**11.2**	790 564	457 962
Total recognised in the statement of profit or loss		**1 860 118**	**690 673**

27.3 The Group has entered into commercial leases on certain properties, plant and equipment. 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.

27.4 The Group used an incremental borrowing rate of 12% (12%) to discount the future lease payments.

	Rate of interest	Years repayable	Note	30 June 2023 USD	30 June 2022 USD
28 Interest-bearing borrowings					
28.1 Interest-bearing borrowings					
Long-term financing					
Secured					
Zimbabwe Operations	8.5 - 12%	2024- 2025		19 263 994	10 102 785
Total long-term financing				**19 263 994**	**10 102 785**
Short-term financing					
Zimbabwe Operations	8.5 - 12%	up to 365 days		37 703 773	34 683 290
Overdraft - Zimbabwe Operations	8.5 - 12%	On demand		11 136 050	1 002 493
Total short-term financing				**48 839 823**	**35 685 783**
Total interest-bearing borrowings			36.4	**68 103 817**	**45 788 568**

As at 30 June 2023, the Board had authorised aggregate borrowing limits of USD 80 million (2022: USD 50 million).

Short-term borrowings expire at different dates during the year and are reviewed on maturity as shown on **Note 36.4** with the relevant financial institutions.

Notes to the **Financial Statements** (continued)

for the year ended 30 June 2023

	Note	30 June 2023 USD	30 June 2022 USD
28 Interest-bearing borrowings (continued)			
28.2 Interest-bearing borrowings - reconciliation			
The movements in interest bearing borrowings which are included in financing activities are as follows:			
Opening balance		**45 788 568**	**48 607 895**
Drawdowns		57 984 241	42 837 383
Repayments		(35 668 992)	(48 394 010)
Arising from acquisition of a subsidiary	**22.3**	—	2 737 300
Closing balance		**68 103 817**	**45 788 568**
29 Trade and other payables			
Trade payables		59 658 218	48 247 320
Accruals		18 993 639	15 360 703
Other payables		42 769 337	34 588 796
	36.4	**121 421 194**	**98 196 819**
Trade payables are non-interest bearing and are normally settled within 7 to 45 days.			
Other payables are non-interest bearing and include loans from Director related entities as highlighted in **Note 35.3** and have varying settlement terms.			
30 Provisions			
Leave pay provision		**2 548 848**	**1 804 179**
30.1 Reconciliation of leave pay provision			
Opening balance		**1 804 179**	**1 268 252**
Charge for the year	**22.1**	2 110 728	4 416 794
Less paid	**22.1**	(1 366 059)	(3 880 867)
Closing balance		**2 548 848**	**1 804 179**

Notes to the **Financial Statements** (continued)

for the year ended 30 June 2023

	Note	30 June 2023 USD	30 June 2022 USD
31 Current tax liabilities			
31.1 Reconciliation			
Opening balance		**13 191 523**	**13 431 869**
Current tax charged to profit or loss	**12.1**	10 012 117	14 643 665
Tax paid		(12 611 657)	(14 884 011)
Exchange gain		(4 402 428)	—
Closing balance		**6 189 555**	**13 191 523**

31.2 Uncertain tax positions

There have been substantial changes in the currency environment in Zimbabwe in recent years, including the reintroduction of the ZWL as the Country's functional currency in February 2019 through SI 33 of 2019, followed by the promulgation of SI 185 of 2020, which reintroduced the use of foreign currency for domestic transactions.

These significant changes have created numerous uncertainties in the treatment of taxes due across the economy, and have been compounded by a lack of clear statutory and administrative guidance or practical transitional measures from the tax authorities. The wording of existing tax legislation has given rise to varying interpretations of tax law within the Country. Over time, it has become apparent that the Group's interpretation of the law regarding the currency of settlement for taxes, as well as the methodology for tax computation, has differed from that of the authorities, and this has resulted in a number of uncertainties in the Group's tax position. The Group continues to seek adjudication by the courts on a number of uncertain tax positions.

During the year the Group paid ZIMRA on a "without prejudice" basis an amount of USD 5 541 429 pending finalisation of court cases regarding the currency of settlement of taxes.

	30 June 2023 USD	30 June 2022 USD
32 Capital expenditure commitments		
Authorised and contracted	7 394 316	7 479 362
Authorised but not yet contracted	76 118 727	76 994 208
	83 513 043	**84 473 570**

The capital expenditure will be financed from the Group's own resources and from existing borrowing facilities if need be.

Notes to the **Financial Statements** (continued)

for the year ended 30 June 2023

33 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 financial statements in respect of the segments listed below.

Business Segments

The Group's operations comprise of Mill-Bake, Protein, Beverages & Other Light Manufacturing and the Head Office 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

The segment reports the results of the Group's interests in National Foods Holdings Limited, the Bakery Division, Superlinx (Private) Limited t/a Baker's Inn Sales & Distribution, Baker's Inn Logistics (Private) Limited and the Group's non-controlling interest in Profeeds (Private) Limited and Nutrimaster (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 Baker's 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.

Protein

This segment reports the results of the Group's interests 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 whilst Intercane is involved in the retail of poultry products.

33 Segmental analysis (continued)

Beverages and Other Light Manufacturing

The segment reports the results of the Group's controlling interests in Prodairy (Private) Limited, Probottlers (Private) Limited, The Buffalo Brewing Company (Private) Limited, Natpak (Private) Limited, Saxin Enterprises (Private) Limited, Sabithorn (Private) Limited and the Group's associated interests in Probrands (Private) Limited.

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.

The Buffalo Brewing Company (Private) Limited is involved in the brewing and marketing of sorghum beer.

Natpak (Private) Limited produces a variety of bags for packaging such as open mouth bags, general purpose bags, carrier bags and BOPP bags.

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.

Probrands (Private) Limited is involved in the down-packing and manufacture of a number of grocery products.

Head Office and Other Service

The segment reports the Group's shared services functions namely treasury, internal audit, legal, company secretarial services, Providence Human Capital, Syntegra Solutions (Private) Limited, MyCash Financial Services (Private) Limited and the Group's associated interests in Paperhole Investments (Private) Limited and Afrigrain Trading Limited.

Geographical Segments

The Group is also organised into parcels of businesses incorporated in Zimbabwe, and those incorporated in countries outside Zimbabwe. **Note 33.1** provides financial details of the geographical spread.

Notes to the **Financial Statements** (continued)
for the year ended 30 June 2023

	Note	Mill-Bake USD	Protein USD	Beverages and Other Light Manufacturing USD	Head Office Services USD	Inter-segment Adjustments USD	Total Continuing Operations USD
33 Segmental analysis (continued)							
Revenue							
30 June 2023	8.2	435 061 375	235 373 146	213 246 940	9 169 963	(88 811 619)	804 039 805
30 June 2022	8.2	372 611 752	216 551 666	165 639 602	12 858 390	(66 667 120)	700 994 290
Operating profit/(loss) before depreciation, amortisation and fair value adjustments							
30 June 2023		44 577 148	21 614 320	15 963 775	8 905 880	—	91 061 123
30 June 2022		54 537 174	29 706 547	19 471 865	1 505 253	—	105 220 839
Depreciation and amortisation							
30 June 2023	10.3	8 060 586	8 232 479	6 407 416	742 764	—	23 443 245
30 June 2022	10.3	8 500 434	6 229 354	5 038 954	913 464	221 439	20 903 645
Equity accounted earnings							
30 June 2023	16	1 786 483	—	(505 934)	442 348	—	1 722 897
30 June 2022	16	2 333 101	—	338 546	3 356 753	—	6 028 400
Profit before tax							
30 June 2023		23 652 109	11 048 636	2 514 052	11 646 541	(545 979)	48 315 359
30 June 2022		36 815 914	21 384 906	9 796 498	16 021 593	(3 543 703)	80 475 208
Segment assets							
30 June 2023		273 573 788	137 807 157	135 786 263	210 116 702	(103 440 904)	653 843 006
30 June 2022		251 591 850	120 479 406	98 445 992	202 194 816	(72 038 944)	600 673 120
Segment liabilities							
30 June 2023		116 310 703	54 295 884	80 351 478	1 620 107	(16 406 032)	236 172 140
30 June 2022		88 501 392	43 264 674	48 151 510	17 508 894	(2 217 382)	195 209 088

Notes to the **Financial Statements** (continued)

for the year ended 30 June 2023

	Note	Mill-Bake USD	Protein USD	Beverage and Other Light Manufacturing USD	Head Office Services USD	Inter-segment Adjustments USD	Total Continuing Operations USD
33 Segmental analysis (continued)							
Capital expenditure							
30 June 2023	**13.1 & 22.2**	42 877 282	12 717 317	16 444 773	5 922 874	—	77 962 246
30 June 2022	**13.1 & 22.2**	29 834 955	11 715 497	18 905 861	606 034	—	61 062 347
Cash flow from operating activities							
30 June 2023	**22.1**	219 827 783	15 820 260	11 380 831	40 377 734	(175 336 166)	112 070 442
30 June 2022	**22.1**	195 536 212	14 072 078	10 123 218	35 915 884	(155 451 545)	100 195 847
Investing activities							
30 June 2023	**22.2**	(27 234 222)	(15 417 618)	(25 057 109)	(9 374 203)	(8 728 404)	(85 811 556)
30 June 2022	**22.2**	(15 956 890)	(9 033 386)	(14 681 291)	(5 492 469)	(5 114 086)	(50 278 122)
Financing activities							
30 June 2023		18 864 165	1 360 713	15 057 005	2 309 449	(41 483 421)	(3 892 089)
30 June 2022		90 173 944	6 504 442	71 975 067	11 039 562	(198 807 365)	(19 114 350)

	Revenue	Profit before tax	Total assets	Total liabilities
33.1 Geographical segments				
Zimbabwe Operations				
30 June 2023	803 611 266	48 012 315	608 719 335	232 877 343
30 June 2022	699 359 060	76 448 015	551 668 731	182 104 761
Regional Operations				
30 June 2023	428 539	303 044	45 123 671	3 294 797
30 June 2022	1 585 230	4 027 193	49 004 389	13 104 327

Notes to the **Financial Statements** (continued)

for the year ended 30 June 2023

34 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.

	30 June 2023 USD	30 June 2022 USD
Pension costs recognised as an expense for the year:		
Innscor Africa Limited Pension Fund	266 188	265 322
National Social Security Authority Scheme & Workers' Compensation Insurance Fund	376 054	374 831
National Foods Pension Fund	332 160	331 080
Colcom Pension Fund	276 571	275 671
	1 250 973	**1 246 904**

Notes to the **Financial Statements** (continued)

for the year ended 30 June 2023

35 Related party transactions

35.1 Trading transactions

Related party activities consist of transactions between Innscor Africa Limited's subsidiaries and its associates.

The table below shows transactions and balances from the perspective of the related party, summarised as follows:

Name of related party	Sales USD	Purchases USD	Rent received/(paid) USD	Interest (received)/paid USD	Trade & other accounts receivables USD	Trade & other accounts payables USD
Afrigrain Trading Limited						
30 June 2023	93 557 331	—	—	—	35 209 791	—
30 June 2022	23 020 679	—	—	—	32 952 338	—
Profeeds (Private) Limited						
30 June 2023	2 067 051	(35 694 626)	—	—	23 829	(3 002 929)
30 June 2022	2 008 358	(34 131 484)	(2 736)	—	473 220	(2 971 023)
Nutrimaster (Private) Limited						
30 June 2023	4 641 336	(474 182)	(376 174)	—	3 599 919	(95 871)
30 June 2022	6 600 680	(105 570)	404 920	—	147 903	(1 419 497)
Paperhole Investments (Private) Limited						
30 June 2023	49 782 897	(1 026 250)	546 650	(182 971)	9 012 818	(26 839)
30 June 2022	45 707 953	(12 075 610)	—	699 183	5 307 084	(7 332 962)
Probrands (Private) Limited						
30 June 2023	386 818	(900 774)	—	(32 003)	—	(115 499)
30 June 2022	644 957	(617 825)	—	40 692	91 369	(23 528)
National Foods Logistics (Private) Limited						
30 June 2023	10 917 880	—	67 608	—	449 658	(11 877)
30 June 2022	11 066 260	—	70 684	—	141 444	—
Pure Oil Industries (Private) Limited						
30 June 2023	—	—	—	—	—	—
30 June 2022	2 765 289	(11 909 582)	—	—	4 334	(1 036 038)

Notes to the **Financial Statements** (continued)

for the year ended 30 June 2023

	Note	30 June 2023 USD	30 June 2022 USD
35 Related party transactions (continued)			
35.2 Compensation of key personnel to the Group			
Short-term employee benefits	10.2	9 275 729	9 215 005
Fees for other services paid directly or indirectly to non-independent, non-executive directors		355 224	1 678 191
Total		**9 630 953**	**10 893 196**

35.3 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.

	Note	30 June 2023 USD	30 June 2022 USD
Loans from Director related entities	29	**5 464 613**	**469 772**
35.4 Other Related Party Balances			
Other related party balances as at 30 June 2023 are as follows:			
Amount payable to:			
Innscor Africa Limited Employee Share Trust (Private) Limited		**52 355**	**151 035**

The amounts shown above are short-term in nature and accrue interest below the Group's average borrowing rate which varies from time to time.

36 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:

36.1 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 borrowing at favourable and fixed rates of interest as well as to take up overdraft positions.

Notes to the **Financial Statements** (continued)

for the year ended 30 June 2023

36 Financial risk management objectives and policies (continued)

36.1 Interest rate risk (continued)

The following table demonstrates the sensitivity to a reasonable possible change in interest rates on short-term overdrafts. There is an immaterial impact on the Group's equity.

	30 June 2023 USD	30 June 2022 USD
Effect on profit before tax		
Increase of 3%	(334 082)	(30 075)
Decrease of 3%	334 082	30 075

36.2 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 prepaying raw materials or retaining stock until the foreign currency to settle the related liability has been secured.

The carrying amounts of the Group's foreign currency denominated monetary assets and liabilities at the reporting date are as follows:

	Liabilities USD	Assets USD	Net position USD
30 June 2023			
Currency			
South African Rand	(4 785 884)	800 921	(3 984 963)
Great Britain Pound	(96 773)	1 980	(94 793)
Euro	(1 076 531)	2 537	(1 073 994)
Zimbabwe Dollar (ZWL)	(8 724 541)	7 090 670	(1 633 871)
30 June 2022			
Currency			
South African Rand	(860 462)	368 245	(492 217)
Euro	(109 789)	—	(109 789)
Zimbabwe Dollar (ZWL)	(59 849 022)	22 001 921	(37 847 101)

Notes to the **Financial Statements** (continued)

for the year ended 30 June 2023

36 Financial risk management objectives and policies (continued)

36.2 Foreign currency risk (continued)

The following table demonstrates the sensitivity of the Group's results to a reasonably possible change in the USD closing exchange rate against the following currencies, with all other variables held constant.

	Change in rate %	Effect on profit before tax USD	Effect on equity USD
30 June 2023			
South African Rand	+10%	(398 496)	(299 988)
	-10%	398 496	299 988
Great Britain Pound	+10%	(9 479)	(7 136)
	-10%	9 479	7 136
Euro	+10%	(107 399)	(80 850)
	-10%	107 399	80 850
Zimbabwe Dollar (ZWL)	+10%	(163 387)	(122 998)
	-10%	163 387	122 998
30 June 2022			
South African Rand	+10%	(4 922)	(3 705)
	-10%	4 922	3 705
Euro	+10%	(10 979)	(8 265)
	-10%	10 979	8 265
Zimbabwe Dollar (ZWL)	+10%	(3 784 710)	(2 849 130)
	-10%	3 784 710	2 849 130

36.3 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.

Notes to the **Financial Statements** (continued)

for the year ended 30 June 2023

36 Financial risk management objectives and policies (continued)

36.3 Credit risk (continued)

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 and 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 past due for more than one year. 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 well 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.

	Note	<30 days USD	30-90 days USD	>91 days USD	Total USD
30 June 2023					
Estimated total gross carrying	21	17 783 849	38 161 561	3 668 952	59 614 362
Expected credit loss	21.3	(410 599)	(618 245)	(347 552)	(1 376 396)
Expected credit loss rate		2.31%	1.62%	9.47%	2.31%

The maximum exposure arising from default equals the carrying amount.

36.4 Liquidity risk

Liquidity risk arises from the Group's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due. The Group's manages liquidity risk by maintaining 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).

	Note	Within 3 months USD	Between 4 -12 months USD	More than 12 months USD	Total USD
30 June 2023					
Liabilities					
Interest-bearing borrowings	28.1	(28 064 505)	(20 775 318)	(19 263 994)	(68 103 817)
Lease liabilities	27.1	(310 053)	(930 159)	(3 453 576)	(4 693 788)
Trade and other payables	29	(38 375 635)	(24 342 483)	(58 703 076)	(121 421 194)
Total		**(66 750 193)**	**(46 047 960)**	**(81 420 646)**	**(194 218 799)**

Notes to the **Financial Statements** (continued)

for the year ended 30 June 2023

36 Financial risk management objectives and policies (continued)

36.4 Liquidity risk (continued)

	Note	Within 3 months USD	Between 4 -12 months USD	More than 12 months USD	Total USD
30 June 2023 (continued)					
Assets					
Cash and cash equivalents	22.5	29 173 106	—	—	29 173 106
Trade and other receivables excluding prepayments	21	53 351 546	23 344 778	—	76 696 324
Other assets	18.1	—	7 296 590	15 303 142	22 599 732
Total		**82 524 652**	**30 641 368**	**15 303 142**	**128 469 162**
30 June 2022					
Liabilities					
Interest-bearing borrowings	28.1	(7 439 337)	(28 246 446)	(10 102 785)	(45 788 568)
Lease liabilities	27.1	(199 926)	(594 488)	(2 677 870)	(3 472 284)
Trade and other payables	29	(48 838 480)	(49 358 339)	—	(98 196 819)
Total		**(56 477 743)**	**(78 199 273)**	**(12 780 655)**	**(147 457 671)**
Assets					
Cash and cash equivalents	22.5	32 861 146	—	—	32 861 146
Trade and other receivables excluding prepayments	21	37 462 849	28 735 355	—	66 198 204
Other assets	18.1	—	9 933 363	13 210 829	23 144 192
Total		**70 323 995**	**38 668 718**	**13 210 829**	**122 203 542**

36.5 Commodity price risk

The Group is continuously exposed to commodity price risks mainly driven by global commodity prices. The Board and management have put in place strategies and policies to address this risk on a day-to-day basis.

36.6 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.

Notes to the **Financial Statements** (continued)

for the year ended 30 June 2023

36 Financial risk management objectives and policies (continued)

36.6 Equity price risk (continued)

The following table demonstrates the sensitivity to a reasonably possible change in the share price of quoted investments.

	Note	30 June 2023 USD	30 June 2022 USD
Effect on annual profit before tax			
Increase of 3%		184 884	205 814
Decrease of 3%		(184 884)	(205 814)
Effect on equity			
Increase of 3%		139 180	154 936
Decrease of 3%		(139 180)	(154 936)

37 Fair value of financial instruments

The estimated net fair values of all financial instruments approximate the carrying amounts shown in the financial statements.

38 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 their businesses 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 (subject to Articles of Association). No changes were made to the objectives, policies or processes during the years ended 30 June 2023 and 30 June 2022. 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 2023

		Note	30 June 2023 USD	30 June 2022 USD
38	**Capital management** (continued)			
	Total borrowings	**28.1**	68 103 817	45 788 568
	Total equity		417 670 866	405 464 032
	Total cash and cash equivalents	**22.5**	29 173 106	32 861 146
	Gross debt - equity ratio		14%	10%
	Net debt - equity ratio		9%	3%
39	**Contingent liabilities**			
39.1	Guarantees		**11 749 090**	**7 774 231**

The contingent liabilities relate to bank guarantees provided in respect of the Group's associate companies and subsidiary companies as at 30 June 2023.

40 Events after reporting date

40.1 Final Divided Declaration

The Board declared a final dividend of 1.05 US cents per share payable in respect of all ordinary shares of the Company. The dividend is in respect of the financial year ended 30 June 2023 and will be payable in full to all the shareholders of the Company registered at the close of business on Friday 13 October 2023. The payment of this dividend will take place on or about 8 November 2023. The shares of the Company will be traded cum-dividend on the Victoria Falls Stock Exchange up to the market day of 10 October 2023 and ex-dividend from 11 October 2023.

On the same date, the Board also declared a final dividend totalling USD 305 000 to Innscor Africa Employee Share Trust (Private) Limited.

Company Statement of **Financial Position**

as at 30 June 2023

	Note	30 June 2023 USD	30 June 2022 USD
ASSETS			
Non-current assets			
property, plant and equipment		81 718 308	63 778 662
right-of-use assets		223 853	315,162
investments in subsidiaries and associates		88 869 115	88 777 778
other assets		8 163 921	8 628 058
biological assets		2 183 349	1 818 207
		181 158 546	**163 317 867**
Current assets			
biological assets		4 715 036	3 654 317
inventories		16 708 359	23 764 623
trade and other receivables		42 361 459	23 971 145
cash and cash equivalents		4 742 569	10 770 691
		68 527 423	**62 160 776**
Total assets		**249 685 969**	**225 478 643**
EQUITY AND LIABILITIES			
Capital and reserves			
ordinary share capital		1 171 521	1 171 521
class A ordinary share capital		2	2
share premium		4 080 962	4 080 962
other reserves		26 857 693	27 014 192
distributable reserves		171 033 327	155 978 355
Total equity		**203 143 505**	**188 245 032**
Non-current liabilities			
deferred taxation		8 094 457	7 937 350
lease liability		131 050	290,941
interest-bearing borrowings		6 473 781	1 198 294
		14 699 288	**9 426 585**
Current liabilities			
lease liability		108 629	29,211
interest-bearing borrowings		3 536 867	7 138 828
trade and other payables		19 865 175	13 289 960
provisions		503 760	439 113
current taxation		7 828 745	6 909 914
		31 843 176	**27 807 026**
Total liabilities		**46 542 464**	**37 233 611**
Total equity and liabilities		**249 685 969**	**225 478 643**

A B C CHINAKE
Independent, Non-Executive Chairman
Harare
28 September 2023

G GWAINDA CA (Z)
Executive Director
Registered Public Accountant
28 September 2023

Glossary **of Terms**

- **4Rs** Reduce, Re-use, Recycle and Recover in zero waste philosophy
- **ACCA** Association of Chartered Certified Accountants (global)
- **BEO** Best Environmental Option
- **CDSB** Climate Change Disclosure Framework of the Carbon Disclosure Standards Board
- **CO_{2e}** Carbon dioxide equivalent - metric measure used to compare the emissions from various greenhouse gases on the basis of their global-warming potential (GWP), by converting amounts of other gases to the equivalent amount of carbon dioxide with the same global warming potential.
- **COBE** Companies and Other Business Entities Act (Chapter 24:31)
- **DEFRA** Department for Environment Food and Rural Affairs, United Kingdom
- **EMA** Environmental Management Act
- **FSSC** Food Safety System Certification
- **GHG** Greenhouse gas
- **GRI** Protocol used for sustainability reporting
- **Government** The Government of the Republic of Zimbabwe
- **The Group** Innscor Africa Limited divisions, subsidiaries and associates units
- **GWP** Global Warming Potential
- **HACCP** Hazard Analysis and Critical Control Point
- **HCS** Hazardous Chemical Substances
- **HRDD** Human Rights Due Diligence
- **IFRS** International Financial Reporting Standards
- **IMTT** Intermediate Money Transfer Tax
- **IPCC** Intergovernmental Panel on Climate Change
- **ISA** International Standards of Auditing
- **ISO** International Organisation for Standardisation
- **LTI** Lost Time Injury
- **MSS** The International Management System Standards of the ISO group of Standards
- **MWh** Megawatt Hours
- **NSSA** National Social Security Authority
- **NEC** National Employment Council
- **OHS** Occupational Health & Safety
- **PAYE** Pay As You Earn tax
- **Proxy** Person appointed to act on behalf of a shareholder or rights holder
- **SAGMA** Southern African Grain Milling Academy
- **SDGs** United Nations supported Sustainable Development Goals.
- **Shareholder** A holder of equity in the Company or Group.
- **SHEQ** Safety, Health, Environment and Quality
- **SOP** Standard Operating Procedure
- **SR** Social Responsibility
- **Stakeholders** Individual or group that has an interest in any decision or activity of an organisation
- **Sustainable Development** Development that meets the needs of the present without compromising the ability of future generations to meet their own needs.
- **UNGC** United Nations Global Compact
- **UNGP** United Nations Guiding Principles on Business and Human Rights
- **VAT** Value Added Tax
- **VFEX** Victoria Falls Stock Exchange
- **WHT** Withholding Tax
- **ZESA** Zimbabwe Electricity Supply Authority
- **ZETDC** Zimbabwe Electricity Distribution Company
- **ZIMCODE** The National Code on Corporate Governance Zimbabwe
- **ZINWA** Zimbabwe National Water Authority
- **ZRP** Zimbabwe Republic Police
- **ZWS** Zimbabwe Standard according to the Standards Association of Zimbabwe

Shareholder **Analysis**

INNSCOR AFRICA LIMITED: ANALYSIS BY VOLUME AS AT: 30-June-2023

Range	Shares	Shares %	Shareholders	Shareholders %
1 - 5 000	4 125 995	0.72	5 861	82.88
5 001 - 10 000	2 363 761	0.41	321	4.54
10 001 - 25 000	4 985 454	0.87	304	4.30
25 001 - 50 000	5 432 939	0.94	152	2.15
50 001 - 100 000	9 424 184	1.64	131	1.85
100 001 - 200 000	14 199 982	2.47	96	1.36
200 001 - 500 000	31 722 782	5.51	99	1.40
500 001 - 1 000 000	29 524 708	5.13	45	0.64
1 000 001 and Above	474 146 645	82.33	63	0.89
Totals	**575 926 450**	**100.00**	**7 072**	**100.00**

INNSCOR AFRICA LIMITED: ANALYSIS BY INDUSTRY AS AT: 30-June-2023

Industry	Shares	Shares %	Shareholders	Shareholders %
Local Companies	333 639 731	57.93	833	11.78
Local Nominee	115 957 272	20.13	237	3.35
Pension Funds	55 062 998	9.56	180	2.55
Local Individual Resident	26 883 926	4.67	4 318	61.06
Foreign Companies	13 847 611	2.40	10	0.14
Fund Managers	12 509 678	2.17	81	1.15
Insurance Companies	4 049 837	0.70	31	0.44
Trusts	3 576 835	0.62	92	1.30
Foreign Individual Resident	3 029 335	0.53	10	0.14
Other Investments & Trust	2 258 969	0.39	909	12.85
Charitable	2 195 028	0.38	103	1.46
Foreign Nominee	886 913	0.15	10	0.14
New Non Resident	800 270	0.14	102	1.44
Banks	756 142	0.13	07	0.10
Deceased Estates	281 966	0.05	144	2.04
Government / Quasi	189 939	0.03	05	0.07
Totals	**575 926 450**	**100.00**	**7 072**	**100.00**

Shareholder **Analysis** (continued)

INNSCOR AFRICA LIMITED TOP 10 : SCHEDULE AS AT : 30-June-2023

Names	Country	Industry	Shares	Percentage
Z.M.D Investments (Pvt) Ltd	Zim	LC	107 866 197	18.73
Stanbic Nominees (Pvt) Ltd	Zim	LN	102 462 864	17.79
H M Barbour (Pvt) Ltd	Zim	LC	100 974 000	17.53
Old Mutual Life Ass Co Zim Ltd	Zim	LC	27 097 658	4.71
Sarcor Investments (Pvt) Ltd	Zim	LC	22 484 058	3.90
SCB Nominees 033663900002	Zim	LN	14 751 249	2.56
Pharaoh Limited	Bvg	FC	12 860 758	2.23
NSSA Apwsc-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			**415 910 140**	**72.22**
Non - Selected Shares			**160 016 310**	**27.78**
Issued Shares			**575 926 450**	**100.00**

Notice **to Members**

NOTICE IS HEREBY GIVEN that the Twenty-Seventh Annual General Meeting of members will be held at the Royal Harare Golf Club, 5th Street extension, Harare, on Friday 8 December 2023 at 08h15, as well as virtually via the link https://escrowagm.com/eagmZim/Login.aspx for the purpose of transacting the following business below:-

Ordinary Business

1. To receive, consider and adopt the audited consolidated Group inflation-adjusted financial statements for the financial year ended 30 June 2023 together with the reports of the Directors and Auditors thereon.

2. To re-elect the following Director, Mr M. J. Fowler, who retires by rotation in terms of the Articles of Association of the Company, and being eligible, offers himself for re-election. Mr Fowler 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 Group Chief Executive Officer.

3. To re-elect the following Director, Mr G. Gwainda, who retires by rotation in terms of the Articles of Association of the Company, and being eligible, offers himself for re-election. Mr Gwainda is a Chartered Accountant, with more than twenty years of accounting and financial experience in the accounting profession and the business sector in Zimbabwe. On 1 January 2015 Mr Gwainda was appointed as the Finance Director for the Innscor Group.

4. To approve Directors' fees for the financial year ended 30 June 2023.

5. To approve the remuneration of the Auditors, Messrs BDO Chartered Accountants (Zimbabwe), for the past audit.

6. To re – appoint Messrs BDO Chartered Accountants (Zimbabwe) as the Auditors of the Company until the conclusion of the next Annual General Meeting.

   (NOTE: In terms of Section 69(6) of the VFEX listing requirements, companies must change their audit partners every five years and their audit firm every ten years. BDO has been the auditor of the Company for one year.)

7. To confirm the final dividend of 1.05 US cents cents per share declared on 22 September 2023 together with a dividend payment of USD305 000 to Innscor Africa Employee Share Trust (Private) Limited, and to confirm the interim dividend of 1.60 US cents per share declared on 10 March 2023 together with a dividend payment of USD460 000 to Innscor Africa Employee Share Trust (Private) Limited.

Special Business

8. 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 Victoria Falls Stock Exchange (VFEX) 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 VFEX, 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)

8. 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 VFEX. 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).

9. 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

10. 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 2023 and the Proxy Form are available for download at http://www.innscorafrica.com/investor/financial-reporting/

By order of the Board

INNSCOR AFRICA LIMITED

A. D. LORIMER
Company Secretary
Harare
14 November 2023

Company **Calendar**

Shareholders' Calendar	
Twenty-Seventh Annual General Meeting	8 December 2023
Financial Year End	30 June

Interim Reports	
3 months to 30 September 2023	November 2023
6 months to 31 December 2023	March 2024
9 months to 31 March 2024	May 2024
12 months to 30 June 2024	September 2024
Annual Report Published	November 2024
Twenty-Eighth Annual General Meeting	December 2024

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
BDO Zimbabwe
Chartered Accountants

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: info@blackcrystal.co.zw

Form of Proxy **27th 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-SEVENTH ANNUAL GENERAL MEETING** of the Company to be held on **8 December 2023** at 08.15 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 2023 be adopted.			
2 THAT Mr M. J. Fowler be re-elected as a Director of the Company in terms of the Articles of Association.			
3 THAT Mr G. Gwainda 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 BDO Chartered Accountants (Zimbabwe), be confirmed for the past audit.			
6 THAT Messrs BDO Chartered Accountants (Zimbabwe) be re – appointed as the Auditors of the Company until the conclusion of the next Annual General Meeting.			
7 THAT the final dividend of 1.05 US cents per share declared on 22 September 2023 together with a dividend payment of USD305 000 to Innscor Africa Employee Share Trust (Private) Limited, and the interim dividend of 1.60 US cents per share declared on 10 March 2023 together with a dividend payment of USD460 000 to Innscor Africa Employee Share Trust (Private) Limited be and are hereby confirmed.			

Form of Proxy **27th Annual General Meeting** (continued)

SPECIAL BUSINESS	For	Against	Abstain
8 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.			
9 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 ____________________ 2023

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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.

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