

THIS PRE-LISTING STATEMENT IS IMPORTANT AND REQUIRES YOUR ATTENTION

This Pre-Listing Statement is neither a prospectus nor an invitation to the public to subscribe for shares in Proplastics Limited ('Proplastics' or 'the Company'), but is a document issued to the shareholders of Masimba Holdings Limited ("Masimba") in compliance with the Zimbabwe Stock Exchange Requirements, for the purpose of giving information to shareholders of Masimba and the public regarding the Company as more fully set out in this Pre-Listing Statement.

Action required:

- If you are in any doubt as to the action you should take, please consult your stockbroker, banker, accountant or other professional advisor immediately.
- If you no longer hold any shares in Masimba, you should send this Pre-Listing Statement, as soon as possible, to the stockbroker, bank or other agent through whom the sale of your shareholding in Masimba was executed for onward delivery to the purchaser or transferee of your shares.



Proplastics Limited

(Incorporated in Zimbabwe on 15 September 1965 under company registration number 608/1965)

PRE-LISTING STATEMENT TO SHAREHOLDERS

REGARDING THE PROPOSED LISTING BY INTRODUCTION OF THE ENTIRE ISSUED SHARE CAPITAL OF PROPLASTICS LIMITED
comprising 244,993,024 ordinary shares of US\$0.0001 nominal value each.

Financial Advisors



Legal Advisors

ATHERSTONE & COOK
Legal Practitioners

Sponsoring Brokers



Reporting Accountants

Deloitte

Transfer Secretaries



Date of issue: 8 May 2015

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Corporate information

Company Secretaries & Registered Office

Masimba Corporate Services (Private) Limited
44 Tilbury Road
Willowvale
Harare, Zimbabwe

Financial Advisors

Corporate Excellence
3 Drummond Chaplin Street
Milton Park,
Harare, Zimbabwe

Legal Advisors

Atherstone & Cook
7th Floor, Mercury House
24 George Silundika Avenue
Harare, Zimbabwe

Reporting Accountants

Deloitte & Touche
West Block, Borrowdale Office Park,
Borrowdale,
Harare, Zimbabwe

Sponsoring Brokers

Southern Trust Securities (Private) Limited
18B Lonsdale Road
Avondale
Harare, Zimbabwe

Transfer Secretaries

First Transfer Secretaries (Private) Limited
1 Armagh Avenue
Eastlea
Harare, Zimbabwe

Forward-looking statements

This Pre-Listing Statement includes forward-looking statements regarding Proplastics. All statements, other than statements of historical facts, included in this Pre-Listing Statement, including, without limitation, those regarding Proplastics' financial position, business strategy, plans and objectives of management for future operations (including development plans and objectives relating to Proplastics' products and services), any statements preceded by, followed by or including the words "believes", "expects", "aims", "estimates", "anticipates", "may", "will", "should", "could", "intends", "plans", "seeks" or similar expressions, are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause Proplastics' actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are inherently based on numerous assumptions regarding Proplastics' present and future business strategies and the environment in which Proplastics will operate in the future. The important factors that could cause Proplastics' actual results, performance or achievements to differ materially from those in forward-looking statements include, but are not limited to, those discussed under "Key business risks". These forward-looking statements speak only as at the date of this Pre-Listing Statement. The Directors of Proplastics expressly disclaim any obligation or undertaking to disseminate after distributing this Document any updates or revisions to any forward-looking statements contained herein to reflect any change in their expectations with regard thereto or any change in events, conditions or circumstances on which any such forward-looking statement is based, unless required to do so by any legal obligation.

Definitions

In this Pre-Listing Statement the following definitions apply, unless otherwise stated or the context indicates otherwise, the words in the first column have the meanings stated opposite them in the second column. Words in the singular shall include the plural and vice versa, and words importing natural persons shall include juristic persons, whether corporate or incorporate and vice versa, and all monetary values unless expressly stated otherwise are in United States dollars and cents.

'Articles'	The Articles of Association of Proplastics Limited.
'Atherstone & Cook" or 'Legal Advisors'	Atherstone & Cook Legal Practitioners, the legal advisors to Proplastics Limited on the proposed Listing.
'Board' or 'Directors'	The Board of Directors of Proplastics Limited
'Companies Act'	The Companies Act of Zimbabwe (Chapter 24:03) as amended.
'Corporate Excellence'	The Financial Advisors to Proplastics Limited regarding the proposed Listing.
'Deloitte & Touche'	Deloitte & Touche Chartered Accountants, Independent Reporting Accountants to Proplastics Limited.
'AGM'	The Annual General Meeting of the shareholders of Masimba to be held at Crowne Plaza Monomotapa Hotel, 54 Parklane, Harare on Friday 29 May 2015 at 1000 hours, for purposes of considering, among other resolutions, the proposed unbundling of Proplastics Limited.
'Exchange Control Regulations'	The Exchange Control Regulations prevailing in Zimbabwe.
'First Transfer Secretaries' or ' Transfer Secretaries'	First Transfer Secretaries (Private) Limited, transfer secretaries to Proplastics Limited.
'Listing' or 'Transaction'	The proposed listing of Proplastics Limited on the ZSE by way of introduction.
'Masimba'	Masimba Holdings Limited, a public company incorporated in Zimbabwe whose ordinary shares are listed on the ZSE.
'NAV'	Net Asset Value.
'Non-resident Shareholder'	Proplastics Limited shareholders with non-resident status in terms of Exchange Control Regulations of Zimbabwe.
'Pre-Listing Statement'	This Pre-Listing Statement.
'Proplastics' or 'the Company'	Proplastics Limited, a manufacturing company which is the subject of this Pre-Listing Statement.
'Proplastics Distribution Record Date'	Being 2 June 2015, the Record Date for distribution of Proplastics shares to Masimba shareholders registered as such on this date.
'RBZ'	Reserve Bank of Zimbabwe.
"Southern Trust Securities" or 'Sponsoring brokers'	Southern Trust Securities (Private) Limited, the sponsoring brokers to the proposed Listing of Proplastics Limited.
'Shareholders' or 'Members'	Holders of ordinary shares of Proplastics Limited.
'US\$'	The United States dollar, allowable trading currency under the multicurrency trading system in Zimbabwe.
'ZIMRA'	Zimbabwe Revenue Authority.
'ZSE'	The Zimbabwe Stock Exchange where Proplastics Limited's ordinary shares are intended to be listed.

Salient information

This summary presents the salient information in relation to the proposed Listing of Proplastics. The detailed information on the Company together with the terms and conditions of the proposed Listing is fully set out in this Pre-Listing Statement. Accordingly, this Pre-Listing Statement should be read in its entirety for a full appreciation of the proposed Listing of Proplastics.

Background of Proplastics

Proplastics, is a leading supplier of world class plastic piping systems for water and sewer reticulation to Southern Africa. The Company was established in 1965 and has attained ISO 9001:2008, ISO 14001:2004 and OSHSAS: 18001 certifications. Proplastics is also certified to the South African Bureau of Standards (SABS) and the Standards Association of Zimbabwe (SAZ). The Company is also a member of the Southern Africa Plastic Pipe Manufacturers Association (SAPPMA).

Rationale for the listing

The principal reasons for listing Proplastics include:

- to establish a strong manufacturing business unit with a clear operational focus capable of pursuing its own independent business strategies;
- to attract focused capital to recapitalize the business whenever necessary;
- to enable Proplastics to enter into mergers and acquisitions, as may strategically be necessary, with businesses which are either complimentary or in the same sphere of business;
- to create a platform for the Company to report independently and transparently to its stakeholders so that it will be valued appropriately;
- to strengthen and enhance the visibility of the Proplastics brand in the local market; and
- unlock shareholder value.

Financial Highlights

The following are the abridged financial statements of Proplastics for the periods ended 30 June 2010, 2011, 2012 and 31 December 2013 and 2014.

Salient information (continued)

Abridged Statement of Profit or Loss and Other Comprehensive Income for the 12 months ended 31 December 2014

	12 months to 31 Dec-14	18 months to 31 Dec-13	12 months to 30 Jun-12	12 months to 30 Jun-11	12 months to 30 Jun-10
	US\$	US\$	US\$	US\$	US\$
Turnover	13,328,216	22,340,137	16,121,825	15,250,426	11,992,617
Cost of sales	(10,484,763)	(17,303,337)	(12,040,111)	(11,038,773)	(8,285,330)
Gross profit	2,843,454	5,036,800	4,081,714	4,211,653	3,707,287
Sundry income	43,774	30,494	(23,145)	125,567	721,222
Distribution, marketing and selling costs	(238,408)	(345,560)	(519,667)	(697,597)	(695,567)
Administration costs	(1,893,514)	(4,076,272)	(3,235,241)	(1,579,457)	(1,445,670)
Profit before interest and taxation	755,306	645,462	303,661	2,060,166	2,287,272
Group interest income/ (expense)	-	(80,479)	(180,163)	(105,182)	(13,543)
Non- Group net interest income/ (expense)	(103,622)	(193,247)	(222,125)	(37,591)	11,960
Profit/(loss) before taxation	651,684	371,736	(98,627)	1,917,393	2,285,689
Income tax (expense)/ credit	(169,803)	(103,426)	22,831	(491,412)	(500,691)
Profit/(loss) for the period	481,881	268,309	(75,796)	1,425,981	1,784,998
Other comprehensive income					
Movement in functional currency change reserve	-	-	-	(459,743)	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	481,881	268,309	(75,796)	966,238	1,784,998

Abridged Statement of Financial Position as at 31 December 2014

	31-Dec-14 US\$	31-Dec-13 US\$	30-Jun-12 US\$	30-Jun-11 US\$	30-Jun-10 US\$
ASSETS					
Non-current assets					
Property, plant and equipment	3,451,209	2,897,408	3,519,966	3,174,730	2,359,715
Total non-current assets	3,451,209	2,897,408	3,519,966	3,174,730	2,359,715
Current assets					
Cash and bank balances	171,806	155,523	282,894	19,994	88,147
Trade and other receivables	2,027,488	2,306,648	1,821,855	2,558,565	1,331,688
Inventories	4,616,693	4,200,008	3,941,296	4,564,728	3,252,249
Total current assets	6,815,987	6,662,179	6,046,045	7,143,287	4,672,084
TOTAL ASSETS	10,267,196	9,559,587	9,566,011	10,318,017	7,031,799
EQUITY AND LIABILITIES					
Capital and reserves					
Reserves	4,732,377	4,732,377	3,201,678	3,201,678	3,201,678
Retained earnings	2,614,044	2,122,237	2,322,720	2,895,107	1,825,620
Total equity	7,346,421	6,854,614	5,524,398	6,096,785	5,027,298
Non-current liabilities					
Deferred taxation	312,431	329,742	360,230	475,503	433,908
Total non-current liabilities	312,431	329,742	360,230	475,503	433,908
Current liabilities					
Trade and other payables	1,820,755	1,537,797	1,213,552	1,349,314	558,878
Current tax liabilities	187,116	133,914	1,175,986	1,083,543	633,726
Inter-group interest bearing loans in credit	600,473	703,520	1,291,845	1,312,872	377,989
Total current liabilities	2,608,344	2,375,231	3,681,383	3,745,729	1,570,593
TOTAL EQUITY AND LIABILITIES	10,267,196	9,559,587	9,566,011	10,318,017	7,031,799

Salient information (continued)

Terms of the Listing

At a meeting of the Board of Masimba, held on 11 March 2015, the Directors of Masimba resolved to demerge Proplastics from Masimba. This proposed demerger, which is subject to the approval of the Shareholders of Masimba at an AGM scheduled for Friday 29 May 2015, will be effected through a distribution of the entire issued share capital of Proplastics to the Shareholders of Masimba registered as such on 2 June 2015 through a dividend-in-specie. The Directors of Masimba also proposed that the Company's shares be listed on the ZSE by way of introduction in terms of the ZSE Listing Requirements.

Masimba Shareholders have been notified of the proposed demerger through a Circular dated 8 May 2015 and will vote on the relevant resolution to demerge Proplastics at an AGM to be held on Friday 29 May 2015.

The ZSE approved this Pre-Listing Statement and the Listing of Proplastics shares. The approval letter is available for inspection during business hours at the Registered Office of Masimba Holdings Limited.

Tax implications of the Listing

In terms of existing tax legislation, Masimba is obligated to withhold 10% of the value of the dividend distribution, whether in cash or in specie, to specified recipients of Proplastics shares for remittance to ZIMRA. Accordingly and as required by law, the Company will withhold from relevant Shareholders 10% of the number of Proplastics shares for the purposes of paying withholding tax to ZIMRA. The Listing itself is not taxable.

Costs of the Listing

The expenses of the Listing amount to approximately US\$120,000 which relate to various advisory and regulatory fees as well as advertising, printing and postage charges.

Timetable of the Listing

Event	Date
Masimba AGM Notice published	Friday, 8 May, 2015
Proplastics abridged Pre-Listing Statement published	Friday, 8 May, 2015
Proplastics Pre-Listing Statement posted	Friday, 15 May, 2015
Last day of lodging Proxy Forms (at 1000 hours)	Wednesday 27 May, 2015
Masimba AGM (at 1000 hours)	Friday, 29 May, 2015
Publication of Masimba AGM resolution results	Tuesday, 2 June, 2015
Proplastics Distribution Record Date	Tuesday, 2 June, 2015
Proplastics shares issued and listed	Monday, 8 June, 2015

Notes

- The above mentioned dates are subject to change. Any such change will be published in the Zimbabwe press.
- All times indicated above and elsewhere in this Pre-Listing Statement are Zimbabwean local times.
- Proplastics' Articles provide for the issuance and trading of the Company's shares in dematerialised form. Shareholders may however elect to receive their shares in physical form.

Section I: Information on Proplastics



Incorporated in Zimbabwe on 15 September 1965 under company registration number 608/1965)

Directors. G. Sebborn (Independent Non-Executive Chairman); K.L Chigiya (Chief Executive Officer)*
M. Tapera (Finance Director)*; S. Sithole; P.T. Zhanda (Jnr.)
*Executive

Address: 5 Spurn Road, Ardbennie, Harare, Zimbabwe

1. History and background of Proplastics

Proplastics, currently a division of Masimba Industries (Private) Limited, a wholly-owned subsidiary of Masimba Holdings Limited, is a leading supplier of world class plastic piping systems for water and sewer reticulation. The Company was established in 1965 and has attained ISO 9001:2008, ISO 14001: 2004 and OSHSAS: 18001 certifications. Proplastics is also certified to the South African Bureau of Standards (SABS), the Standards Association of Zimbabwe (SAZ) and a member of the Southern Africa Plastic Pipe Manufacturers Association (SAPPMA).

Proplastics operates principally from its premises in Ardbennie, Harare and has a distribution branch in Bulawayo. The Company also distributes its products in Zimbabwe and the region through a large network of distributors.

2. Vision, mission and values

Vision

To be the market leader in piping solutions in Southern Africa.

Mission

To deliver world class plastic piping solutions and create sustainable value for our stakeholders.

Values

The value of Proplastics are:

- Professionalism;
- Learning;
- Caring;
- Performance;
- Excellence;
- Zero harm; and
- Team Proplastics

3. Operating environment of Proplastics

The Zimbabwean economy has traditionally had a vibrant manufacturing sector, which, up to 2003, had consistently contributed more than 30% of the nation's Gross Domestic Product (GDP). The strong performance of the sector was made possible by the growth of other productive sectors in the 1980's and 1990's leading to increased demand for manufactured goods.

Section I: Information on Proplastics (continued)

The negative country perception, which ensued following the land reform programme in 2000, saw the country experiencing massive disinvestment between 2000 and 2008. Consequently, no meaningful capital investment took place in the manufacturing sector in general and operations were scaled down with numerous businesses closing shop. The private sector and in particular the manufacturing sector experienced poor performance as a result of:

- severe shortages of foreign currency;
- a shrinking domestic market, and
- a variety of supply side bottlenecks that included fuel, electricity, imported inputs and skills shortage.

Since 2009, there has been increased demand for basic products, though the consumer has become more cost conscious, which has hurt the local manufacturers who have been unable to produce and sell their products at competitive prices. The inability to produce at competitive prices has been as a result of aged equipment and antiquated production techniques and has brought to the fore serious viability issues. Plant and equipment in most Zimbabwean manufacturing companies is either out-dated or worn as businesses failed to maintain existing equipment, let alone make new fixed capital investments.

Despite the above challenges, Proplastics has managed to maintain its leading position in its market segment. This has been due largely to:

- strategic capital investments made between 2010 and 2014 which have ensured that Proplastics continues to run state of the art and competitive equipment;
- a strong management team which has continuously innovated and grown its product offering adapting to the ever changing operating environment; and
- the fact that the Company enjoys geographical competitive advantages as most of the Company's products are bulky and therefore difficult and expensive to transport over long distances.

The Board of Proplastics is committed to growing the existing portfolio of products through new product innovation and various other initiatives which include mergers, acquisitions and forging strategic alliances with other manufacturers of pipe products in Zimbabwe and the region.

4. Financial performance

The historical financial performance of the Proplastics division is included in section IV of this Pre-Listing Statement.

5. Share capital structure

The share capital structure of Proplastics is as shown in the table below:

Share capital	Shares of US\$0.0001 nominal value each
Authorized shares	875,000,000
Issued shares	244,993,024
Unissued shares	630,006,976

5.1 Authorised but unissued share capital

The authorised but unissued share capital of the Company is under the control of the Directors.

5.2 Summary of issues and offers

Since the date of incorporation of Proplastics, there has been no subsequent issue of shares, other than the 227,493,024 issued to Masimba on 25 March 2015.

Section I: Information on Proplastics (cont'd)

5.3 Preferential rights in respect of shares

There are no Proplastics shares with preferred rights in respect of the Company's share capital.

5.4 Voting Rights

All existing authorised but unissued and issued Proplastics ordinary shares are of the same class and rank pari passu in every respect.

5.5 Adequacy of capital

The Directors are of the opinion that the Company's share capital and working capital are adequate for the foreseeable future.

5.6 Working capital and cash flow

The Directors are of the opinion that the available working capital is sufficient to cover the cash flow requirements of the Company.

6. Dividend policy

The issue of dividends and the distribution of reserves are regulated by the Companies Act (Chapter 24:03) and Articles 147 to 148 of the Company's Articles of Association. The Company may in a general meeting declare dividends, but no dividend shall be paid unless out of profits of the Company. The Directors may, before recommending a dividend, set aside out of the profits of the Company such sums as they think proper as a reserve. Generally the Directors may from time to time declare and pay to the members declared dividends and interim dividends as appear to the Directors to be justified by the profits of the Company.

7. Litigation statement

Proplastics is not involved in or aware of any material litigation, dispute, or arbitration proceedings which may, or have had in the last twelve months preceding the date of this Pre-Listing Statement, a significant effect on the financial position of Proplastics, nor is Proplastics aware that any such material litigation, dispute or arbitration proceedings are pending or threatened.

8. Significant contracts

There are no significant contracts that have been entered into by Proplastics, not being contracts in the ordinary course of business, during the two (2) years immediately preceding the date of this Pre-Listing Statement.

9. Future prospects of Proplastics

Following the unbundling of Proplastics from Masimba, Proplastics is set to be able to attract capital focused on its industry specific needs. Proplastics' growth will continue to ride on its unique competitive advantages coupled by its wide product offering. Following the Listing, the Directors believe Proplastics will be able to:

- establish itself as a strong manufacturing business with a clear business focus supported by independent operating and financial strategies;
- enter into mergers and acquisitions, as may be strategically necessary, with businesses which are either complementary or in the same sphere of business;
- create a platform for the Company to report independently and transparently to its stakeholders so that it will be valued appropriately; and
- strengthen the Proplastics brand in the local and regional market.

Demand for Proplastics' products is forecast to remain firm driven by urban water and sanitation programs, irrigation and agriculture and housing infrastructure developments. The HDPE plant launched in November 2014 will further increase product offering to local and export markets. In addition, the on-going plant

Section I: Information on Proplastics (continued)

modernisation program will also see the commissioning of additional state of the art equipment that will further improve product range and production efficiency.

Post unbundling, the Board will continuously monitor the increasingly challenging operating environment and the key focus areas will be productivity, cost containment and cash preservation.

Proplastics Senior Executive Share Option Scheme

In preparing Proplastics for the demerger, Masimba structured and put in place a share option scheme at Proplastics for senior executives to incentivise them as well as align their interests with those of shareholders going forward. The Senior Executive Share Option Scheme rules approved by the ZSE Listings Committee are available for inspection by interested members. In terms of the rules, Proplastics' Directors are empowered to grant share options to senior executives up to a maximum of 20,000,000 share options. The options are granted for a maximum period of five (5) years at a price determined by the middle market price ruling on the ZSE on the day on which the options are granted.

10. Key business risks

10.1 Financial risks management

The Company's financial instruments comprise bank loans and over-drafts and short-term deposits. The main purpose of these financial instruments is to raise finance for the Company's operations or to achieve a return on surplus short-term funds. The Company 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 Company's financial instruments are interest rate risk, foreign currency risk, credit risk and liquidity risk which are discussed below. The Company has developed a comprehensive risk management process to control and monitor these risks.

10.2 Interest rate risk

The Company is exposed to changes in market interest rates relating primarily to variable short-term borrowing rates. The Company's policy is to manage its interest cost by limiting exposure to overdrafts and where borrowings are required, to borrow at favourable and fixed rates of interest.

10.3 Foreign currency risk

As Zimbabwe currently trades under a multicurrency system, the Company faces currency translation exposures. Such exposures arise from the sale or purchase by the Company in currencies other than the reporting currency i.e. the United States dollar. The Company limits exposure to exchange fluctuations by pre-paying for purchases when deemed favourable for the Company

10.4 Credit risk

The Company trades only with recognised, creditworthy third parties. It is the Company's policy that all customers who wish to trade on credit terms are subject to the Company's credit verification procedures. In addition, receivable balances are monitored on an on-going basis with the result that the Company's exposure to bad debts is not significant. As necessary, adequate provision for doubtful debts are made in the financial statements of the Company.

10.5 Liquidity risk

Proplastics monitors its risk of shortage of funds using a liquidity planning tool. The Company considers the maturity of both its financial investments and financial assets (e.g receivables) and potential cash flows from operations. The main objective is to maintain short-term bank loans at a manageable level.

Section II: Details of the Listing

11. Details of the dividend-in-specie of Proplastics

The dividend-in-specie of Proplastics will be on the basis of 1 (one) ordinary share in Proplastics with a nominal value of US\$0.0001 each for every 1 (one) Masimba share already held.

Holders of Masimba ordinary shares registered as such at the close of business on Tuesday, 2 June 2015 will be entitled to receive share certificates reflecting the number of Proplastics shares, less shares withheld for tax purposes, resulting from this dividend-in-specie. Share certificates will be mailed to shareholders from this date. The Proplastics shares will be listed on the ZSE from Monday, 8 June 2015.

Major shareholders

Masimba shareholding structure

The table below details the top ten shareholders of Masimba holding a beneficial interest as at 31 March 2015.

Rank	Shareholder	Shares	% shareholding
1	Zumbani Capital	102,713,272	46.58%
2	Old Mutual Life Assurance Company of Zimbabwe	29,169,195	13.23%
3	Stanbic Nominees	27,416,449	12.43%
4	Standard Chartered Nominees	15,132,779	6.86%
5	Moray Investments Holdings Limited	4,000,000	1.81%
6	Roy Turner	3,062,888	1.39%
7	NSSA	2,540,728	1.15%
8	Communications and Allied Industries Pension Fund	1,737,234	0.79%
9	Marcus Richard Lobb	1,308,500	0.59%
10	Catering Industry Pension Fund	1,198,058	0.54%
	Others	32,214,629	14.63%
	TOTAL	220,493,732	100.00%

Proplastics post-demerger shareholding structure

Following the distribution of the Proplastics shares in terms of the Circular to Shareholders of Masimba, the shareholding structure of Proplastics will be as shown in the table below:

Rank	Shareholder	Shares	% shareholding
1	Zumbani Capital	102,713,272	41.92%
2	Old Mutual Life Assurance Company of Zimbabwe	29,169,195	11.91%
3	Stanbic Nominees	27,416,449	11.19%
4	Masimba Holdings Limited	24,499,292	10.00%
5	Standard Chartered Nominees	15,132,779	6.18%
6	Moray Investments Holdings Limited	4,000,000	1.63%
7	Roy Turner	3,062,888	1.25%
8	NSSA	2,540,728	1.04%
9	Communications and Allied Industries Pension Fund	1,737,234	0.71%
10	Marcus Richard Lobb	1,308,500	0.53%
11	Catering Industry Pension Fund	1,198,058	0.49%
	Others	32,214,629	13.15%
	TOTAL	244,993,024	100.00%

Section II: Details of the Listing (continued)

12. Tax implications of the Listing

In terms of existing tax legislation, Masimba is obligated to withhold 10% of the value of the dividend distribution, whether in cash or in specie, to specified recipients for remittance to ZIMRA. Accordingly and as required by law, the Company will withhold from relevant Shareholders 10% of the number of Proplastics shares for the purposes of paying withholding tax to ZIMRA.

13. Costs of the Listing

The expenses of the Listing amount to approximately US\$120,000 which relate to various advisory and regulatory fees as well as advertising, printing and postage charges.

14. Conditions precedent

The proposed Listing is subject to the approval by Members of Masimba of the Resolutions at the AGM to be held on 29 May 2015 in terms of the Notice of the AGM of Masimba Shareholders published in the Circular to Shareholders of Masimba dated 8 May 2015;

15. Regulatory issues

This Pre-Listing Statement is being issued in compliance with the ZSE Listing Requirements. The ZSE approved the distribution of this Pre-Listing Statement. A copy of the approval letter from the ZSE Listings Committee is available for inspection by Shareholders ahead of the AGM at the Registered Office of Masimba. No capital gains tax will be payable on the transfer of shares of Proplastics (Private) Limited from Masimba Holdings Limited to shareholders of Masimba Holdings Limited, held in terms of section 15 (1) (b) of the Capital Gains Tax Act {Chapter 23:01}.

16. Documents available for inspection

The following documents or certified copies thereof, are available for inspection at the Registered Office of Masimba, 44 Tilbury Road, Harare, during normal business hours, on week days until the date of the Listing.

- the Memorandum and Articles of Association of Proplastics;
- The financial reporting package of Proplastics as at 30 June 2010, 30 June 2011, 30 June 2012, 31 December 2013 and 31 December 2014;
- the Accountant's Reports on the historical and proforma financial information of Proplastics;
- the original Pre-Listing Statement to Shareholders signed by the Directors;
- the rules of the Proplastics Senior Executive Share Option Scheme; and
- the experts' and advisors' consents.

17. Experts' consents

Messrs. Atherstone & Cook, Corporate Excellence, Deloitte & Touche, First Transfer Secretaries and Southern Trust Securities have given, and have not withdrawn, their consents to the issue of this Pre-Listing Statement with the inclusion of their logos, names and reports in the forms and contexts in which they appear.

Section III: Corporate Governance

18. Corporate governance framework

The Company is committed to the principles of good corporate governance and best practices which endorse a culture of business ethics, openness, transparency, integrity and accountability in its dealings with all stakeholders. Proplastics' structures, operations, policies and procedures are continuously assessed and updated for compliance with the law and generally accepted standards of good corporate governance.

The Board currently comprises two (2) Executive Directors and three (3) Non-Executive Directors. The Board is responsible for giving direction to the Company through setting the overall strategy, key policies and risk parameters.

In line with principles of good corporate governance, the Company will after Listing co-opt new Directors (as necessary), the Directors shall constitute two permanent Board Committees who shall meet regularly to execute their mandates. These committees will include the:

- Audit and Risk Management Committee; and
- Human Resources and Remuneration Committee.

19. Directors of Proplastics

Name	Age	Residential address	Position
Gregory Sebborn	61	54 Sun River Manor, Borrowdale Brooke, Harare, Zimbabwe	Independent Non-Executive Chairman
Kudakwashe Leo Chigiya*	42	8 Oxford Street, Avondale, Harare, Zimbabwe	Chief Executive Officer
Samuel Sithole	41	Brait South Africa, 2nd Floor, The Zone 11, 77 Oxford Road, Rosebank, South Africa	Non-Executive Director
Michael Tapera*	48	9 Kennedy Road, Greendale, Harare, Zimbabwe	Finance Director
Paddy Tongai Zhanda (Jnr.)	32	Chifumbi Farm, Arcturus, Zimbabwe	Non-Executive Director

*Executive

20. Directors' profiles

Gregory Sebborn - Non-executive Chairman

Gregory served as Managing Director of the Zimbabwe and Southern African operations of the Rennie Group of Companies. He is also a founding Director and former Group Managing Director of Zimplats Holdings Limited and Managing Director of Zimbabwe Platinum Mines. He has served as a Partner at Renaissance Partners, a Russian based Investment Bank. Gregory is currently a consultant for special mining projects and developments in Africa and serves as a non-executive Director of several companies including Masimba Holdings Limited and Stanbic Bank Zimbabwe Limited.

Kudakwashe Leo Chigiya - Chief Executive Officer

Kudakwashe started his career at Proplastics in 1993 as a Graduate Trainee in Plastics Technology rising through the ranks to become the Quality Controller, Quality Assurance Manager and Technical Manager, respectively. Kudakwashe left Proplastics for South Africa in 2003 to where he was employed at DPI Plastics, South Africa as Process Engineer for Quality and Technical management functions. Kudakwashe rejoined Proplastics as Managing Executive in July 2013. He holds a Diploma in Rubber & Plastics Technology and is currently studying towards attaining a Masters of Business Administration degree.

Section III: Corporate Governance (continued)

Samuel Sithole- Non-Executive Director

Samuel is the Finance Director of Brait South Africa Limited and holds non-executive directorships on boards of a number of South African companies.

Michael Tapera- Finance Director

Michael is a registered Chartered Accountant (Zimbabwe). He has over the years worked in various roles including Audit Manager for Deloitte & Touche - London, Partner for Deloitte & Touche - Zimbabwe and Group Finance Director for Art Holdings Limited. Prior to his appointment as Finance Director of Masimba Holdings Limited, Michael was Head of Advisory Services at HYFLO Consultants (Private) Limited. Michael also holds non-executive directorships on boards of a number of Zimbabwean companies, including OK Zimbabwe Limited.

Paddy Tongai Zhanda (Jnr) - Non Executive Director

Paddy holds a Bachelor of Commerce in Accounting Science from the University of South Africa and completed his Articles of Clerkship with Deloitte & Touche. Paddy is a Director of a number of companies including Aurora Agricultural Ventures & Processors (Private) Limited.

21. Directors' interests

At the last practicable date, being 31 March 2015, the entire issued share capital of Proplastics was issued to Masimba. In addition to the above, the Directors are beneficial owners of the following interests in Masimba, which will entitle them to receive shares in Proplastics following the dividend-in-specie of Proplastics shares:

Director	Direct shareholding	Indirect shareholding	Total
Gregory Sebborn	-	-	-
Kudakwashe Leo Chigiya	-	-	-
Samuel Sithole*	-	25,164,752	25,164,752
Michael Tapera	-	2,053	2,053
Paddy Tongai Zhanda (Jnr.)*	-	26,191,884	26,191,884
Total	-	51,358,689	51,358,689

*These Directors represent Zumbani Capital (Private) Limited, a Zimbabwean investment vehicle that is 51% owned by Musasa Capital (Private) Limited and 49% by Capital Africa Investments Holdings Limited of Mauritius (CAIHL). The representative of Musasa Capital on the board is Mr. Paddy Tongai Zhanda (Jnr.). The representative of CAIHL is Mr. Samuel Sithole. All Directors seconded to the Board of Proplastics by Zumbani Capital (Private) Limited are non-executive Directors of the Company.

22. Other interests

Except as disclosed in this Document, none of the Directors of Proplastics nor any member of their immediate families, nor any person acting in concert with the Directors of Proplastics, control or is interested, beneficially or otherwise, in any Masimba shares or in any securities convertible to rights to subscribe for Masimba shares.

23. Directors responsibility statement

The Directors of Proplastics, whose names are set out below, collectively and individually accept full responsibility for the accuracy of the information provided in this Pre-Listing Statement and certify that, to the best of their knowledge and belief, there are no other facts the omission of which make any statement in this Pre-Listing Statement false or misleading, that they have made all reasonable enquiries to ascertain such facts (where applicable), and that this Pre-Listing Statement contains all information required by law.

Section III: Corporate Governance (continued)

Signed on 8 May 2015 by the Directors:

Director's name	Position	Signature
Gregory Sebborn	Non-Executive Chairman	(Signed on original)
Kudakwashe Leo Chigiya	Chief Executive Officer*	(Signed on original)
Samuel Sithole	Non-Executive Director	(Signed on original)
Michael Tapera	Finance Director*	(Signed on original)
Paddy Tongai Zhanda (Jnr.)	Non-Executive Director	(Signed on original)

***Executive**

Section IV: Accountant's Report on the historical financial information of Proplastics



Deloitte & Touche Chartered Accountants Zimbabwe
West Block, Borrowdale Office Park,
Borrowdale Road, Borrowdale
Harare, Zimbabwe

8 May 2015

The Directors
Masimba Holdings Limited
44 Tilbury Road
Willowvale
Harare

ACCOUNTANT'S REPORT ON THE HISTORICAL FINANCIAL INFORMATION OF PROPLASTICS FOR THE FIVE FINANCIAL PERIODS TO 31 DECEMBER 2014.

In accordance with the requirements of Section 8 "Financial Information" of the Zimbabwe Stock Exchange Listing Requirements, we hereby provide our report on the historical financial information of Proplastics for the five financial periods to 31 December 2014 referred to as "the historical financial information". Proplastics is a division of Masimba Industries (Private) Limited, a wholly-owned subsidiary of Masimba Holdings Limited.

We have performed the procedures agreed with you in our engagement letter dated 10 February 2015 with respect to Proplastics' historical financial information, as presented on pages 19 to 21 of the Proplastics Pre-Listing Statement to Shareholders, "the Statement", to be dated 8 May 2015. Our engagement was undertaken in accordance with the International Standard on Related Services (ISRS) 4400 "Engagements to Perform Agreed-Upon Procedures Regarding Financial Information" and the accompanying report presents the factual findings from the results of the procedures we performed.

The procedures were performed solely to provide you with an accountant's report, as required by Section 8 of the Zimbabwe Stock Exchange Listing Requirements.

Registration and independence

In accordance with Section 8.2 of the Zimbabwe Stock Exchange Listing Requirements, we confirm that the engagement partner is a registered accountant and auditor, and, together with the firm, is independent of Masimba Holdings Limited, the issuer of the Statement containing the historical financial information.

Accountant's report

- (a) The accountant's report has been prepared to comply with the relevant requirements of Section 8 of the Zimbabwe Stock Exchange Listing Requirements; and
- (b) The Directors of Masimba Holdings Limited are responsible for the preparation of the Statement, which contains the historical financial information that is the subject of this accountant's report, and the information contained therein. They have confirmed this responsibility on page 15 of the Statement.

Section IV: Accountant's Report on the historical financial information of Proplastics (continued)

Accountant's report on the historical financial information of Proplastics

1. Proplastics was a division of Masimba Industries (Private) Limited for the five financial periods to 31 December 2014.
2. Masimba Industries (Private) Limited was a wholly-owned subsidiary of Masimba Holdings Limited for the same periods.
3. Proplastics did not prepare separate financial statements. We were the Group auditors of Masimba Holdings Limited and have audited and reported on its financial statements for the financial periods ended 30 June 2010 to 31 December 2014, being the date to which the latest audited financial statements were prepared. The financial information for Proplastics has been agreed to the financial reporting packs that were used in the preparation of the audited consolidated financial statements for Masimba Holdings Limited for the respective periods.

Extracts of the financial information for Proplastics have been included on pages 19 to 21 of the Statement.

Date of reports

This report has been dated 8 May 2015, which is the date that the Directors authorized the issue of the Statement containing the historical financial information.

Inspection of the Statement

We have inspected the Statement containing the historical financial information to confirm that the contents thereof are not contradictory with the information contained in this report or in the historical financial information.

Consent letter

We have provided the Directors of Masimba Holdings Limited with our consent letter, dated 8 May 2015, which is the date that the Directors authorized the issue of the Statement containing the historical financial information, for:

- i. inclusion of this report in the Statement; and
- ii. references to be made from within the Statement to this report

Distribution and assurances

In accordance with Section 8.3 of the Zimbabwe Stock Exchange Listing Requirements, this report is prepared solely for the Directors of Masimba Holdings Limited. Consequently, any use that a third party makes of this report, or any reliance or decisions made based on it, are the responsibility of such third parties. We accept no responsibility for loss or damages, if any, suffered by any third party as a result of decisions made or actions taken based on this report.

Deloitte & Touche
Chartered Accountants (Zimbabwe)
Harare

Section IV: Accountant's Report on the historical financial information of Proplastics (continued)

Abridged Statement of Profit or Loss and Other Comprehensive Income for the 12 months ended 31 December 2014

	12 months to 31 Dec-14	18 months to 31 Dec-13	12 months to 30 Jun-12	12 months to 30 Jun-11	12 months to 30 Jun-10
	US\$	US\$	US\$	US\$	US\$
Turnover	13,328,216	22,340,137	16,121,825	15,250,426	11,992,617
Cost of sales	(10,484,762)	(17,303,337)	(12,040,111)	(11,038,773)	(8,285,330)
Gross profit	2,843,454	5,036,800	4,081,714	4,211,653	3,707,287
Sundry income	43,774	30,494	(23,145)	125,567	721,222
Distribution, marketing and selling costs	(238,408)	(345,560)	(519,667)	(697,597)	(695,567)
Administration costs	(1,893,514)	(4,076,272)	(3,235,241)	(1,579,457)	(1,445,670)
Profit before interest and taxation	755,306	645,462	303,661	2,060,166	2,287,272
Group interest income/ (expense)	-	(80,479)	(180,163)	(105,182)	(13,543)
Non- Group net interest income/ (expense)	(103,622)	(193,247)	(222,125)	(37,591)	11,960
Profit/(loss) before taxation	651,684	371,736	(98,627)	1,917,393	2,285,689
Income tax (expense)/ credit	(169,803)	(103,426)	22,831	(491,412)	(500,691)
Profit/(loss) for the period	481,881	268,309	(75,796)	1,425,981	1,784,998
Other comprehensive income					
Movement in functional currency change reserve	-	-	-	-	(459,743)
TOTAL COMPREHENSIVE INCOME/ (LOSS) FOR THE PERIOD	481,881	268,309	(75,796)	1,425,981	1,325,255

Abridged Statement of Financial Position as at 31 December 2014

	31-Dec-14 US\$	31-Dec-13 US\$	30-Jun-12 US\$	30-Jun-11 US\$	30-Jun-10 US\$
ASSETS					
Non-current assets					
Property, plant and equipment	3,451,209	2,897,408	3,519,966	3,174,730	2,359,715
Total non-current assets	3,451,209	2,897,408	3,519,966	3,174,730	2,359,715
Current assets					
Cash and bank balances	171,806	155,523	282,894	19,994	88,147
Trade and other receivables	2,027,488	2,306,648	1,821,855	2,558,565	1,331,688
Inventories	4,616,693	4,200,008	3,941,296	4,564,728	3,252,249
Total current assets	6,815,987	6,662,179	6,046,045	7,143,287	4,672,084
TOTAL ASSETS	10,267,196	9,559,587	9,566,011	10,318,017	7,031,799
EQUITY AND LIABILITIES					
Capital and reserves					
Reserves	4,732,377	4,732,377	3,201,678	3,201,678	3,201,678
Retained earnings	2,614,044	2,122,237	2,322,720	2,895,107	1,825,620
Total equity	7,346,421	6,854,614	5,524,398	6,096,785	5,027,298
Non-current liabilities					
Deferred taxation	312,431	329,742	360,230	475,503	433,908
Total non-current liabilities	312,431	329,742	360,230	475,503	433,908
Current liabilities					
Trade and other payables	1,820,755	1,537,797	1,213,552	1,349,314	558,878
Current tax liabilities	187,116	133,914	1,175,986	1,083,543	633,726
Inter-group interest bearing loans in credit	600,473	703,520	1,291,845	1,312,872	377,989
Total current liabilities	2,608,344	2,375,231	3,681,383	3,745,729	1,570,593
TOTAL EQUITY AND LIABILITIES	10,267,196	9,559,587	9,566,011	10,318,017	7,031,799

Section IV: Accountant's Report on the historical financial information of Proplastics (continued)

Abridged Statement of Cash Flows for the 12 months ended 31 December 2014

	12 months to 31-Dec-14 US\$	18 months to 31-Dec-13 US\$	12 months to 30-Jun-12 US\$	12 months to 30-Jun-11 US\$	12 months to 30-Jun-10 US\$
Cash flows from operating activities					
Profit before interest and taxation	755,306	645,462	303,661	2,060,166	2,287,272
Adjusted for:					
- Depreciation	697,870	994,118	665,107	472,655	311,795
- Non cash adjustment	9,927	(12)	-	-	-
- (Profit)/ loss on disposal of property, plant and equipment and investments	(902)	(11,336)	(129)	46,525	9,531
- Other adjustments	-	-	(496,591)	-	(284,024)
Operating cash flows before working capital changes	1,462,201	1,628,232	472,048	2,579,346	2,324,574
Decrease/ (Increase) in trade and other receivables	279,160	(484,793)	736,710	(1,226,877)	(938,690)
(Increase)/ decrease in inventories	(416,685)	(258,712)	623,432	(1,312,479)	(283,447)
(Decrease)/ Increase in group interest bearing loans	(103,047)	(588,325)	(21,027)	934,883	-
Increase/ (decrease) in trade and other payables	282,958	324,245	(135,762)	790,436	205,403
Cash flows from operations	1,504,587	620,647	1,675,401	1,765,309	1,307,840
Net interest (paid)/received- Group	-	(80,479)	(180,163)	(105,182)	(13,543)
Net interest (paid)/received- third party	(103,622)	(193,247)	(222,125)	(37,591)	11,960
Income taxes paid	(133,914)	(69,464)	-	-	(119,230)
Net cash flows from operating activities	1,267,051	277,457	1,273,113	1,622,536	1,187,027
Cash flows from investing activities					
Dividends paid	-	(9,927)	-	(356,494)	(418,244)
Proceeds from disposal of property, plant and equipment	17,705	157,740	1,860	58,608	10,178
Purchase of property, plant and equipment	(1,268,473)	(552,641)	(1,012,073)	(1,392,803)	(663,038)
Net cash flows from investing activities	(1,250,768)	(404,828)	(1,010,213)	(1,690,689)	(1,071,104)
Cash flows from financing activities					
Repayment of interest bearing borrowings	-	-	-	-	(65,000)
Net cash flows from financing activities	-	-	-	-	(65,000)
Net increase/(decrease) in cash and cash equivalents	16,283	(127,371)	262,900	(68,153)	50,923
Cash and cash equivalents at the beginning of the period	155,523	282,894	19,994	88,147	37,224
Cash and cash equivalents at the end of the period	171,806	155,523	282,894	19,994	88,147

Section IV: Accountant's Report on the historical financial information of Proplastics (continued)

Abridged Statement of Changes in Equity for the year ended 31 December 2014

	Share capital	Reserves	Retained earnings	Total
Balance at 1 July 2009	-	3,661,421	458,866	4,120,287
Profit for the year	-	-	1,784,998	1,784,998
Other	-	(459,743)	(418,244)	(877,987)
Balance at 30 June 2010	-	3,201,678	1,825,620	5,027,298
Profit for the year	-	-	1,425,981	1,425,981
Other	-	-	(356,494)	(356,494)
Balance at 30 June 2011	-	3,201,678	2,895,107	6,096,785
Loss for the year	-	-	(75,796)	(75,796)
Other	-	-	(496,591)	(496,591)
Balance at 30 June 2012	-	3,201,678	2,322,720	5,524,398
Profit for the period	-	-	268,309	268,309
Other	-	1,530,699	(468,792)	1,061,907
Balance at 31 December 2013	-	4,732,377	2,122,237	6,854,614
Profit for the year	-	-	481,881	481,881
Other	-	-	9,926	9,926
Balance at 31 December 2014	-	4,732,377	2,614,044	7,346,421

Section V: Accountant's Report on the Proforma financial information of Proplastics



Deloitte & Touche Chartered Accountants Zimbabwe
West Block, Borrowdale Office Park,
Borrowdale Road, Borrowdale
Harare, Zimbabwe

8 May 2015

The Directors
Masimba Holdings Limited
44 Tilbury Road
Willowvale
Harare

ACCOUNTANT'S REPORT ON THE PROFORMA STATEMENT OF FINANCIAL POSITION OF PROPLASTICS AS AT 31 DECEMBER 2014

In accordance with the requirements of Section 8 "Financial Information" of the Zimbabwe Stock Exchange Listing Requirements, we hereby provide our report on the proforma statement of financial position of Proplastics as at 31 December 2014 referred to as the "proforma statement of financial position".

We have performed the procedures agreed with you in our engagement letter dated 10 February 2015 with respect to Proplastics proforma statement of financial position, as presented on page 25 of the Proplastics Pre-Listing Statement to Shareholders, "the Statement", to be dated 8 May 2015. Our engagement was undertaken in accordance with the International Standard on Related Services (ISRS) 4400 "Engagements to Perform Agreed-Upon Procedures Regarding Financial Information" and the accompanying report presents the factual findings from the results of the procedures we performed.

The procedures were performed solely to provide you with an accountant's report, as required by Section 8 of the Zimbabwe Stock Exchange Listing Requirements.

Registration and independence

In accordance with Section 8.2 of the Zimbabwe Stock Exchange Listing Requirements, we confirm that the engagement partner is a registered accountant and auditor, and, together with the firm, is independent of Masimba Holdings Limited, the issuer of the Statement containing the proforma statement of financial position.

Accountant's report

- (a) The accountant's report has been prepared to comply with the relevant requirements of Section 8 of the Zimbabwe Stock Exchange Listing Requirements; and
- (b) The Directors of Masimba Holdings Limited are responsible for the preparation of the Statement, which contains the proforma statement of financial position that is the subject of this accountant's report, and the information contained therein. They have confirmed this responsibility on page 15 of the Statement

Section V: Accountant's Report on the Proforma financial information of Proplastics (continued)

Accountant's report on the proforma statement of financial position

The scope of our examination of the financial information contained in the pro-forma statement of financial position included the following procedures:

- i. Agreed the Proplastics statement of financial position as at 31 December 2014 to the underlying financial reporting pack that was used in the preparation of the consolidated statement of financial position of Masimba Holdings Limited as at 31 December 2014;
 - ii. Agreed the transfer of shares in Promouldings (Private) Limited to Proplastics Limited; and
 - iii. Checked the arithmetic accuracy of the overall sub-totals and totals contained in the proforma statement of financial position through recomputations.
-
- (a) The Directors of Masimba Holdings Limited are responsible for the proforma statement of financial position to which this accountant's report relates, management accounts and other information used for its preparation.
 - (b) The underlying financial information from which the proforma statement of financial position is prepared is based on accounting policies that comply with International Financial Reporting Standards, "IFRSs".
 - (c) From our enquiries of Masimba Holdings Limited management, there are no material assets included in the proforma statement of financial position that are not owned.
 - (d) From our enquiries of Masimba Holdings Limited management, there are no material contingent liabilities and commitments relating to Proplastics.
 - (e) From our enquiries of Masimba Holdings Limited management, there have been no material subsequent events arising which have, or that could reasonably be expected to have a material impact on the proforma statement of financial position.

Basis of preparation of the proforma statement of financial position

The proforma statement of financial position has been prepared on a historical cost basis and fair value amounts as appropriate.

Adjustments on the proforma statement of financial position

The adjustments that have been made to the proforma statement of financial position are in respect of the following items:

- i. Transfer of shares in Promouldings (Private) Limited, a wholly-owned subsidiary of Masimba Industries (Private) Limited, to Proplastics Limited; and
- ii. Transfer of the net assets of Proplastics division from Masimba Industries (Private) Limited to Proplastics Limited.

Date of reports

This report has been dated 8 May 2015, which is the date that the Directors authorized the issue of the Statement containing the proforma statement of financial position.

Inspection of the Statement

We have inspected the Statement containing the proforma statement of financial position to confirm that the contents thereof are not contradictory with the information contained in this report or in the proforma statement of financial position.

Section V: Accountant's Report on the Proforma financial information of Proplastics (continued)

Consent letter

We have provided the Directors of Masimba Holdings Limited with our consent letter, dated 8 May 2015, which is the date that the Directors authorized the issue of the Statement containing the proforma statement of financial position for:

- i. inclusion of this report in the Statement; and
- ii. references to be made from within the Statement to this report

Distribution and assurances

In accordance with Section 8.3 of the Zimbabwe Stock Exchange Listing Requirements, this report is prepared solely for the Directors of Masimba Holdings Limited. Consequently, any use that a third party makes of this report, or any reliance or decisions made based on it, are the responsibility of such third parties. We accept no responsibility for loss or damages, if any, suffered by any third party as a result of decisions made or actions taken based on this report.

Because the procedures we performed do not constitute either an audit or a review made in accordance with International Standards on Auditing or International Standards on Review Engagements, we do not express any assurance on the proforma statement of financial position.

Had we performed additional procedures or had we performed an audit or review of the proforma statement of financial position in accordance with International Standards on Auditing or International Standards on Review Engagements, other matters might have come to our attention that would have been reported to you.

Deloitte & Touche
Chartered Accountants (Zimbabwe)
Harare

8 May 2015

Section V: Accountant's Report on the Proforma financial information of Proplastics (continued)

Abridged Proforma Consolidated Statement of Financial Position as at 31 December 2014

	Proplastics Limited	Consolidation Adjustments	Proplastics Group
ASSETS			
Non-current assets			
Property, plant and equipment	3,451,209	1,420,000	4,871,209
Investment in Promouldings (Private) Limited	1,136,972	(1,136,972)	-
Total non-current assets	4,588,181	283,028	4,871,209
Current assets			
Cash and bank balances	171,806	-	171,806
Trade and other receivables	2,027,488	-	2,027,488
Inventories	4,616,693	-	4,616,693
Total current assets	6,815,987	-	6,815,987
TOTAL ASSETS	11,404,168	283,028	11,687,196
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	24,499	-	24,499
Non-distributable reserve	8,458,894	-	8,458,894
Total equity	8,483,393	-	8,483,393
Non-current liabilities			
Deferred taxation	312,431	283,028	595,459
Total non-current liabilities	312,431	283,028	595,459
Current liabilities			
Trade and other payables	1,820,755	187,116	2,007,871
Intercompany with Masimba Industries (Private) Limited	600,473	-	600,473
Current tax liabilities	187,116	(187,116)	-
Total current liabilities	2,608,344	-	2,608,344
TOTAL EQUITY AND LIABILITIES	11,404,168	283,028	11,687,196