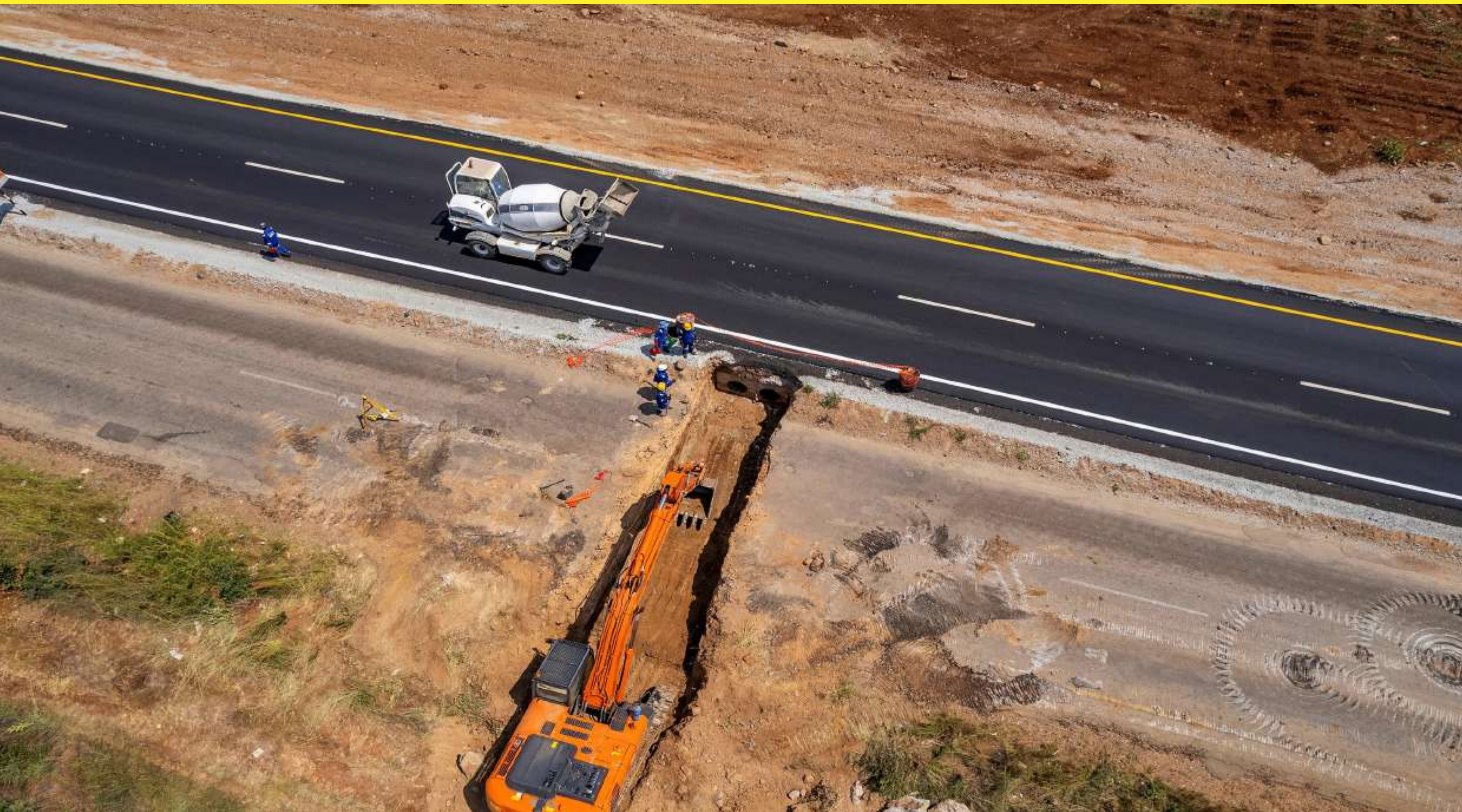
Masimba
HOLDINGS LIMITED

2024 Annual Report

Celebrating Five Decades of Resilience and Growth

Contents



Group Profile and Nature of Business

Masimba Holdings Limited is a leading Zimbabwean contracting and industrial group that provides innovative engineering and infrastructure client solutions to the agriculture, commercial, communications, energy, housing, mining, water and transport sectors.

More information is available at www.masimbagroup.com.

Group Structure

MASIMBA HOLDINGS LIMITED

- Masimba Construction Zimbabwe (Operating division) (100%)
  - Civil Engineering
  - Roads and Earthworks
  - Buildings Construction
  - Structural Steel Fabrication
  - Housing Infrastracture
- Stemrich Investments (Private) Limited (100%)
  - Quarry Mining
  - Concrete Precast Products
- Masimba Properties (Zimbabwe) Limited (100%)
  - Property Management and Development

masimba

Strategic Foundations

Our Vision
Building An African Legacy

Why Do We Exist?
To Create Value All The Time

Our Aspirations
Top of Clients' Minds. Place of Great Ideas.
Pioneering.

What Makes Us Different and Guides Our Long Term Strategy?
Rich Heritage. Trusted Brand. High Performance.
Game Changing Capability.

Scope of the Game
Civil Engineering. Roads and Earthworks.
Buildings Construction. Quarry Mining.
Structural Steel Fabrication. Property Development.

Our Brand Expression
Excellence Delivered.

Our Strategic Pillars
Value. Growth. Governance.

Our Behaviours
Learning. Caring. Performance Driven.
Professionalism. Excellence. Team Masimba.

Our Values
Zero Harm. Integrity. Delivery. Communication. Innovation.

Directorate

Gregory Sebborn | Independent Non-Executive Chairman

Gregory is an independent Chairman of the Board. He is a former Managing Director of Zimbabwe & Southern African operations of the Rennies Group of Companies, a founding Director and former Group Managing Director of Zimplats Holdings Limited and Managing Director of Zimbabwe Platinum Mines. Gregory is a consultant for special mining projects and developments in Africa and serves as a Non-Executive Director of several companies.

Fungai Matahwa | Chief Executive Officer

Fungai was appointed Chief Executive Officer effective 1 January 2024. He joined the company in June 2023 as the Managing Director (Construction). Prior to joining, Fungai served as the Operations Director-Africa for Inyatsi Construction (Proprietary) Limited in Eswatini, where he managed and executed diverse projects. Fungai is a professionally registered Civil Engineer.

Agnes Makamure | Finance Director

Agnes joined Masimba Construction Zimbabwe in 2008 as Finance Manager and was appointed Finance Director of Masimba Holdings Limited in August 2015. She is a Chartered Accountant (Zimbabwe) and currently serves as Chairperson of ZB Financial Holdings Limited.

Herbert Stanley Mashanyare | Independent Non-Executive Director

Herbert holds a Master of Science in Process Engineering Design and a Master of Philosophy in Process Research. He is a member of the Institute of Materials, Minerals and Mining (IOM3) in London. A former Executive Director at Mimosa Mining Company, Herbert currently serves as an Independent Non-Executive Director at Proplastics Limited and Crown Bank Limited, among several other companies.

Directorate

Cathrine Charmaine Chitiyo | Independent Non-Executive Director

Cathrine is a partner with law firm Atherstone & Cook in Harare. After graduating with an LLB from University of Zimbabwe, Cathrine started her career as a Public Prosecutor before proceeding into private practice. She carved her niche in conveyancing whilst also practising commercial and corporate law. In 2009, her law firm Wickwar & Chitiyo merged with Atherstone & Cook. She has been involved in several commercial transactions, advisory mandates, and legal due diligences. She is a past Trustee of the Law Society Compensation Fund, and current member of the Law Society of Zimbabwe Conveyancing Committee. Cathrine is also a past Board member of National Aids Council, and some commercial entities including a bank.

Sharon Bwanya | Non-Executive Director

Sharon is a highly skilled commercial lawyer with experience working in leading regional and international commercial law firms. Her expertise in this field is further enhanced by her global outlook, having studied, lived, and worked in various countries, including South Africa, the United Kingdom, Germany, and the United States. Sharon's previous roles include serving as the Group Counsel for the Masawara Group, where she provided legal guidance to their investment holding entities operating in the financial services, hospitality, telecommunications, energy, and agribusiness sectors across multiple African countries. Prior to joining Masawara, she held the position of Chief Operating Officer at a reputable pan-African investment management and advisory firm.

Kupukile Mlambo | Non-Executive Director

Dr. Mlambo is an Economist Consultant and Development Specialist based in Harare, Zimbabwe. He holds a Doctor of Philosophy in Economics from Gothenburg University in Sweden and a Master of Science in Economics from the University of Zimbabwe. From July 2012 to June 2022, he served as the Deputy Governor of the Reserve Bank of Zimbabwe, overseeing economic research, policy initiatives, and fintech development. Prior to that, he was the Regional Director for East Africa at the African Development Bank, where he managed strategies and policies across six countries.

Hodson Makurira | Independent Non-Executive Director

Hodson is Pro Vice Chancellor for Infrastructure Development and Digitalisation at the University of Zimbabwe. He holds a PhD in Hydrology and Water Management from Delft University of Technology and has over 30 years of experience in the water sector. Formerly Dean of the Faculty of Engineering, he has led initiatives as Board Chairman of WaterNet and currently chairs the Africa Regional Committee for the International Association of Hydrological Sciences. Hodson is a Fellow of the Zimbabwe Institution of Engineers and a registered Professional Engineer with the Engineering Council of Zimbabwe.

Kupukile Mlambo, Hodson Makurira, Gregory Sebborn and Cathrine Charmaine Chitiyo will retire in terms of the Articles of Association at the conclusion of the forthcoming Annual General Meeting. All being eligible, have offered themselves for re-election. Shareholders will be asked to appoint Directors for the ensuing year.

Chairman's Statement

OPERATING ENVIRONMENT
The operating environment remained challenging and volatile for the greater part of the financial period. Inflationary pressures were significant at the beginning of the year, and gradually subsided by the fourth quarter. The introduction of the Zimbabwe Gold (ZWG) in the second quarter played a pivotal role in stabilizing exchange rate disparities, contributing to cost stabilisation. However, tight monetary policy has created liquidity challenges that dampened overall market activity, particularly impacting rising material costs and access to financing for infrastructure projects. If these constraints persist, there is a risk that economic growth could shift toward contraction in the short term.

Additionally, ongoing power shortages have exacerbated cost pressures, as alternative power sources are significantly more expensive than grid electricity. Despite these challenges, government initiatives aimed at infrastructure development have created opportunities for public-private partnerships. The agriculture sector continues to recover from the El Niño weather phenomenon, facing persisting challenges but also possibilities for growth as conditions improve.

REVIEW OF OPERATIONS
The Contracting order book remained robust, particularly in the roads sector. However, a lack of liquidity within the market hampered effective execution, leading to cash flow challenges and an increasing debtors' book. This constrained the business's ability to fund ongoing projects and manage operational expenses, causing delays in project execution. The growing debtors' book further strained financial stability, exacerbating the liquidity crunch and creating a cycle of financial pressure that limited growth and operational efficiency.

During the review period, the Fabrication unit demonstrated its capabilities by successfully completing significant work at the new Mbare Musika vendor market, erecting 134 tons of steel in record time. This achievement showcased the unit's efficiency, technical expertise, and commitment to delivering high-quality results within tight deadlines, reinforcing our promise of excellence delivery to our clients.

Properties under rental management achieved a remarkable 100% occupancy, with significant progress made in unlocking value in the land bank.

Stemrich Investments (Private) Limited provided aggregates to the Contracting unit and diversified its product range to include precast units, positively contributing to the Group's performance.

REVIEW OF FINANCIAL PERFORMANCE
Revenues for the year at USD56.1 million (2023: 53.8 million) were 4% above prior year, driven by a strong and stable order book primarily from the roads and mining civils segments. However, the tight monetary policy hindered target execution.

Earnings before Interest, Tax, Depreciation and Fair Value Adjustments (EBITDFVA) were USD13.6 million (2023: USD12.6 million), an 8% improvement driven by enhanced operational efficiencies across project sites and cost containment initiatives. Capital expenditure for the year stood at USD2.5 million (2023: USD4.2 million), primarily allocated to modern equipment to enhance operational efficiencies. This investment was financed through vendor financing structured over a five-year period, aligning with the long term perspective of capital expenditure acquisition and ensuring sustainable financial planning. Total borrowings increased to USD2.5 million (2023: USD2.0 million),however equity also increased significantly there by reducing the gearing ratio to 7% (2023: 8%).

Total assets increased by 7% to USD92.3 million (2023: USD85.9 million), driven by Contracts in progress and Contracts receivables.

OCCUPATIONAL HEALTH AND SAFETY ASSESSMENT SYSTEM (OHSAS)
During the year, zero fatalities were recorded (2023: Nil). At the NSSA Awards in October 2024, the Group received three Gold Awards, reflecting its commitment to safety and well-being. The Group maintained its International Organisation for Standardisation (ISO) certifications, ISO 9001:2015 (Quality Management), ISO14001:2015 (Environmental Management), and ISO45001:2018 (Occupational Health and Safety).

SUSTAINABILITY REPORTING
Our commitment to upholding the tenets of Economic, Social and Governance best practice is evident in how we conduct our business operations, from ethical supply-chain management, compliance with environmental laws, optimisation of waste and energy management to promoting employee safety and well-being. Additionally, we dedicate resources towards various sustainability initiatives that include the clearing of three hectares of land for sustainable wheat planting at Mushandike High School in Masvingo and enhancing local food security. In partnership with Karo Mine, we are constructing a double new classroom block at Katawa Primary School in Ngezi, expected to be completed by April 2025. We also support the Dance Trust of Zimbabwe by erecting a stage for the annual Starlight Dance event, promoting youth well-being. Furthermore, we commemorated the 2024 International Day of the Girl Child by engaging with students at Tsungayi Primary School in Highfield Harare, empowering the girls and advocating for gender equality. These initiatives reflect our dedication to Environmental, Social, and Governance principles, furthering community development.

OUTLOOK
Despite a forecasted GDP growth of 6% for 2025, driven by strong agricultural and mining performance, the Group anticipates continued operating constraints. To navigate these challenges, the Group will prioritise cost containment and operational efficiencies while pursuing revenue growth initiatives. Government economic stabilisation efforts may lead to improved investor confidence, facilitating public and private sector projects. Infrastructure development remains a priority, supported by both governmental

initiatives and foreign investment.

However, challenges such as inflation, tight monetary policy, and regulatory hurdles could hinder growth. A focus on sustainable building practices may also emerge, driven by global trends. Overall, while opportunities for growth exist, careful navigation of risks will be essential for the sustainability and success of the construction sector.

Despite the above, the Group projects growth in turnover and profitability in 2025, supported by a strong order book and diversification strategies in the infrastructure development space.

DIVIDEND DECLARATION

The Board, having considered the business's profitability, its future cashflows, and solvency, has proposed a final dividend of the full year ended 31 December 2024 of USD0.15 cents and ZWG1.71 cents per share. Combined with the interim cash dividend, this will bring the total dividend to USD0.35 cents and ZWG3.17 cents per share (2023: Nil).

DIRECTORATE

The company announces key changes to its Board of Directors. Mr. Mark Mario Di Nicola and Mr. Malcolm William McCulloch resigned from the Board on 19 September 2024 and 28 November 2024, respectively. We extend our gratitude for their invaluable insights and leadership throughout the years.

We welcome Dr. Kupukile Mlambo, appointed on 19 September 2024. Dr. Mlambo is an accomplished Economist Consultant and Development Specialist who served as the Deputy Governor of the Reserve Bank of Zimbabwe, overseeing key economic initiatives and fintech development. He also held the position of Regional Director for East Africa at the African Development Bank.

We also welcome Prof Hodson Makurira, who joined the Board on 3 October 2024, is the Pro Vice Chancellor for Infrastructure Development and Digitalisation at the University of Zimbabwe. With over 30 years of experience in the water sector, he holds a PhD in Hydrology and Water Management and has previously served as Dean of the Faculty of Engineering and the Built Environment.

We look forward to the expertise and fresh perspectives that both Dr. Mlambo and Professor Makurira will bring as we continue our journey forward.

APPRECIATION

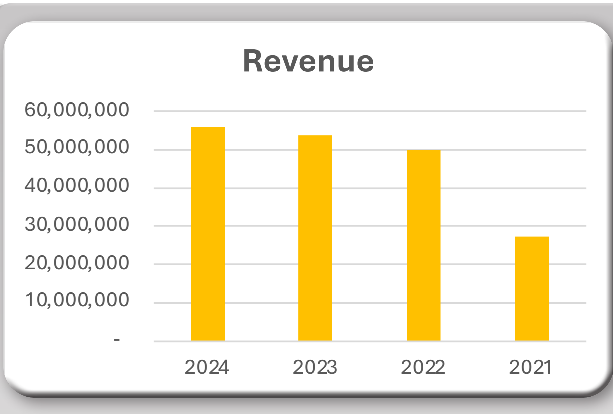
On behalf of the Board, I would like to thank our valued customers, including the Government, our suppliers and other stakeholders for their continued support. I would also like to thank my fellow Board members, management, and staff, for their unwavering commitment to duty.

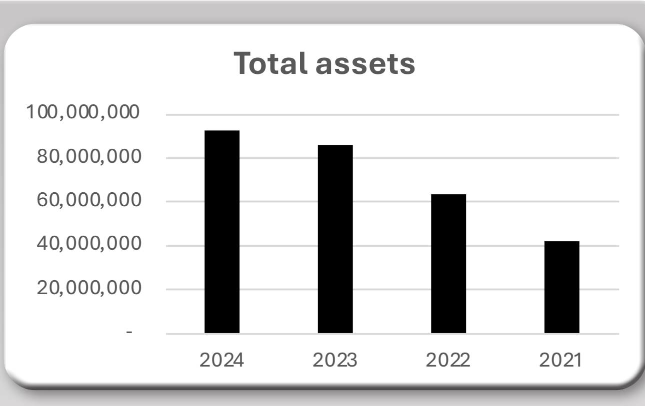
For and on behalf of the Board

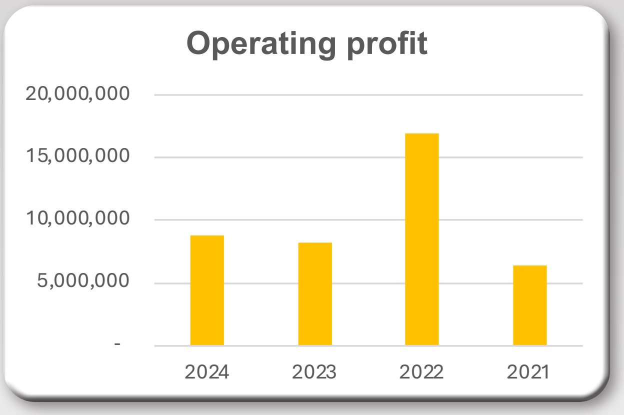
G. Sebborn
Chairman

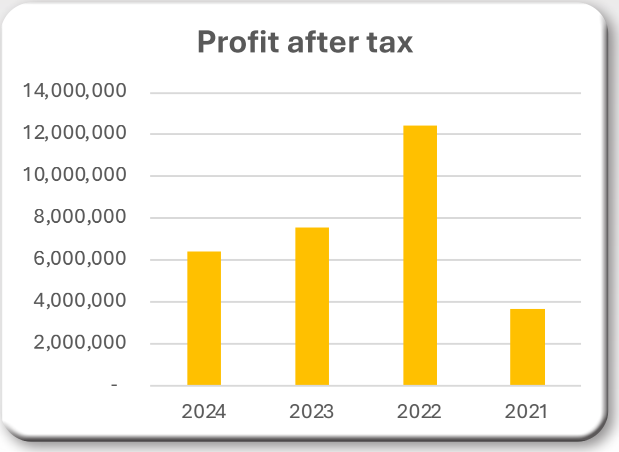
30 March 2025

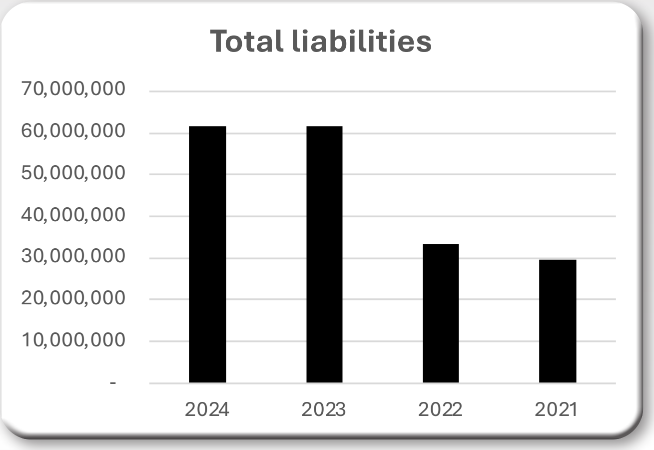
Financial Highlights











Share performance

	2024 USD	2023 USD	2022 USD	2021 USD
Basic earnings per share (cents)	**2.67**	**3.15**	**5.13**	**1.51**
Diluted earnings per share (cents)	2.61	3.07	5.13	1.51
Headline earnings per share (cents)	2.35	3.05	4.62	1.50
Number of shares in issue (million)	239.39	239.39	241.65	241.65

Corporate Governance

The Board of Directors
The Board of Masimba Holdings Limited is committed to upholding the principles of good corporate governance to achieve responsible corporate behaviour and complete accountability to its shareholders and stakeholders. The Board has adopted the King IV Report as its governance framework. Compliance with this framework is discussed below:

Composition and Appointment
The Board comprises of eight Directors made up of six non-executives and two executives. It is chaired by an independent Non-Executive Director, thus ensuring a separation of powers and authority.

The election of Non-Executive Directors is subject to confirmation by the Shareholders. In terms of the Company's Articles of Association and the Companies & Other Business Entities Act [Chapter 24:31], at least one third of the Directors must retire at every Annual General Meeting and if eligible, can stand for re-election. Also, a Director appointed during the year must retire at the Annual General Meeting and, if eligible, stand for re-election.

Accountability and Delegated Functions
The Board meets formally at least once every quarter to review the entity's performance. There is an agenda of matters presented for its consideration and review, and where appropriate for decision making, so that it maintains full and effective control over strategic, financial, operational and compliance issues. The record of attendance by each Director at the Board meetings, held during the period under review, is reflected in the table on page 12 of this report. There are procedures which allow Directors to avail themselves for independent professional advice in the furtherance of their duties and to select Non-Executive Directors.

Performance Management Reporting
The entity operates regionally in regulated environments. Business is conducted within a well-developed control framework, underpinned by procedures and control manuals. The Board has established a management structure with clearly defined roles, responsibilities and reporting lines.

The business performance of the Group is reported regularly to Management, the Executive Committee and the Board. Performance trends against budgets and prior periods are closely monitored. Financial information is prepared using appropriate accounting policies which are consistently applied, in all material respects, from year to year. Where a change in accounting policy occurs, the change is specifically noted in the financial statements.

The system of internal controls is monitored regularly by Management, the Executive Committee and the Board.

The scope of the Internal Audit department includes an assessment of the risks and controls in each operating area and its findings are reported to Management. All adverse findings are reported to the Chief Executive Officer for immediate management action. Internal Audit also reports regularly to the Audit & Compliance Committee of the Board.

The External Auditor reviews the system of internal controls to the extent necessary for them to form the opinion they express on the financial statements. They also report to the Audit & Compliance Committee on matters arising from this review.

Changes to the Board
Mr. Mark Mario Di Nicola and Mr. Malcolm William McCulloch resigned from the Board on 19 September 2024 and 28 November 2024, respectively. We extend our gratitude for their invaluable insights and leadership over the years.

Dr. Kupukile Mlambo and Prof. Hodson Makurira were appointed to the Board on 19 September 2024 and 3 October 2024, respectively.

Directors
The following are the Directors who have served during the year under review:

- Mr Gregory Sebborn
- Mr Fungai Matahwa
- Mrs Agnes Makamure
- Mr Canada Malunga
- Mr Mark Mario Di Nicola
- Mr Malcolm William McCulloch
- Mr Herbert Stanley Mashanyare
- Ms Cathrine Charmaine Chitiyo
- Mrs Sharon Bwanya
- Mr Kupukile Mlambo
- Mr Hodson Makurira

Board Committees
The Board has established and mandated several Committees to perform work on its behalf in various key areas affecting the business entity. The Committees are chaired by Non-Executive Directors and submit reports to the main Board on the respective deliberations and findings.

The Remuneration and Nomination Committee
The Committee is chaired by a Non-Executive Director, Mr Malcolm William McCulloch. Its mandate is to set the remuneration of Executive Directors and to consider the appointment of new Directors and senior Executives before the final approval by the Board. The remuneration and nomination policies of the Committee are as follows:

- To ensure that individual rewards and incentives relate directly to the performance of the individuals, the operations and functions for which they are responsible and the Group as a whole.
- To maintain competitive rewards that enable the entity to attract and retain Executives of the highest quality.

In order to determine the competitiveness of the Executive remuneration, the Committee receives independent professional advice on remuneration packages and practices of comparable organisations within the region.

Audit & Compliance Committee
Mr Herbert Stanley Mashanyare, an Independent Non-Executive Director, chairs this Committee which deals with compliance, internal controls and risk management.

The Committee:
- considers changes to the Group accounting policies and reviews its interim and annual financial statements, and
- reviews the effectiveness of the system of internal controls during the period and reports thereon to the Board.

The Board is responsible for establishing a system of internal controls which provides reasonable assurance that the entity's assets are safeguarded, proper accounting records are maintained, and that the financial information used in the business and for publication is reliable. They attach great importance to maintaining a strong and controlled environment. However, any system of internal controls can provide only reasonable, not absolute, assurance against material misstatement of loss.

Code of Conduct
The Board has approved a Code of Conduct which sets out the entity's core values relating to lawful and ethical conduct of the business. All employees observe high standards of integrity and fair dealing in relation to customers, staff and regulators in the communities in which the business operates.

Going Concern
The Board confirms that the Group has adequate resources to continue in business for the foreseeable future. Accordingly, the financial statements have been prepared on the basis that the Group is a going concern.

Auditor
A resolution will be proposed at the Annual General Meeting to appoint Grant Thornton as Auditor of the Group for the ensuing year.

The Group complied with all relevant laws and regulations and considers adherence to non-binding rules, codes, and standards as an integral part of the Group's risk management process.

…………………………………	…………………………………	…………………………………
G. Sebborn	**F. Matahwa**	**P. Mutiti**
Chairman	**Chief Executive Officer**	**Company Secretary**
30 March 2025	**30 March 2025**	**30 March 2025**

Record of Board Attendance

Directors' meetings for the 2024 financial year

Board Member	Position ↓	Board	AGM*	Audit	REMCO**
	No. of Meetings →	**4**	**1**	**4**	**4**
Mr. Gregory Sebborn	Non-Executive Director & Chairman	4	1	2	4
Mr. Fungai Matahwa	Chief Executive Officer	4	1	4	4
Mrs. Agnes Makamure	Finance Director	4	1	4	n/a
Mr. Canada Malunga	Executive Director	3	-	n/a	n/a
Mr. Mark Mario Di Nicola	Non-Executive Director	3	-	2	n/a
Mr. Malcolm William McCulloch	Non-Executive Director	4	-	n/a	4
Mr. Herbert Stanley Mashanyare	Non-Executive Director	4	-	4	n/a
Ms Cathrine Charmaine Chitiyo	Non-Executive Director	4	1	n/a	4
Mrs Sharon Bwanya	Non-Executive Director	4	1	4	n/a
Dr. Kupukile Mlambo	Non-Executive Director	2	-	n/a	n/a
Prof. Hodson Makurira	Non-Executive Director	-	-	n/a	n/a

***AGM** refers to the Annual General Meeting
****REMCO** refers to the Nomination & Remuneration Committee
Mr. Gregory Sebborn* is not a member of the Audit & Compliance Committee.
Mr. Canada Malunga resigned on 31 August 2024.
Mr. Mark Mario Di Nicola* resigned from the Board, with his last meeting held on 19 September 2024.
Dr. Kupukile Mlambo* joined the Board in the third quarter of 2024 and attended the meeting on 19 September 2024 by invitation.
Prof. Hodson Makurira* joined the Board in the fourth quarter of 2024 but extended his apologies for the meeting on 28 November 2024.

Sustainability Report

1. OUR COMMITMENT TO SUSTAINABILITY

Masimba is committed to contributing to the development of a more sustainable future. To meet this commitment, we will:

- Promote the safety, health, and vitality of our people.
- Perform work ethically, with honesty and integrity.
- Champion the current and future needs of the communities we serve.
- Recognise our impact on the environment and our duty to protect it.
- Manage operations, produce material, and prolong equipment lifecycle using sustainable practices.
- Preserve the company for generations to come by delivering long-term economic performance.

2. SCOPE AND REPORT BOUNDARIES

This ESG report addresses Masimba Holdings' environmental, social, and governance performance across its wide operations and subsidiaries, that is, Masimba Construction Zimbabwe, Stemrich Investments and Masimba Properties in 2024. The study focuses on actions within our operational limits in Zimbabwe, examining our impact in important areas such as environmental stewardship, employee welfare, community participation, and accountable governance.

The report covers data on our resource use, waste management procedures, emissions, employee demographics, community support programs, and compliance with industry and national requirements. Furthermore, financial contributions to local economies, taxes, and workforce-related expenses are detailed to show our economic value distribution.

This report's scope includes all Masimba Holdings projects, offices, and facilities that are directly under operational control. Indirect impacts, such as supply chain sustainability and services provided by external contractors, are highlighted where appropriate.

3. STAKEHOLDER ENGAGEMENT

The extensive nature of Masimba's work means we have a wide range of stakeholders, and all are welcome partners in our sustainability journey. In 2023, through our Branding & Marketing department, we conducted our first materiality assessment through stakeholder needs analysis to better understand our stakeholder concerns and priorities around sustainability (Table 2). In 2024, we conducted our second assessment to update the materiality assessment and further engage our stakeholders in advancing our sustainability strategic plan. We engaged with stakeholders in a variety of ways beyond the materiality assessment process, including the publication of this annual sustainability report and by maintaining up-to-date information about our programs on our website. As part of our communication plan, we have increased our focus on sustainability in our external communication. Internally, in 2024, our primary focus was to further educate our teams about our mission for sustainability and engage them with initiatives to support our sustainability strategic plan.

Table 2: How we engage with our stakeholders:

Stakeholder group	Shareholders	Employees	Industry & suppliers	Customers	Regulatory bodies	Local communities
Engagement Methods	• Investor calls. • Direct engagement. • Annual general meeting. • Analyst briefing meeting.	• Works Council meetings. • Internal communications.	• Negotiation of payment terms. • Supplier engagement programs. • Continuous supplier evaluation. • Supplier Company profiles. • Use of approved supplier list. • Direct engagement related to sustainability initiatives. • Sustainability of strategic partnerships.	• Regular meetings. • Customer relationship. management programs. • ISO 9001:Quality Management Framework.	• Statutory returns. • Compliance audit. • Banking relationships.	• Employment contracts of locals. • Meetings with local Chiefs.
Top concerns	• Workplace Health & Safety. • Ethical Business Practices. • Environmental Compliance. • Labour Practices & Employee Well-being • Return on investment.	• Cost of living. • Professional and continuing education and development.	• Timely payment. • Quality of products/ services supplied. • Conflicts of interest.	• On time delivery. • Quality	• Changes in legislation. • Foreign currency funding.	• Economic opportunities. • Visible corporate social responsibility activities.
Mitigation measures	• Payment of interim dividend.	• Adjustments above the industry average. • Human resources procedures are in place to allow for continuous training and development. • Adoption of a code of conduct.	• Supplier audits. • Supplier screening. • Product returns. • Declaration of conflicts of interests.	• Negotiations with clients. • Monitoring market developments. • Quality control and quality assurance.	• Compliance with regulation. • Lobbying government.	• Local community affirmative recruitment policy. • Sponsorships and donations to localised programs.

4. MATERIALITY ASSESSMENT

Materiality assessments are an important way to identify and define the topics most critical to Masimba's business and our stakeholders, which need to be addressed in our sustainability efforts. These assessments help us monitor risks and opportunities and understand what topics should be elevated in our business strategies. In 2024, one of our major initiatives was conducting our second materiality assessment to help us better understand how our stakeholders' priorities have evolved over time and in response to the sustainability strategy we are pursuing. Masimba collaborated with an independent consultant to conduct this materiality assessment, which built upon our first one (in 2023) Figure 2. We sought to engage a more diverse group of stakeholders to identify which sustainability issues are most important in terms of business opportunities and Masimba's impacts on the planet and society.

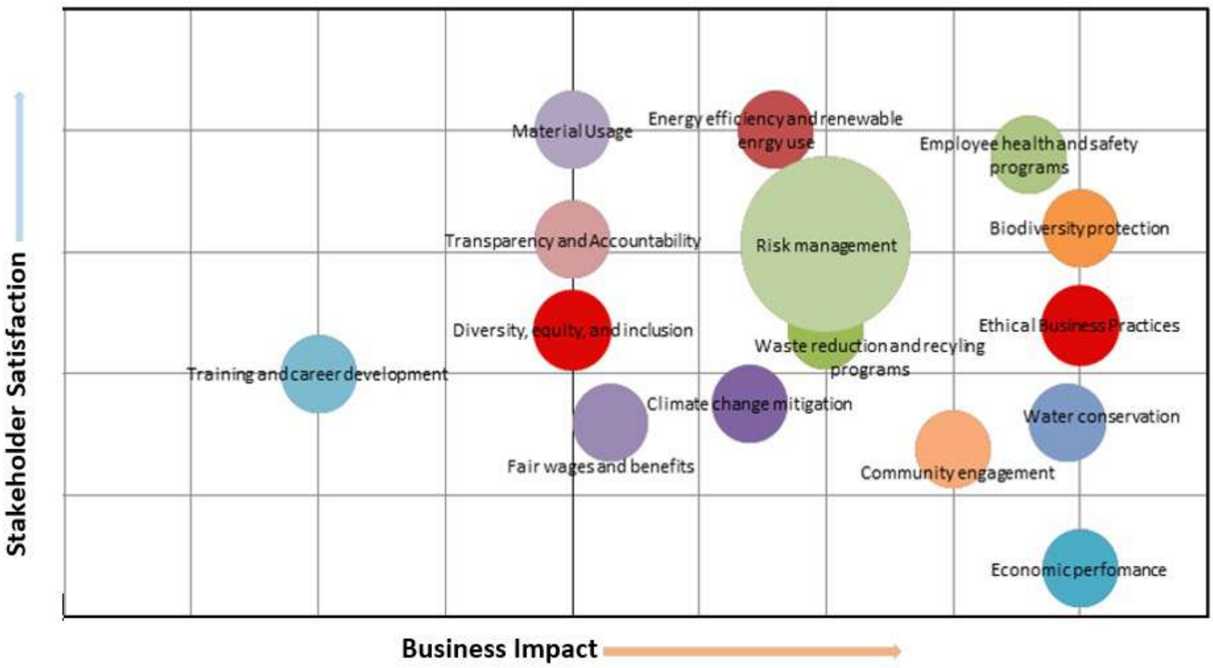
Identifying What Matters

The first step in this process is to customise a list of material topics pertinent to Masimba's business in infrastructure construction and materials. The Global Reporting Initiative (GRI) defines material topics as those that "represent the organisation's most significant impacts on the economy, environment, and people, including impacts on their human rights." With sector-specific guidance from Global Reporting Initiative (GRI), Sustainability Accounting Standards Board (SASB), industry peer reports, and other Masimba team members have identified 17 material topics that represent the greatest impacts of Masimba's business activities. The topics were then organised into four categories: Dependable Governance, Social Responsibility, Environmental Stewardship, and Enduring Value, as follows:

Dependable Governance	Environmental Stewardship	Social Responsibility	Enduring Value
	Climate resilience & adaptation: reducing emissions.	Employee engagement and satisfaction.	Economic performance.
Transparency of Management Decisions.	Energy use & building our decarbonization plan.	Workplace Health & Safety.	Economic contributions in ESG.
Ethical Business Practices.	Improving our waste management.	Diversity, Equity & Inclusion.	
Risk Management	Our water management.	Workforce Development & Training.	
	Material usage.		
	Biodiversity Management.		

Figure 2: Materiality Matrix

One of our targeted improvements for this materiality assessment study, compared to our first study in 2023, is to develop a refreshed set of material topics that further explore and leverage recent advancements in industry sustainability reporting standards and frameworks. We aim to address a list of material topics that further explore Masimba's impact as a multifaceted company involved in engineering and infrastructural solutions.



5. SAFETY, HEALTH, ENVIRONMENT AND QUALITY (SHEQ)

Overview

The Group has steadily improved its Safety, Health, Environment, and Quality (SHEQ) performance by maintaining strict compliance with policies and procedures and keeping abreast of the latest SHEQ developments. This progress is driven by multiple strategies, such as:

- Continuous monitoring and evaluation of workplace hazards ensured no occupational illnesses in 2024. The organization has also remained cholera-free since the February 2023 outbreak.
- Full compliance with all applicable SHEQ legislation and international industry standards, resulting in zero safety or health regulatory penalties for the group.
- The group integrates biodiversity protection, energy conservation, and pollution prevention into all operational processes. Governed by approved environmental management plans, our projects prioritize long-term ecological integrity and community welfare. Renewable energy initiatives, particularly solar power, which now drives our operational sites, reflecting our sustainability leadership and monitoring our carbon footprint.
- By prioritizing SHEQ awareness and behavior-based safety programs, we have built an industry-leading safety culture, maintaining ZERO HARM across all operations with cumulative 15,977,087 Lost-time injury-free work hours from 2022 to 2024.
- The group has established robust accountability structures to track performance against strategic objectives, enabling sustained improvement. We take pride in retaining our ISO 45001:2018 (occupational health & safety) and ISO 14001:2015 (environmental management) accreditations, affirming our alignment with global standards
- We place customers at the heart of our operations, ensuring all feedback is valued and addressed professionally. This commitment to continuous improvement is formally recognized through our maintained ISO 9001:2015 quality management certification.

Environmental Management

Through implementation of quality and environmental policies and procedures, the Group managed to retain its ISO 14001:2015 Environmental Management System in 2024 where it met all the requisite requirements towards maintaining a clean, safe and sustainable environment across all its operations.

The group and its management maintained its tradition of tree planting at borrow pits as one of its strategies in land rehabilitation in addition to other measures such as rehabilitating river courses and water bodies affected by its operations among others. Operational sites also participated in clean-up campaigns which are held every first Friday of the month.

Tree planting at borrow pits

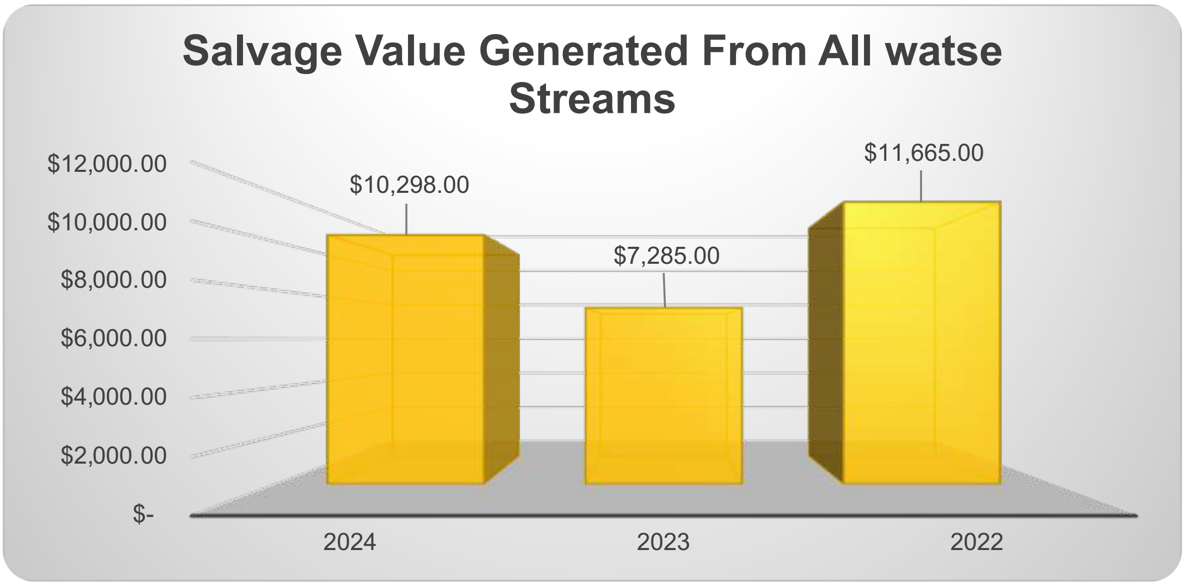
Employees participating in clean-up campaign

To advance environmental sustainability, the organization has embedded measurable objectives for sustainable environmental management across all operations. Central to this effort is our 3R (Reduce, Reuse, Recycle) strategy, which systematically minimizes solid waste through targeted initiatives, including:

- Harnessing salvage value from waste streams such as cement bags, paper, used oils and used tyres to mention a few.
- Ensuring controlled disposal of waste through licensed service providers.
- Migrating towards a paperless working environment through automation of essential processes.
- Monitoring and measuring of vehicular and machinery exhaust emissions through planned monthly maintenance schedules.
- Monitoring of resource utilisation such as electricity, water and fuel to promote efficient consumption patterns that reduce our overall carbon footprint.
- Land rehabilitation after completion of all projects.
- Adoption of solar energy at our projects and sites.

All waste generated is disposed through approved and licensed serviced providers who have a record of managing waste in environmentally sustainable way. The table below details major waste streams that the organisation generated and disposed during the year within its operations:

	Quantity Disposed		
Waste Stream	**(2024)**	**(2023)**	**(2022)**
Used oil (litres)	**9,820**	**6,760**	**8,990**
Used batteries (No.)	**-**	**67**	**53**
Used Tyres (No.)	**1,032**	**822**	**1,052**
Scrap Metal (kgs)	**14,440**	**3,500**	**23,640**



Contributions to Sustainability

As the contractor for the Great Zimbabwe Hydropower Plant, which was commissioned in November 2024, we take pride in our role in advancing Zimbabwe's goal of energy self-sufficiency and promoting sustainable economic growth. This 5MW facility, situated at the dam wall of Lake Mutiriki, is designed to work in harmony with existing water infrastructure while aiming to lower carbon emissions.

This project represents a crucial advancement in renewable energy investments within Zimbabwe, paving the way for a transformation of the nation's energy sector and aiding the region's transition to clean energy. We are excited to feature this milestone in our annual report, showcasing our dedication to sustainable development and innovative energy solutions.

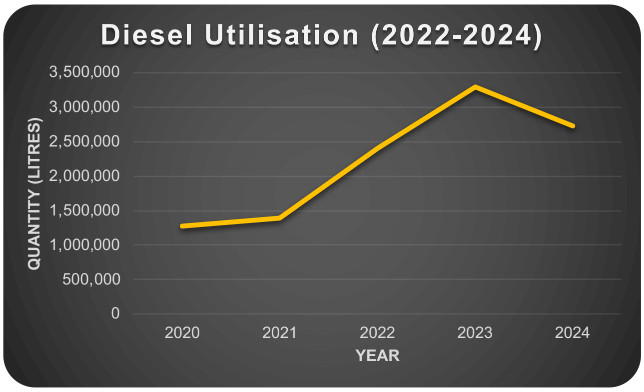
Great Zimbbawe Hydropower Plant Green Concept

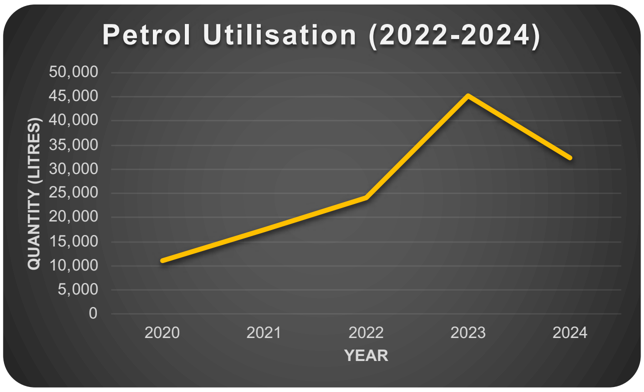
Sustainabilty Report (continued)

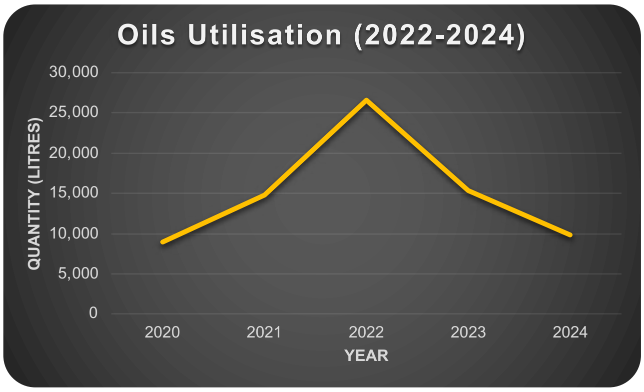
Resource Utilisation

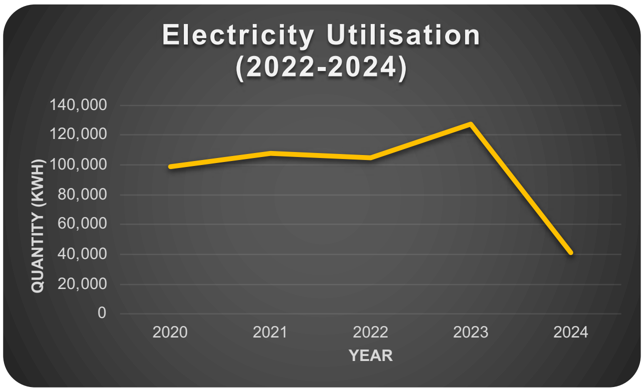
Operational efficiencies in the organisation and increased environmental awareness has seen efficient resource utilisation within the organisation with the aim of reducing its environmental impacts over the past year compared to 2023.

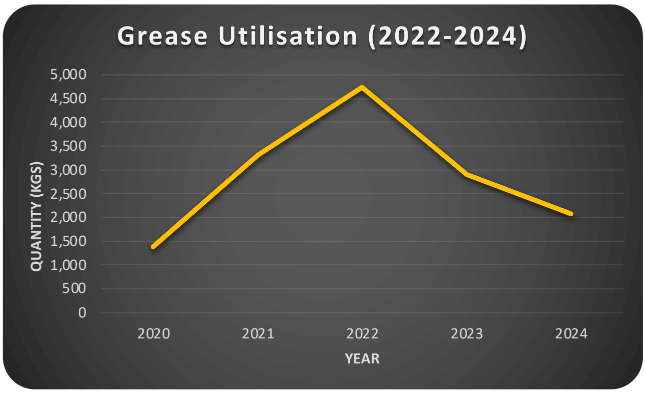
Resource	Measurement Unit	2024	2023	2022	2021	2020
Diesel	Litres	2,731,678	3,296,841	2,411,798	1,391,262	1,279,899
Petrol	Litres	32,306	45,230	24,048	17,557	11,026
Oils	Litres	9,820	15,374	26,593	14,764	8,991
Electricity	KW/h	41,406	127,569	104,980	107,641	99,018
Grease	Kilograms	2,074	2,902	4,736	3,314	1,383
Water	M3	17,901	62,210	26,432	24,400	108,708

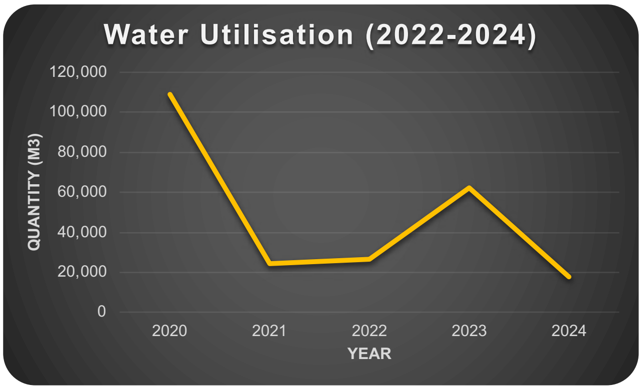












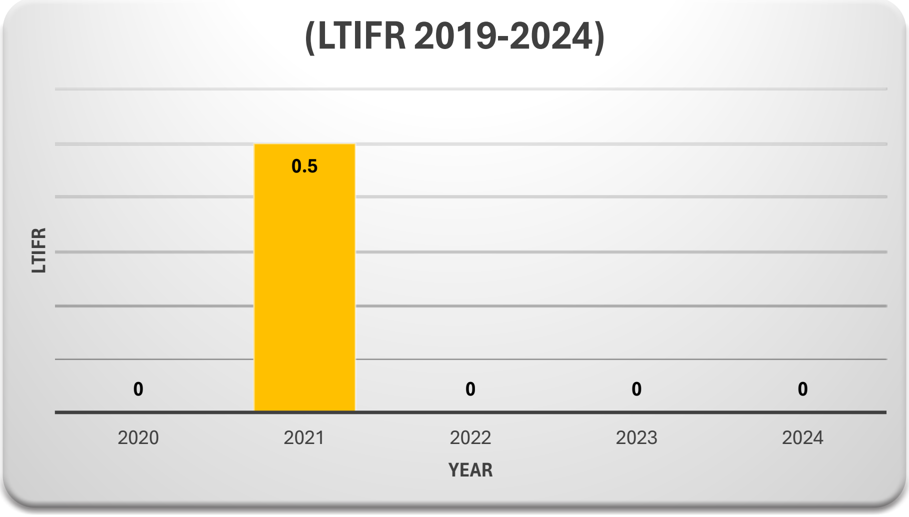
Additionally, environmental stressor parameters inclusive of vehicular emissions, dust and noise are monitored annually to ensure operations do not negatively impact on our local communities' health, welfare and continued sustainability post the project phases.

Occupational hygiene related illnesses record

There were no occupational related illlenesses recorded in the past three years as a result of strategies put in place, that is primarily with Westend Clinic and employment of a resident nurse.

Occupational related illnesses	Year
0	2024
0	2023
0	2022

Safety Performance



Masimba's dedication to health and safety is further demonstrated by the recognition received from industry regulators. At NSSA Safety & Health at Work Conference 2024, the Group was awarded two sectoral gold awards and one national gold award as follows:

- Sectoral- Masvingo Gold, Shield and Certificate
- Sectoral-Harare Gold, Shield and Certificate
- National- Gold, Shield and Certificate (Best civils contractor of the year)

Masimba receiving SHEQ Awards at the NSSA SHAW Conference presented by Honourable Minister July Moyo (Public Service, Labour and Social Welfare)

Our People

6. HUMAN CAPITAL

6.1 EMPLOYEE HEADCOUNT

During the year, the Group conducted an operations streamlining exercise which resulted in the reduction of headcount and this was coupled with completion of some projects at year end. Our organisation faced challenges that necessitated a strategic reduction in employee headcount to align with operational needs and market conditions.

Key Highlights

Decreased overall employee headcount by 45%, bringing the total to 1,137 employees compared to 2,088, prior year.

Rationale for Reduction

- Responded to market dynamics and economic pressures.
- Focused on streamlining operations to improve efficiency and reduce costs.
- Completion of projects, that were labour intensive.

Financial Year	Number of Active Projects	Permanent Contracts	Project Based Contracts	Student on Attachment	Graduate Trainees	Apprentices and TOPP	Total
2024	15	197	872	4	29	35	1,137
2023	13	232	1,788	5	29	34	2,088
2022	19	219	1,547	7	21	20	1,814
2021	23	174	1,138	8	17	11	1,346
2020	29	176	843	11	10	4	1,052

6.2. DIVERSITY AND INCLUSION

6.2a. Employees by Gender

During the reporting period, our female employment composition statistics increased from 16% to 17%, against our target of 20%, through our recruitment efforts which focused on increasing the representation of female employees in the construction industry, promoting diversity, and fostering an inclusive work environment. There remains a significant gender imbalance in the construction industry globally as women make up the minority of the workforce, representing around 12% to 15%.

Female employees in Plant department

To improve female employment composition, Masimba strive to create more female friendly conditions of service which include nursing facilities, flexible working arrangements where possible and sexual harassment awareness campaigns to protect the girl child.

Future Goals

- Expand partnerships with educational institutions to create more pathways for women into construction careers.
- Continue to invest in technical development programs for operating construction equipment and apprenticeship programs.

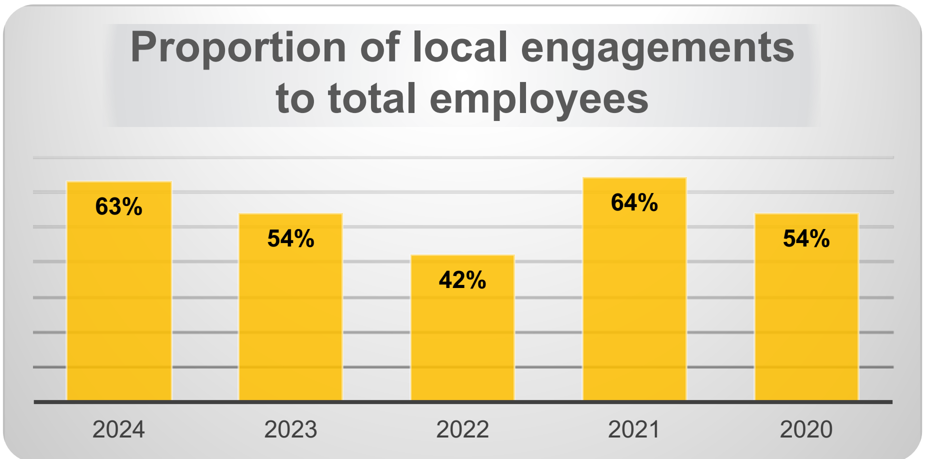
Our commitment to recruiting female employees in the construction industry has yielded positive results, enhanced our workforce diversity and created a more inclusive workplace. We aim to continue these efforts in the coming year to further empower women in construction.

	Males		Females		Total
Financial Year	Number	Percentage %	Number	Percentage %	Number
2024	944	83	193	17	1,137
2023	1,757	84	331	16	2,088
2022	1,512	83	302	17	1,814
2021	1,152	85	194	14	1,346
2020	930	87	122	13	1,052

6.2b. LOCAL ENGAGEMENTS

As part of our recruitment strategy and ongoing corporate social responsibility initiatives, our recruitment strategy focused on engaging with local communities to attract diverse talent, enhance our workforce, and strengthen our commitment to community development. Our local engagement rate progressively increased from 54% to 63% from prior year. Our commitment to recruiting from local communities has not only enriched our talent pool but also strengthened our ties to the community. We look forward to building on this foundation in the coming year to enhance our workforce and community impact.

Financial Year	Number of Locals Engaged	Total	Proportion of Local engagements to Total employees
2024	912	1,137	63%
2023	930	2,088	54%
2022	762	1,814	42%
2021	862	1,346	64%
2020	568	1,052	54%



Our People (continued)

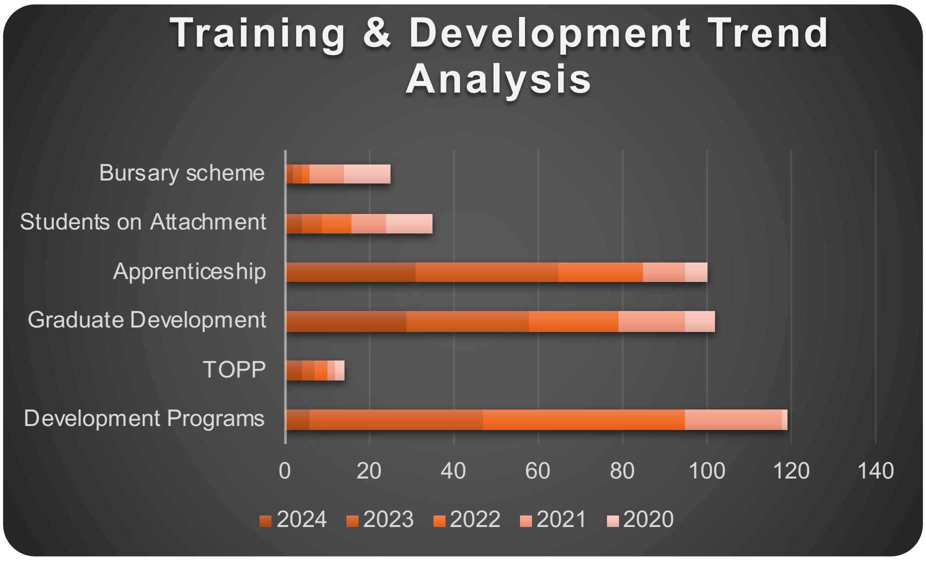
3. TALENT DEVELOPMENT

In the past year, our Talent & Development strategy has focused on enhancing employee skills, improving job performance, and fostering a culture of continuous learning. The Training and Development initiatives this year have significantly contributed to employee growth and organisational success, particularly on the Graduate Trainees and Apprentices. We aim to build on this foundation to further enhance our programs and support our workforce in the coming year.

Key Highlights

Training & Development Programs Offered

Training & Development Programs	Number of Trainees				
	2024	2023	2022	2021	2020
Leadership Development	6	41	48	23	1
TOPP	4	3	3	2	2
Graduate Development	29	29	21	16	7
Apprenticeship	31	34	20	10	5
Students on Attachment	4	5	7	8	11
Bursary scheme	2	2	2	8	11



We conducted 35 training sessions across various departments.

Participation Rates

- Achieved an 82% participation rate among employees in training programs.
- There was a notable increase in engagement from remote project teams due to virtual training.

Skill Development

- Focused on the Apprenticeship and Graduate Development programs with the 13 final year students completing in March 2025.
- Enrolled 3 Management members to an Executive Development program in line with our succession programs.

Future Goals

- Have an in-house training facility to increase training uptake and reduce venue-hire costs.
- Expand training offerings to include diversity and inclusion workshops.
- Increase the use of data analytics to measure training effectiveness and return on investment.

Graduate Trainees and Apprentices graduation

4. EMPLOYEE WELLNESS

This year, our Employee Wellness program focused on promoting physical, mental, and emotional well-being, fostering a healthy workplace culture, and supporting employees in achieving a balanced lifestyle. The Employee Wellness initiatives have significantly contributed to creating a supportive and healthy work environment. We are committed to enhancing these programs to further promote employee well-being and organisational success in the future.

Wellness Programs Implemented

- Introduced a nutrition workshop series that educated employees on healthy eating habits.
- Recruited an Occupational Health & Wellness Officer, who is a qualified Nurse, to run our mobile clinic initiative.

Mental Health Support

- Expanded access to mental health resources, including counselling services.
- Implemented regular Mental Health Awareness activities through our daily safety talks thereby increasing awareness and reducing stigma.

Health Screenings

Organised breast cancer, men's health and infectious diseases (AIDS and HIV) screenings for all employees leading to early detection of health issues.

Future Goals

- Increase accessibility to wellness resources for remote project employees.
- Develop wellness challenges to foster team building and healthy competition.
- Conduct health check up screening regularly through the procurement of our internal machines so as to proactively monitor employee health.

Breast cancer awareness

5. INDUSTRIAL RELATIONS

The industrial relations landscape has undergone significant changes over the past year, influenced by economic shifts, labour market dynamics, and evolving workplace practices.

Key Developments

Wage Negotiations:
The employees successfully negotiated wage increases in line with inflation, addressing worker demands for better compensation. Collective bargaining agreements were reached with trade unions representing the workforce and the minimum wage was increased by 10% in April 2024. However, the ongoing economic challenges, particularly inflation and currency fluctuations, have strained operational budgets and impacted wage negotiations such that although employees have been advocating for wage increases regularly, these are not sustainable, as they may negatively impact on implementation of infrastructure projects.

Rise in Labour Activism:
There has been a noticeable increase in labour activism, with workers becoming more informed about their rights and working conditions. This has led to more frequent engagement between management and employee representatives.

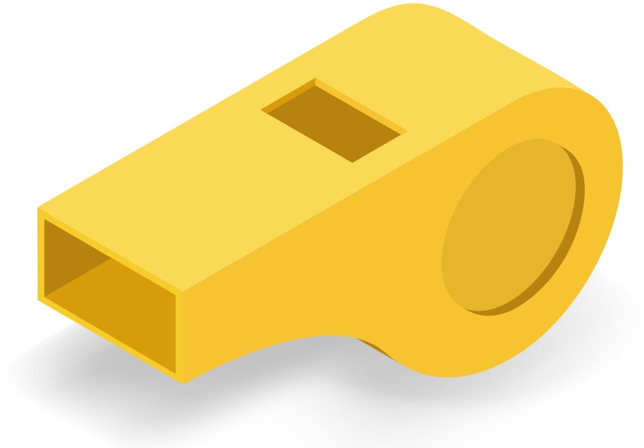
Labour Shortages:
The construction sector faces difficulties in attracting and retaining critical skills, exacerbated by competition from other companies and brain drain. Investment in training and skills development programs has been prioritised to address skill shortages in the industry. Collaborations with vocational training institutions have been established to enhance the skill sets of our workforce.

Strikes and Collective Job Actions:
We have not observed strikes or collective job actions due to proactive engagements with employees through the Works Council. The industrial relations environment remains dynamic, influenced by economic conditions and workforce expectations. Proactive engagement with employees and adherence to regulatory standards will be crucial for fostering a positive work environment.

Way Forward!
Continued dialogue between employers and employees to navigate changes.

7. ANTI-CORRUPTION, WHISTLEBLOWER MECHANISMS AND COMPLIANCE WITH LEGAL REGULATIONS

The group has zero tolerance for corruption, bribe theft or fraud, and these activities are classified as gross offences within the Group's Code of Conduct. In addition, Masimba subscribes to Axcentium Ethics Line (formerly Deloitte) Tip-offs Anonymous, a whistle-blowing service. All stakeholders are encouraged to report theft, corruption, fraud and any other inappropriate workplace behaviour and their identity will be anonymous.



Fraud and Ethics Hotline Axcentium Ethics Line (former Deloitte) Tip-offs Anonymous:

Telephone Toll-Free:	0800 1400 to 0800 4106
Toll-Free Econet:	0808 5500 /0808 4461
Toll-Free Net One:	0716 800 189/190
Email:	reports@axcentiumethicsline.co.zw
Website:	https://axcentium.co.zw/
Free Post:	The Call Centre, P.O. Box HG 883, Highlands, Harare

Community Investment and Economic Development

OUR COMMUNITY RELATIONS

8. Corporate Social Investment

We proudly reaffirm our commitment to Corporate Social Investment (CSI) and the positive impact it has on the communities where we operate. The Group has a CSI projects policy that enhances communication and the implementation of strategies for available community opportunities.

This report provides a comprehensive overview of our CSI initiatives and significant contributions to society, with a total allocation of USD131,065 (2023: USD174,364) supporting various initiatives.

Table 6 shows the Group's CSI investments for 2024 and 2023.

Table 6: Breakdown of CSI investments

Project	2024	2023
Sponsorship of the best Civil Engineering student at the University of Zimbabwe	1,065	1,105
Ngezi Platinum Stars	110,000	110,000
Donations	15,500	63,259
Mushandike High School Land Clearing	4,500	-
Total	131,065	174,364

As a stakeholder driven organisation, we believe that Building an African Legacy goes beyond physical structures. It involves a commitment to sustainable social impact and community empowerment. Our brand expression, 'Excellence Delivered,' reflects our dedication to operational excellence, construction excellence and corporate social responsibilities.

Our guiding pillars, value, growth, and governance, inform our decision-making processes. Core behaviours of learning, caring, performance driven, professionalism, excellence, and Team Masimba support our commitment to making a positive difference.

CSI is integral to our values and goals. By investing in the communities where we operate, we contribute to social and economic development. This report details our initiatives, from education and skills development to infrastructure and environmental conservation.

We have established partnerships with educational institutions, through scholarship programs, and vocational training initiatives to empower individuals with essential knowledge and skills. Investing in education unlocks individual potential and contributes to sustainable societal growth.

Our CSI Initiatives

1. Partnership with the University of Zimbabwe

In partnership with the University of Zimbabwe's Department of Construction & Civil Engineering, we presented Mr Ronald Tinashe Chiureki, the 2024 Best Graduating Civil Engineering student, with a brand-new HP Probook laptop and a six-month contract placement after graduation.

2. Mushandike High School Land Clearing

We are enhancing our focus on environmental sustainability, particularly in agricultural practices. In support of this, we backed the Harare Beitbridge Highway Rehabilitation initiative by clearing three hectares of land for sustainable wheat planting at Mushandike High School in Masvingo, contributing to environment sustainability

3. Partnership with Karo Mine

We are excited to advance educational infrastructure by building at Katawa Primary School in Ngezi in collaboration with Karo Mine. This initiative aligns with Environmental, Social, and Governance principles, emphasising community development and educational support. Construction began in 2024, with completion expected by April 2025.

4. International Day of the Girl Child

We commemorated the 2024 International Day of the Girl Child by visiting Tsungayi Primary School in Highfield, Harare. Female staff members conducted an interactive session demonstrating that gender does not define one's potential. This initiative fosters gender equality and empowers young girls.

5. Community Involvement and Development Programs

Masimba Holdings Limited is deeply committed to community development, supporting initiatives that contribute to economic growth and local empowerment. We engage with communities regularly to understand their needs and ambitions, integrating their feedback into our operations.

Masimba participates in various initiatives to promote social and environmental causes, enhancing the quality of life in the community and aligning with our values. We track local hiring statistics monthly to assess our impact and ensure our workforce reflects community diversity and capabilities.

6. Support for Grassroots Soccer in the Ngezi Community

Our commitment to supporting grassroots soccer in the Ngezi community, aimed at providing entertainment and celebrating our hard working colleagues and their families, has taken an exciting new direction. In 2024, we are proud to announce our ongoing sponsorship of the Ngezi Platinum Stars, which now includes a women's team alongside the men's team.

We are thrilled to witness the team's continued success as they strive for excellence on the field. Our support for sports not only uplifts the local community but also fosters a spirit of unity and empowerment, contributing to the overall growth and development of the area.

9. TAX MANAGEMENT

Tax Approach

As Masimba Holdings, we contribute to government revenue through various tax obligations, underlining its role in supporting national development and economic stability. The taxes paid reflect Masimba's commitment to fulfilling regulatory requirements and contributing to the financial health of Zimbabwe. The Group is guided by a set of documented Standard Operating Procedures on tax compliance

Stakeholder engagement in tax matters

The group engages internal auditors, external auditors, external tax consultants on other tax developments and improvements on current practices. Stakeholder engagement is essential in ensuring adherence to all applicable tax laws and regulations.

Tax Payments	2024		2023	
Tax Head	USD	ZWG	USD	ZWG
Pay As You Earn	3,636,593	11,658,219	2 398 808	528 797
Witholding Tax	48,712	-	-	-
Value Added Tax	4,460,616	9,274,091	897 843	49 776

Economic Value Generated and Distributed

	2024 USD	2023 USD	2022 USD
Economic Value Generation			
Value Generated	15,277,886	13,793,689	11,129,183
Other Income	1,073,213	449,222	6,776,834
Fair Value Adjustment	-	2,200	4,570,270
Economic Value Distribution			
Other Operating Costs	4,327,034	3,273,090	2,620,182
Staff Costs	2,989,763	2,455,873	2,797,032
Monetary Loss	-	-	3,403,309
Depreciation	270,802	273,547	121,753
Provision of Taxes	2,011,717	325,225	887,680
Providers of Capital	356,113	363,607	245,616
Value Added	6,395,670	7,553,769	12,400,715

Steel Structure by the Fabrication arm

CEO addressing media after Mbare Musika tour


asimba


WIRTGEN


WIRTGEN
asimba
CONSTRUCTION VEHICLE

Directors' Report

The Directors have the pleasure in presenting their Audited Financial Statements of the Group for the year ended 31 December 2024.

In the report "Group" refers to Masimba Holdings Limited and its subsidiary companies.

Period's Results

	USD
Profit attributable to Shareholders	6 395 670
Dividend	(614 252)
Net transfer against reserves	5 781 418

Capital Expenditure
Capital expenditure for the year ended 31 December 2024 amounted to USD2,525,964 (2023: USD4,167,677).

Share Capital
The authorised share capital of the Group is USD8,750,000 comprising of 875,000,000 ordinary shares of a nominal value of USD0.01 each.

Issued share capital of the Group is USD2,316,175 as at December 2024 (2023: USD2,316,175) and comprised of 239,388,107 ordinary shares of the nominal value of USD0.01 each.

Reserves
The movement in reserves of the Group is disclosed on the Consolidated Statement of Changes in Equity.

Auditor
The Auditor of the Group is Grant Thornton Chartered Accountants. Shareholders will be asked at the forthcoming Annual General Meeting to approve their renumeration in respect of the past audit and to appoint the Auditor for the coming year.

Directorate
The following are the Directors of the Group that held office in the period under review:

Mr Gregory Sebborn	Independent Non-Executive Chairman
Mr Fungai Matahwa	Chief Executive Officer
Mrs Agnes Makamure	Finance Director
Mr Canada Malunga	Executive Director - resigned
Mr Malcolm William McCulloch	Non-Executive Director - resigned
Mr Mark Mario Di Nicola	Non-Executive Director - resigned
Mr Herbert Stanley Mashanyare	Independent Non-Executive Director
Ms Cathrine Charmaine Chitiyo	Independent Non-Executive Director
Mrs Sharon Bwanya	Non-Executive Director
Dr. Kupukile Mlambo	Non-Executive Director - appointed
Prof. Hodson Makurira	Independent Non-Executive Director - appointed

Dr. Kupukile Mlambo, Prof. Hodson Makurira, Mr. Gregory Sebborn and Ms. Cathrine Charmaine Chitiyo will retire in terms of the Articles of Association at the conclusion of the forthcoming Annual General Meeting. All being eligible, have offered themselves for re-election. Shareholders will be asked to appoint Directors for the ensuing year.

Directors' Fees
Shareholders will be asked to approve the remuneration of the Directors for their services as Directors during the past year. The Board recommends that an amount of USD108,477 (2023: USD106,000) be paid, to be divided amongst themselves at their discretion.

The Masimba Holdings Limited 2023 Senior Executives Share Option Scheme
The scheme was approved by shareholders on Friday 16 June 2023, the purpose of which was to promote the retention of senior Executives responsible for the management of the Group. The details of the movement in the outstanding option during the year to 31 December 2023 are shown on note 11 of the consolidated financial statements.

....	....	....
G. Sebborn	**F. Matahwa**	**P. Mutiti**
Chairman	**Chief Executive Officer**	**Company Secretary**
30 March 2025	**30 March 2025**	**30 March 2025**

These consolidated financial statements were prepared under the supervision of:

Agnes Makamure CA (Z)
Registered Public Accountant (PAAB No: 03528)
Finance Director

Company Secretary's Certification

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

P. Mutiti
Company Secretary

30 March 2025

Grant Thornton
Camelsa Business Park
135 Enterprise Road, Highlands
PO Box CY 2619
Causeway, Harare
Zimbabwe

T +263 4 442511-13
F +263 4 442517/ 496985
E info@zw.gt.com
www.grantthornton.co.zw

INDEPENDENT AUDITOR'S REPORT

To the members of Masimba Holdings Limited

Report on the Audit of the Consolidated Financial Statements

Qualified Opinion

We have audited the consolidated financial statements of Masimba Holdings Limited set out on pages 40 to 79, which comprise the consolidated statement of financial position as at 31December 2024, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes ni equity and the consolidated statement of cash flows for the year then ended, and the notes to the consolidated financial statements, including a summary of the significant Group accounting policies.

In our opinion, except for the matters described in the Basis for Qualified Opinion section of our report, the consolidated financial statements present fairly, in all material respects, the financial position of Masimba Holdings Limited as at 31 December 2024, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Qualified Opinion

Non-compliance with IAS 21 "The effects of changes in foreign exchange rates" with respect to the change in functional currency and use of internally generated exchange rates to translate foreign currency transactions.

During the prior financial year, the Group changed its functional currency from Zimbabwe Dollar (ZWL) to the United States Dollar (USD) on 1 January 2023. Instead of translating all items at the exchange rate on the date of the change as required by IAS 21, management applied an internally generated exchange rate for certain items and used management's valuation techniques for translating share capital and reserves.

Following the change in functional currency, management adjusted the carrying amounts of assets and liabilities to align with their fair values and recorded the resultant differences in the Foreign Currency Translation Reserve (FCTR) which was reclassified to retain earnings. This was not in accordance with IAS 21 in which a Foreign Currency Translation Reserve (FCTR) arises when translating the net investment in a foreign operation into the Group's functional currency and reclassification is done on disposal of the foreign operation.

In addition, during the year ended 31 December 2023, the Group's foreign currency transactions were translated into the functional currency using an internally generated exchange rate, which was not considered an appropriate spot rate for translations as required by IAS 21. The impact of this non-compliance on the related exchange gains/losses, assets, liabilities, revenue, expenditure, and equity has not been corrected in the comparative amounts and opening balances for the 2024 financial year.

Our opinion on the prior year financial statements was modified in respect to this matter. Our opinion for the year ended 31 December 2024 is also modified because of the possible effects of uncorrected misstatements arising from this matter on the comparative amounts in the consolidated financial statements.

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Annual 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 (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Maters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the curent year. These maters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these maters. The key audit maters noted below relate to the consolidated financial statements.

Key Audit Matter	How our audit addressed the Key Audit Matter

IFRS 15 Revenue from Contracts with Customers
 	
• There is a presumed fraud risk with regards International Standard on Auditing (ISA 240 Revised). There is a risk that the revenue is presented at amounts higher than what has been actually generated by the Group.
 	
• The Group is involved in complex construction projects where revenue is recognised over time using the percentage of completion method.
 	
• The amount of revenue and profit recognised in a year on construction projects is dependent, among other things:
  • On the actual costs incurred;
  • The assessment of the percentage of completion for contracts; and
  • The forecast contract revenue and costs to complete for each project.
 	
• The amount of revenue and profit is influenced by the valuation of variation orders and claims.
 	
• Due to the estimates and judgments involved in the recognition of revenue from construction projects, we have considered this matter as a key audit matter.
	Our audit procedures included the following
	
	• Tested general and application controls around the Group's revenue systems and reviewed the controls over the revenue effects schedule.
	
	• Understanding of the revenue process including the performance of an end-to-end walk through of the revenue recognition process and identifying relevant controls.
	
	• Tested the design and operating effectiveness controls that the Group has put in place over the process to record contract revenues, contract costs, and the calculation of the stage of completion.
	
	• Reviewed whether the revenue recognition criteria is appropriate and in line with the requirements of IFRS 15.
	
	• Evaluated the significant judgments made by management, amongst others based on an examination of the associated project documentation.
	
	• Discussed with finance and technical staff of the Group on the status of projects under construction. In addition, we visited some projects under construction.
	
	• Reviewed subsequent valuation of certified work and compared the amounts to uncertified work in progress recognised as revenue in the financial year for reasonableness.
	
	• We also assessed construction in progress valuations against contract costs and stage of completion considering total contract value to confirm the valuation of construction in progress.
	
	Based on our audit work, we satisfied ourselves that the Group's revenue recognition and valuation of construction projects is in accordance with FIRS 15, Revenue from Contracts with Customers.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards (IFRSs), and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Independent Auditor’s Report

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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 management.

- Conclude on the appropriateness of management'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 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 financial statements or, if such disclosures are inadequate, to modify our opinion.

- Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion, the consolidated financial statements have been properly prepared in compliance with the requirements of the Companies and Other Business Entities Act (Chapter 24:31).

The engagement partner on the audit resulting in this independent auditor’s report is Edmore Chimhowa.

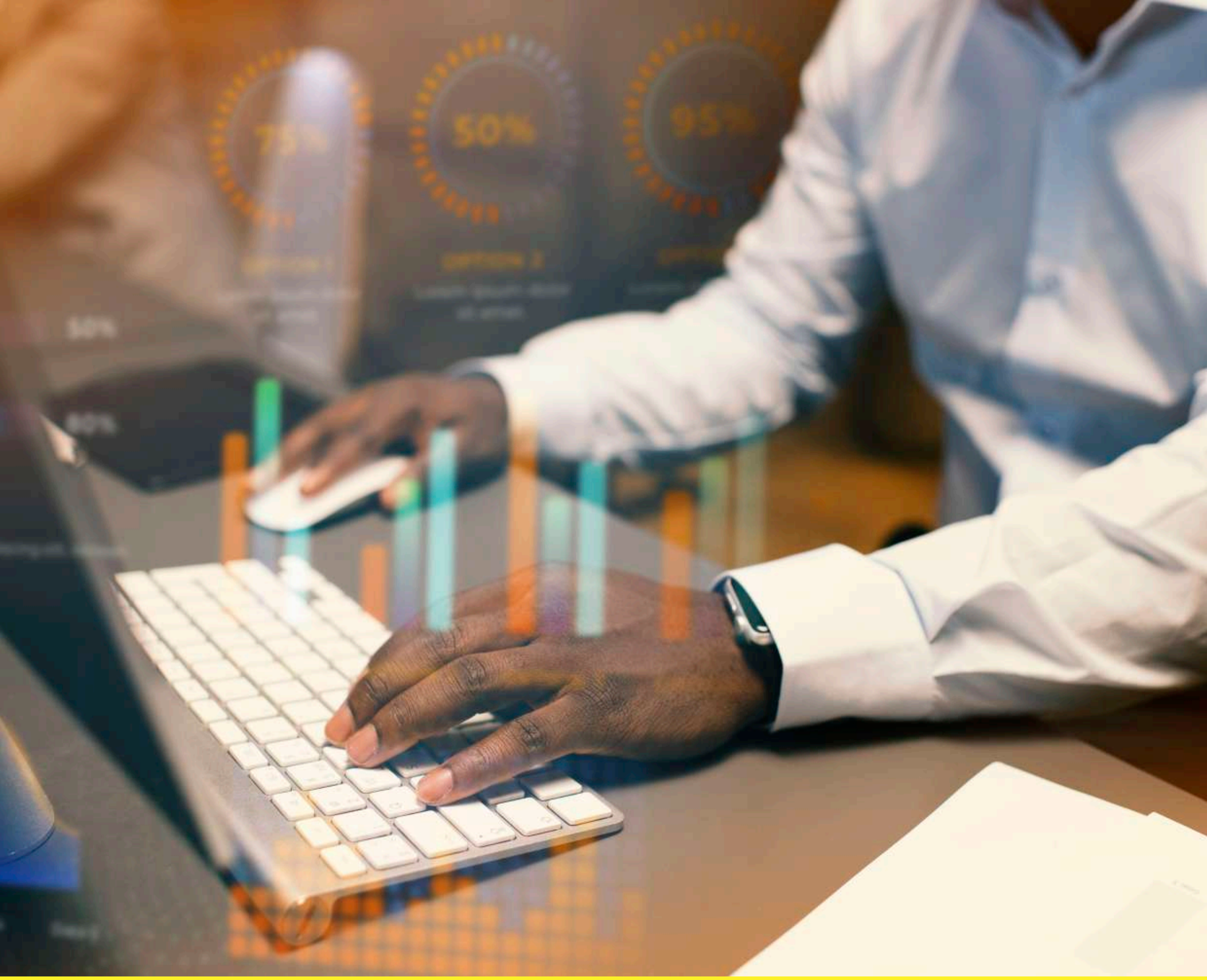
Grant Thornton

Grant Thanton Edmore Chimhowa
Partner

Registered Public Auditor (PAAB No: 0470)

Grant Thornton **30 March 2025**
Chartered Accountants (Zimbabwe) Registered Public Auditors

HARARE



Financial Statements

Consolidated Statement of Financial Position
as at 31 December 2024

	Notes	2024 USD	2023 USD
ASSETS			
Non-current assets			
Property, plant and equipment	4	22 132 144	23 630 406
Investment property	5	7 800 930	7 800 930
Investments	6	55 197	78 304
		29 988 271	**31 509 640**
Current assets			
Inventories	7	6 973 735	4 580 974
Contracts in progress and contracts receivables	8	50 889 598	36 182 783
Other receivables	9	1 914 667	10 387 631
Related part receivables	30	45 784	391 938
Cash and cash equivalents	10	2 559 425	2 886 806
		62 383 209	54 430 132
Total assets		**92 371 480**	**85 939 772**
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	11	2 316 175	2 316 175
Share premium		455 177	455 177
Share options reserve		45 280	25 044
Non distributable reserve		574 531	574 531
Distributable reserve		473 910	473 910
Revaluation reserve		6 977 545	6 288 795
Mark to market reserve		41 740	64 616
Retained earnings		19 810 305	14 028 887
		30 694 663	**24 227 135**
Non-current liabilities			
Interest bearing borrowings	12	1 092 623	-
Deferred tax	15	9 876 337	7 861 646
		10 968 960	**7 861 646**
Current liabilities			
Interest bearing borrowings	12	915 060	1 880 547
Bank overdraft	10	519 679	155 106
Trade and other payables	16	40 587 231	45 331 508
Related party payables	30	248 084	400 220
Current tax liabilities	15	32 793	21 610
Subcontractors	17	8 405 010	6 062 000
		50 707 857	**53 850 991**
Total equity and liabilities		**92 371 480**	**85 939 772**

G. Sebborn
Chairman

31 March 2025

F. Matahwa
Chief Executive Officer

31 March 2025

Consolidated Statement of Profit or Loss and Other Comprehensive Income

for the year ended 31 December 2024

	Notes	2024 USD	2023 USD
Revenue	18	56 093 117	53 834 005
Cost of sales		(40 815 231)	(40 040 316)
Gross profit		15 277 886	13 793 689
Fair value adjustment	5	-	2 200
Other operating income	19	1 073 213	449 222
Administrative expenses	20	(7 587 599)	(6 005 807)
Profit before interest and tax		**8 763 500**	**8 239 304**
Finance costs	27	(356 113)	(363 607)
Profit before tax	21	**8 407 387**	**7 875 697**
Income tax	22	(2 011 717)	(325 225)
Profit for the year		**6 395 670**	**7 550 472**
Other comprehensive income, net of income tax:			
Gain on revaluation of property, plant and equipment	4	725 000	-
Movement in available for sale investments	6	(23 107)	(136 747)
Deferred tax relating to other comprehensive income	15	(36 019)	1 367
Other comprehensive income, net of tax		665 874	(135 380)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**7 061 544**	**7 415 092**
Number of shares	11	239 388 107	239 388 107
Basic earnings per share (cents)	23	2.67	3.15
Diluted earnings per ordinary share (cents)	23	2.61	3.07
Headline earnings per ordinary share (cents)	23	2.35	3.05

Consolidated Statement of Changes in Equity

for the year ended 31 December 2024

	Share capital USD	Share premium USD	Non-distributable reserve USD	Distributable reserve USD	Revaluation reserve USD	Share options reserve USD	Foreign currency translation reserve USD	Mark to market reserve USD	Retained earnings USD	Total USD
Balance at 1 January 2023	**2 338 831**	**455 177**	**574 531**	**473 910**	**6 288 795**	**-**	**810 760**	**199 996**	**18 782 703**	**29 924 703**
Total comprehensive income	-	-	-	-	-	-	(12 059 994)	(135 380)	7 550 472	(4 641 605)
Share option movement	-	-	-	-	-	25 044	-	-	-	25 044
Cancellation of shares	(22 656)	-	-	-	-	-	-	-	-	(22 656)
Transfer of reserves	-	-	-	-	-	-	11 245 937	-	(11 245 937)	-
Dividend paid	-	-	-	-	-	-	-	-	(1 058 351)	(1 058 351)
Balance at 31 December 2023	**2 316 175**	**455 177**	**574 531**	**473 910**	**6 288 795**	**25 044**	**-**	**64 616**	**14 028 887**	**24 227 135**
Total comprehensive income	-	-	-	-	688 750	-	-	(22 876)	6 395 670	7 061 544
Share option movement	-	-	-	-	-	20 236	-	-	-	20 236
Dividend paid	-	-	-	-	-	-	-	-	(614 252)	(614 252)
Balance at 31 December 2024	**2 316 175**	**455 177**	**574 531**	**473 910**	**6 977 545**	**45 280**	**-**	**41 740**	**19 810 305**	**30 694 663**

Foreign currency translation reserve arose as a result of the changes in functional currency as described in note 1.2.

Consolidated Statement of Cash Flows
for the year ended 31 December 2024

	Notes	2024 USD	2023 USD
Cash flows from operating activities			
Profit before interest and tax		8 763 500	8 239 304
Adjustment for non-cash items:			
Depreciation of non-current assets	**4**	4 585 574	4 342 126
Impairment of non-current assets	**4**	261 780	-
Fair value adjustment of investment property	**5**	-	(2 200)
Allowances for credit losses		102 674	210 523
Unrealised exchange gain	**19**	62 186	(141 032)
(Profit)/loss on disposal of property, plant and equipment	**19**	(347 589)	4 027
Interest expense	**27**	356 113	363 607
Share option expense	**11**	**20 236**	**25 044**
Other non-cash items			(14 433 901)
Operating cash flow before changes in working capital		**13 804 674**	**(1 392 502)**
Changes in working capital:			
Increase in inventory		(2 392 761)	(4 073 170)
Increase in contracts in progress and contract receivables		(14 706 815)	(12 050 409)
Decrease/ (increase) in trade and other receivables		8 819 118	(3 273 765)
(Decrease)/ increase in trade and other payables and sub-contractors		(2 553 403)	26 144 409
Cash generated from operating activities		**2 970 813**	**5 354 563**
Tax paid	**15**	(21 862)	(12 311)
Net cash flows generated from operating activities		2 948 951	5 342 252
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, plant and equipment:			
to maintain operations	**4**	(2 525 964)	(4 167 677)
Proceeds from the disposal of property, plant and equipment		92 861	98 842
Investment property additions	**5**	-	(82 160)
Net cash flows utilised in investing activities		**(2 433 103)**	**(4 150 995)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings		2 592 702	2 879 057
Repayment of borrowing and leasing liabilities		(2 821 679)	(1 663 171)
Dividends paid		(614 252)	(1 058 351)
Net cash flows (utilised in)/generated from financing activities		**(843 229)**	**157 535**
Net (decrease)/increase in cash and cash equivalents		(327 381)	1 348 792
Cash and cash equivalents at beginning of the year		2 886 806	1 538 014
Cash and cash equivalents at end of year	**10**	**2 559 425**	**2 886 806**

Company Statement of Financial Position
as at 31 December 2024

	Notes	2024 USD	2023 USD
ASSETS			
Non-current assets	4	20 172 273	21 482 458
Property, plant and equipment	6	6 350 976	6 367 292
Investments		**26 523 249**	**27 849 750**
Current assets			
Inventories	7	6 796 143	1 910 616
Contracts in progress and contracts receivables	8	50 889 598	36 182 783
Trade and other receivables	9	1 885 171	10 358 597
Related party receivables	30	1 738 624	1 486 772
Cash and cash equivalents	10	2 504 525	2 870 913
		63 814 061	**52 809 681**
Total assets		**90 337 310**	**80 659 431**
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	11	2 316 175	2 316 175
Share premium		455 177	455 177
Share options reserve		45 280	25 044
Non distributable reserve		2 274 659	2 274 659
Revaluation reservee		4 617 718	4 617 718
Foreign currency translation reserve		38 088	54 241
Mark to market reserve		17 357 159	11 515 895
Retained earnings		**27 104 256**	**21 258 909**
Non-current liabilities			
Interest bearing borrowings	12	1 092 623	-
Lease Liability	14	836 933	-
Deferred tax	15	7 554 475	5 048 223
		9 484 031	**5 048 223**
Current liabilities			
Interest bearing borrowings	12	915 060	1 880 547
Bank overdraft	10	519 679	155 106
Lease Liability	14	209 234	55 975
Trade and other payables	16	41 350 934	45 798 451
Related party payables	30	2 349 106	400 220
Subcontractors	17	8 405 010	6 062 000
		53 749 023	**54 352 299**
Total equity and liabilities		**90 337 310**	**80 659 431**

G. Sebborn
Chairman

31 March 2025

F. Matahwa
Chief Executive Officer

31 March 2025

Company Statement of Profit or Loss and Other Comprehensive Income
for the year ended 31 December 2024

	Notes	2024 USD	2023 USD
Revenue	**18**	56 093 117	53 834 005
Cost of sales		(40 378 884)	(40 119 846)
Gross profit		15 714 233	13 714 159
Fair value adjustment	**6.2**	-	1 665 130
Other operating income	**19**	884 625	276 291
Administrative expenses	**20**	(7 280 977)	(5 697 722)
Profit before interest and tax		**9 317 881**	**9 957 858**
Finance costs		(356 113)	(363 607)
Profit before tax	**21**	8 961 768	9 594 251
Taxation	**22**	(2 506 252)	(155 542)
Profit for the year		**6 455 516**	**9 438 709**
	27		
Other comprehensive income, net of income tax:			
Movement in available for sale investments	**6**	(16 316)	(146 911)
Deferred tax relating to other comprehensive income	**15**	163	1 367
Other comprehensive income, net of tax		(16 153)	(145 544)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**6 439 363**	**9 293 165**
Profit per share			
Number of shares		239 388 107	239 388 107
Basic earnings per share (cents)	**23**	2.70	3.94
Diluted earnings per ordinary share (cents)	**23**	2.63	3.84
Headline earnings per ordinary share (cents)	**23**	2.38	3.15

Company Statement of Changes In Equity
for the year ended 31 December 2024

	Share capital USD	Share premium USD	Non-distributable reserve USD	Foreign currency translation reserve USD	Revaluation reserve USD	Share based payment reserve USD	Mark to market reserve USD	Retained earnings USD	Total USD
Balance at 1 January 2023	**2 338 831**	**455 177**	**2 274 659**	**(1 682 502)**	**4 617 718**	**-**	**199 785**	**16 758 260**	**24 961 928**
Total comprehensive income	-	-	-	(11 940 221)	-	-	(145 544)	9 438 709	(2 647 056)
Share option movement	-	-	-	-	-	25 044	-	-	25 044
Cancellation of shares	(22 656)								(22 656)
Transfer of reserves	-	-	-	13 622 723	-	-	-	(13 622 723)	-
Dividend paid	-	-	-	-	-	-	-	(1 058 351)	(1 058 351)
Balance at 31 December 2023	**2 316 175**	**455 177**	**2 274 659**	**-**	**4 617 718**	**25 044**	**54 241**	**11 515 895**	**21 258 909**
Total comprehensive income	-	-	-	-	-	-	(16 153)	6 455 516	6 439 363
Share option movement	-	-	-	-	-	20 236	-	-	20 236
Dividend paid	-	-	-	-	-	-	-	(614 252)	(614 252)
Balance at 31 December 2024	**2 316 175**	**455 177**	**2 274 659**	**-**	**4 617 718**	**45 280**	**38 088**	**17 357 159**	**27 104 256**

Foreign currency translation reserve arose as a result of the changes in functional currency as described in note 1.2.

Company Statement of Cash Flows
for the year ended 31 December 2024

	Notes	2024 USD	2023 USD
Cash flows from operating activities			
Profit before interest and tax		9 317 881	9 957 858
Adjustment for non-cash items:			
Depreciation of non-current assets	**4**	4 573 663	4 268 763
Impairment of non-current assets	**4**	261 780	-
Allowances for credit loss		105 971	210 695
Unrealised exchange gain	**19**	(355 427)	(149 366)
Fair Value adjustments	**6.2**	-	(1 665 130)
Loss/(profit) on disposal of property, plant and equipment		(347 589)	4 027
Interest expense	**27**	356 113	363 607
Share option expense	**11**	20 236	25 044
Other non-cash items		-	(17 725 653)
Operating cash flow before changes in working capital		**13 932 628**	**(4 710 155)**
Changes in working capital:			
Increase in contracts in progress and contract receivables		(14 706 815)	(12 050 356)
Increase in inventory		(4 885 527)	(1 402 812)
Increase/(decrease) in trade and other receivables		8 473 426	(3 282 503)
Increase in related party balances		2 200 738	473 021
(Increase)/decrease in trade and other payables and sub-contractors		(2 104 507)	26 150 675
Net cash flows generated from operating activities		**2 909 943**	**5 177 870**
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, plant and equipment:			
-To maintain operations	**4**	(3 572 130)	(4 097 364)
Proceeds from the disposal of property, plant and equipment		92 861	98 842
Net cash flows utilised in investing activities		**(3 479 269)**	**(3 998 522)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings		3 638 869	2 879 056
Repayment of borrowing and leasing liabilities		(2 821 679)	(1 663 171)
Dividends paid		(614 252)	(1 058 351)
Net cash flows generated from/(utilised in) financing activities		**202 938**	**157 534**
Net (Decrease)/increase in cash and cash equivalents		(366 388)	1 336 882
Cash and cash equivalents at beginning of the year		2 870 913	1 534 031
Cash and cash equivalents at end of year	**10**	**2 504 525**	**2 870 913**

1 GENERAL INFORMATION

Masimba Holdings Limited (the Group) is a limited company incorporated in the Republic of Zimbabwe. The address of its registered office is 44 Tilbury Road, Willowvale, Harare, Zimbabwe.

The principal activities of the Group are civil engineering, building contracting, quarry mining and property development.

1.2 Functional and Presentation Currency

The financial statements are presented in United States Dollars (USD), being the functional and reporting currency of the Group.

The consolidated financial statements are presented in United States Dollar currency and the Directors have applied interbank rates to convert all Zimbabwe Gold (ZWG) transactions and balances to the Group's functional currency, the United States Dollar (USD). "

In 2023 financial year, the Group reassessed its functional currency in accordance with the requirements of IAS 21, effects of changes in foreign exchange rates. The Group concluded that based on the primary operating environment and the Group's own operating activities, there had been a change in its functional currency from Zimbabwean Dollar ("ZWL") to United States Dollars (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. In deriving the opening balances for the 2023 comparative period, amounts for all items disclosed were derived from applying an exchange rate as at 31 December 2022 on the reviewed inflation adjusted figures, except for share capital and reserves, where alternative procedures and techniques were applied. In aiming to achieve fair presentation, any differences that arose from the converted balances and the historic USD values were recorded under the Foreign Currency Translation Reserve (FCTR) as effects of translation.

Effects of translation

Following translating the comparative numbers in accordance with IAS21, the Directors assessed the resultant numbers against the historical USD values of the account balances arrived at by application of alternative procedures and techniques. In an endeavour for fair presentation and provision of best usable information to all stakeholders, the Directors adopted the historical USD values where there were material differences. In such instances, the account balances were adjusted through Foreign Currency Translation Reserve (FCTR) and the adjustments have been presented as effects of translation in the consolidated financial statements.

Share Capital and Reserves

In estimating the USD values, the Directors applied the USD values as per the share register filed with the Registrar of Companies and maintained the historic value of each share. This value differs from the values determined by applying guidance of IAS21 of dividing the prior year inflation adjusted by the closing rate of exchange. The movement between the above values was recorded as effects of translation in the current comparative financial period.

Investment Property

In 2023 financial year, the Group engaged an independent valuer to estimate the values as at 31 December 2023. Following determination of opening balances in USD, material variance had risen from ZWL values adopted at the beginning of the year. The resultant variances were reported as effects if translation in the comparative financial statements.

Property, plant and equipment

The Group had been maintaining USD historical costs for all pieces of property, plant and equipment owned by the Group based on the actual payments made towards acquisition of the equipment and adjusted for depreciation for the period the equipment has been in use. The Group adopted these historical costs upon change of functional currency to United States Dollar. The adoption of historical USD values was premised on the material differences that arose between the historical costs and the values arrived at when IAS21 is complied with. To foster fair presentation, the Group adopted the values that represent the true economic value of the transactions and account balance.

1.3 Use of Significant Judgements

In preparation of these consolidated financial statements management has made judgements, estimates and assumptions that affect the application of the group's accounting policies and the reported amounts of assets, liabilities, income and expenses. The following are some of the significant judgements:

1.3 Use of Significant Judgements (continued)

a) Valuation of Properties

The Directors engaged the services of an independent external valuer for the fair valuation of investment property and freehold land and buildings. The valuation was undertaken using the appropriate methodology and professional judgement of valuers. The properties were valued based on rental inputs and observed transactions in accordance with International Valuation Standards. Income generating projects were valued using the Income Approach while land and residential properties on the Direct Comparison Approach.

b) Valuation of Other Property, Plant and Equipment

Directors periodically assess the fair values of other property, plant and equipment (PPE) and revaluations are performed to align the carrying amounts of PPE with fair values.

c) Valuation of Revenue in Progress

When the outcome of construction contracts has been reliably assessed, the Group estimates Revenue in Progress in proportion to the stage of completion at the reporting date. This is measured by comparing the costs incurred for the work completed to the estimated total contract costs to completion. In determining the revenue in progress the entity also applies judgement on the recoverability of underclaims, recognition of contract incentives, penalties and claims on contracts.

d) Allowance for credit losses

The Group utilizes estimates to calculate the provision for credit losses, specifically to assess the recoverability of trade receivables. This assessment takes into account any changes in the credit quality of trade receivables from the date credit was initially extended to the reporting date.

Additionally, the Group makes use of estimates to determine the useful lives and residual values of property, plant, and equipment, as well as to establish the fair value of share options.

e) Provisions

The Group exercises judgement in estimating the amounts of provisions to be made for various costs and liabilities including onerous contracts, leave pay provisions, services utilised but not yet billed by suppliers and provisions for obsolete stocks. Management considers their expectations based on past events and other conditions that may indicate present obligations exist that warrant a provision as per the requirements of IAS 37.

2 Application of new and revised international financial reporting standards

In the current year, the Company has applied new and several amendments to IFRSs issued by the International Accounting Standards Board (IASB) that are mandatorily effective for an accounting period that begins on or after 1 January 2024.

2.1 New Standards adopted as at 1 January 2024

Amendment to IFRS 16 - Leases on sale and leaseback

The amendments to IFRS 16 add subsequent measurement requirements for sale and leaseback transactions that satisfy the requirements in IFRS 15 to be accounted for as a sale. The amendments require the seller-lessee to determine 'lease payments' or 'revised lease payments' such that the seller-lessee does not recognize a gain or loss that relates to the right of use retained by the seller-lessee, after the commencement date.

The amendments do not affect the gain or loss recognized by the seller-lessee relating to the partial or full termination of a lease. Without these new requirements, a seller-lessee may have recognized a gain on the right of use it retains solely because of a remeasurement of the lease liability (for example, following a lease modification or change in the lease term) applying the general requirements in IFRS 16. This could have been particularly the case in a leaseback that includes variable lease payments that do not depend on an index or rate.

As part of the amendments, the IASB amended an Illustrative Example in IFRS 16 and added a new example to illustrate the subsequent measurement of a right-of-use asset and lease liability in a sale and leaseback transaction with variable lease payments that do not depend on an index or rate. The Group does not have transactions affected by this change in the current year.

Amendments to IAS 7 and IFRS 7 on Supplier finance arrangements

The amendments add a disclosure objective to IAS 7 stating that an entity is required to disclose information about its supplier finance arrangements that enables users of financial statements to assess the effects of those arrangements on the entity's liabilities and cash flows. In addition, IFRS 7 was amended to add supplier finance arrangements as an example within the requirements to disclose information about an entity's exposure to concentration of liquidity risk. The term 'supplier finance arrangements' is not defined. Instead, the amendments describe the characteristics of an arrangement for which an entity would be required to provide the information.

2.1 New Standards adopted as at 1 January 2024 (continued)
Amendments to IAS 7 and IFRS 7 on Supplier finance arrangements (continued)
To meet the disclosure objective, an entity will be required to disclose in aggregate for its supplier finance arrangements:

- The terms and conditions of the arrangements. The carrying amount and associated line items presented in the entity's statement of financial position, of the liabilities that are part of the arrangements.
- The carrying amount, and associated line items for which the suppliers have already received payment from the finance providers.
- Ranges of payment due dates for both those financial liabilities that are part of a supplier finance arrangement and comparable trade payables that are not part of a supplier finance arrangement.
- Liquidity risk information.

The Group does not have transactions affected by this change in the current year.

Amendments to IAS 1 (Presentation of Financial Statements) – Classification of Liabilities as Current or Non-current
The amendments to IAS 1 published in January 2020 affect only the presentation of liabilities as current or non-current in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items.

The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services. The Group does not have balances affected by this change in the current year.

Amendments to IAS 1 (Presentation of Financial Statements)—Non-current Liabilities with Covenants
The amendments specify that only covenants that an entity is required to comply with on or before the end of the reporting period affect the entity's right to defer settlement of a liability for at least twelve months after the reporting date (and therefore must be considered in assessing the classification of the liability as current or non-current). Such covenants affect whether the right exists at the end of the reporting period, even if compliance with the covenant is assessed only after the reporting date (e.g. a covenant based on the entity's financial position at the reporting date that is assessed for compliance only after the reporting date).

The IASB also specifies that the right to defer settlement of a liability for at least twelve months after the reporting date is not affected if an entity only has to comply with a covenant after the reporting period. However, if the entity's right to defer settlement of a liability is subject to the entity complying with covenants within twelve months after the reporting period, an entity discloses information that enables users of financial statements to understand the risk of the liabilities becoming repayable within twelve months after the reporting period. This would include information about the covenants (including the nature of the covenants and when the entity is required to comply with them), the carrying amount of related liabilities and facts and circumstances, if any, that indicate that the entity may have difficulties complying with the covenants.

The adoption of these amendments, has not had any material impact on the Group's financial statements.

2.2 New standards, amendments and interpretations issued but not effective for the financial period beginning on 1 January 2024 and have not been adopted early by the Group
Amendments to IAS 21: Lack of Exchangeability

The IASB's amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates require disclosure of information that enables users of financial statements to understand the impact of a currency not being exchangeable. These amendments will be effective for annual reporting period beginning or after 1 January 2025.

3 Summary of significant accounting policies
3.1 Statement of compliance
The Group's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) and in the manner required by the Companies and Other Business Entities Act (Chapter 24:31) and the Zimbabwe Stock Exchange listing requirements. The principal accounting policies of the Group are consistent with those applied in the previous annual financial statements.

3.2 Basis of preparation
The Group's financial statements, with the exception of IAS 21, 'Effects of changes in foreign exchange rates' as detailed in note 1.2 for the previous financial year, have been prepared in accordance with International Financial Reporting Standards (IFRSs), the International Financial Reporting Interpretations Committee (IFRIC) Interpretations and the Companies and other Business Entities Act (Chapter 24:31) and related statutory instruments. With the exceptions noted as in policy 2.1 above, "Application of new and revised IFRSs", the accounting policies set out below have been consistently applied from the previous year and throughout the current year.

3.2 Basis of preparation (continued)

These financial statements are presented in United States Dollar (USD) being the functional and reporting currency of the Group. The preparation of financial statements requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Although these estimates are based on managements' best knowledge of current events and actions, actual results may ultimately differ from those estimates. A detailed description of significant judgements and estimates made by management is included in note 1.3.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of International Financial Reporting Standards (IFRSs) that have a significant effect on the financial statements, and significant estimates made in the preparation of these consolidated financial statements are discussed in note 1.3.

3.3 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Group (including structured entities) controlled by the Group and its subsidiaries. Control is achieved when the Group:-

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns. The Group reassesses 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 listed above.

When the Group has less than a majority of voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power including:-

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has or does not have the current ability to direct the relevant activities at the time that the decisions need to be made, including voting patterns at previous Shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributable to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficient balance.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consideration.

3.3.1 Changes in the Group's ownership interest in existing subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interest and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognized in profit or loss and is calculated as the difference between (I) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill) and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognized in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable IFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IAS 39, where applicable, the cost on initial recognition of an investment in an associate or a joint venture.

3.4 Business combinations

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition - date of fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group, in exchange for the control of the acquiree. Acquisition related costs are generally recognized in profit or loss as incurred.

At acquisition date, the identifiable assets acquired and the liabilities assumed are recognized at the fair value except that:-

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognized and measured in accordance with IAS 12 Income Taxes and IAS 19 Employee Benefits respectively; and
- Assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 Non- current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

3.4.1 Investments in subsidiaries in the parent company's separate books

In accordance with IAS 27 – Separate Financial Statements, the Group accounts for its investments in subsidiaries at fair value through profit or loss as permitted by IFRS 9 – Financial Instruments. Fair value is determined based on observable market data where available, or through valuation techniques that consider the net assets of the subsidiaries, including the fair value of underlying properties, liquid assets, and liabilities. Gains or losses arising from changes in fair value are recognized in profit or loss in the period in which they arise. The fair value assessment considers external market valuations for property holdings and quoted prices for liquid financial instruments, ensuring a reliable and market-based approach to valuation.

3.5 Interests in joint ventures

When a Group entity undertakes its activities directly under joint arrangements, the Group’s share of jointly controlled assets and any liabilities incurred jointly with other ventures are recognized in the financial statements of the relevant entity and classified according to their nature. Liabilities and expenses incurred directly in respect of interests in jointly controlled assets are accounted for on an accrual basis. Income from the sale or use of the Group’s share of the output of jointly controlled assets, and its share of joint venture expenses, are recognized when it is probable that the economic benefits associated with the transaction will flow to/from the Group and their amount can be measured reliably.

Joint venture arrangements that involve the establishment of a separate entity, in which each venture has an interest, are referred to as jointly controlled entities.

The Group reports its interests in jointly controlled entities using proportionate consolidation, except when the investment is classified as held for sale, in which case it is accounted for in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations. The Group’s share of the assets, liabilities, income and expenses of jointly controlled entities is combined with the equivalent items in the consolidated financial statements on a line-by-line basis.

Any goodwill arising on the acquisition of the Group’s interest in a jointly controlled entity is accounted for in accordance with the Group’s accounting policy for goodwill arising in a business combination (see note 3.4 above).

When a Group entity transacts with its jointly controlled entity, profits and losses resulting from the transactions with the jointly controlled entity are recognized in the Group’s consolidated financial statements only to the extent of interest in the jointly controlled entity that are not related to the Group.

3.6 Revenue recognition

The Group recognizes revenue in accordance with IFRS 15 by ensuring that approved contracts with customers clearly outline the scope of work/performance obligation and the corresponding consideration. Revenue is measured based on the amount the Group anticipates it will earn from a contract with a customer.

Any amounts received prior to the completion of the related work are recorded in the consolidated statement of financial position as liabilities under advances received. Conversely, amounts billed for work completed but not yet paid by the customer are reflected in the consolidated statement of financial position within contracts in progress and contracts receivables.

3.6.1 Long-term and construction contracts

Where the outcome of a long-term and construction contract can be measured reliably, revenue and costs are recognized by reference to the stage of completion of the contract at the statement of financial position date, as measured by the proportion that contract costs incurred for work to date bear to the estimated total contract costs, except where this would not be representative of the stage of completion. Variations in contract work, claims and incentive payments are included to the extent that collection is probable and the amounts can be measured reliably. Anticipated losses to completion are recognized immediately as an expense in contract costs. This method is an appropriate measure of the progress towards complete satisfaction of these performance obligations under IFRS 15.

The Group becomes entitled to invoice customers on long term construction contracts based on achieving a series of performance related milestones. When a particular milestone is achieved the customer is sent the relevant statement of work signed by a third party assessor and an invoice for the related milestone payment.

Where the outcome of the long-term and construction contracts cannot be reliably determined, contract revenues are recognized to the extent that the recoverability of incurred costs is probable. Contract costs are recognized as expenses in the period in which they are incurred.

3.6.1 Long-term and construction contracts (continued)

When contract costs incurred to date plus recognized profit less recognized losses exceed progress billings, the surplus is shown as amounts due from customers for contract work. For contracts where progress billings exceed contract costs incurred to date plus recognized profit less recognized losses, the surplus is shown as the amount due to customers for contract work. Amounts received before the related work is performed are included in the consolidated statement of financial position, as a liability, as advances received. Amounts billed for work performed but not yet paid by the customer are included in the consolidated statement of financial position under contracts in progress and contracts receivables.

3.6.2 Dividend and interest revenue

Dividend revenue from investments is recognized when the Shareholder's right to receive payment has been established.

Interest income from financial assets is recognized when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest revenue is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

3.6.3 Rental income

Rental income from investment properties is recognized on a straight line basis over the term of the relevant lease.

3.7 Property, plant and equipment

Property, plant and equipment are tangible assets that the Group holds for its own use or for rental to others and which the Group expects to use for more than one period. The consumption of property, plant and equipment is reflected through a depreciation charge designed to reduce the asset to its residual value over its useful life.

3.7.1 Measurement

It is the policy of the Group to revalue its property, plant and equipment frequently enough to ensure that the fair value of a revalued asset does not differ materially from its carrying amount. Any revaluation increase arising is recognized in other comprehensive income, except to the extent that it reverses a revaluation decrease for the same asset previously recognized in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously expensed. A decrease in the carrying amount arising on revaluation is recognized in profit or loss to the extent that it exceeds the balance, if any, held in the revaluation reserve of that asset. Property, plant and equipment are shown at cost/revaluation less the related depreciation.

3.7.2 Subsequent costs

Subsequent costs are included in an asset's carrying value 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.

3.7.3 Components

The amount initially recognized in respect of an item of property, plant and equipment is allocated to its significant components and where they have different useful lives, are recorded and depreciated separately. The remainder of the cost, being the parts of the item that are individually not significant or have similar useful lives, are grouped together and depreciated as one component.

3.7.4 Depreciation

Depreciation is recognized so as to write off the cost or valuation of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The following average useful lives are used in the calculation of depreciation:-

Land is not depreciated		
Buildings	40 years	On a straight - line basis
Plant and equipment	4-10 years	On a straight - line basis
Motor vehicles	5 years	On a straight - line basis
Other Assets	3-10 years	On a straight - line basis

3.7.5 Useful lives and residual values

The property, plant and equipment's residual values and useful lives are reviewed, and adjusted if appropriate, at each financial year end. The estimated useful life is based on expected usage of the asset and expected physical wear and tear, which depends on operational factors such as number of shifts for which the asset is to be used and the repair and maintenance program and technological obsolescence arising from changes and residual value.

3.8 Impairment of assets

At each statement of financial position date the Group assesses whether there is any indication that an asset maybe impaired. If any such indication exists, the asset is tested for impairment by estimating the recoverable amount of the related asset. Irrespective of whether there is any indication of impairment, an intangible asset with an indefinite useful life, intangible assets not yet available for use and goodwill acquired in a business combination, are tested for impairment on an annual basis.

When performing impairment tests, the recoverable amount is determined for the individual asset for which an objective indication of impairment exists. If the asset does not generate cash flows from continuing use that are largely independent from other assets or group of assets, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing 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 the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

3.9 Taxation and deferred taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

3.9.1 Current taxation

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The liability for current tax is calculated using rates that have been enacted by the statement of financial position date.

3.9.2 Deferred taxation

Deferred tax is recognized on temporary differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the statement of financial position liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences, and deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, and interest in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. The carrying amount of deferred tax assets is reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the assets realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the statement of financial position date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognized as an expense or income in profit or loss, except when they relate to items that are recognized outside profit or loss (whether in other comprehensive income or directly in equity), in which case the tax is also recognized outside profit or loss, or where they arise from the initial accounting for a business combination. In the case of a business combination, the tax effect is taken into account in the accounting for the business combination.

3.9.3 Value added tax

Revenues, expenses and assets are recognized net of the amount of value added tax except where the goods supplied are exempted or zero rated. The net amount of VAT recoverable from or payable to the taxation authority is included as part of receivables or payables in the statement of financial position.

3.10. Advance payments received

Advance payments received are assessed on initial recognition to determine whether it is probable that they will be repaid in cash or another financial asset. If it is probable that the advance payments will be repaid with goods or services, the liability is carried at historical cost.

3.11. Inventories

Inventories comprise of land being developed for stands, construction materials and spares. They are valued at the lower of cost or net realizable value generally determined on a moving average basis. Net realizable 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.

3.12. Foreign currency translation

The individual financial statements of each Group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). For the purpose of the consolidated financial statements, the results and financial position of each entity are expressed in USD, which is the functional currency of the Group and the presentation currency for the consolidated financial statements. In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing at the dates of the transactions. At each statement of financial position date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the statement of financial position date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in foreign currency are not retranslated. Exchange differences are recognized in profit or loss in the period in which they arise except for:-

- exchange differences which relate to assets under construction for future productive use;
- exchange differences which are included in the cost of those assets where they are regarded as an adjustment to interest costs on foreign currency borrowings;
- exchange differences on transactions entered into in order to hedge certain foreign currency risks; and
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur, which form part of the net investment in a foreign operation, and which are recognized in the foreign currency translation reserve and recognized in profit or loss on disposal of the net investment.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are expressed in USD using exchange rates prevailing at the statement of financial position date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are classified as equity and transferred to the Group's foreign currency translation reserve. Such exchange differences are recognized in profit or loss in the period in which the foreign operation is disposed of.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

On the disposal of a foreign operation (i.e. disposal of a Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, a disposal involving loss of joint control over a jointly controlled entity that includes a foreign operation), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit and loss. In addition, in relation to a partial disposal of a subsidiary that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interest and are not recognized in profit and loss. All partial disposals i.e. partial disposal of associates or jointly controlled entities that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

Goodwill and fair value adjustments on identifiable assets and liabilities acquired arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognized in equity.

3.13. Financial instruments

Financial assets and financial liabilities are recognized when a Group entity becomes a party to the contractual provisions of the instrument.

3.13.1 Financial assets

Financial assets are recognized when the Group becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognized on the settlement date. Financial assets are derecognized 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 recognized if any rights and obligations are created or retained in the transfer. The Group has three classes for its financial assets, that is amortized cost, fair value through profit/loss and fair value through other comprehensive income. The classification depends on the cashflow characteristics of the financial asset and the business model in which it is held.

3.13. Financial instruments (continued)

3.13.1 Financial assets (continued)

Classification

The Group's financial assets are classified as either amortized cost or fair value through other comprehensive income (FVTOCI) or fair value through profit or loss (FVTPL).

Amortised Cost

Financial assets are classified at amortized cost if the contractual terms give rise to payments that are solely payments of principal and interest ("SPPI") on the principal amount outstanding and the financial asset is held in a business model whose objective is to hold financial assets in order to collect contractual cash flows. These assets are subsequently measured at amortized cost using the effective interest method, minus impairment allowances. Interest income and gains and losses from financial assets at amortized cost are recognized in statement of profit or loss 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.

Financial assets at FVTPL

Financial instruments are classified at fair value through profit or loss if it fails the SPPI test or if it is designated at FVTPL. Financial instruments at 'fair value through profit or loss are measured at fair value, and changes therein are recognised in the statement of profit or loss. The Group classifies the following financial assets at fair value through profit or loss (FVTPL): - debt investments that do not qualify for measurement at either amortised cost or FVOCI - equity investments that are held for trading, and - equity investments for which the entity has not elected to recognise fair value gains and losses through OCI. - unit trust held at fair value through profit or loss.

Financial assets at FVOCI

A financial asset is measured at fair value through other comprehensive income (FVOCI) if the asset is held within a business model whose objective is achieved by both holding the financial asset in order to collect contractual cash flows and selling the financial asset, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Recognition and derecognition are regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

Offsetting 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.

Measurement

At initial recognition, the Group measures a financial asset classified at amortised cost at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.

If the transaction price differs from fair value at initial recognition the difference is accounted for as follows;

If fair value is evidenced by a quoted price in an active market for an identical asset or based on a valuation technique that uses only data from observable markets, then the difference is recognised in profit or loss on initial recognition (i.e. day 1 profit or loss);

In all other cases, the fair value will be adjusted to bring it in line with the transaction price (i.e. day 1 profit or loss will be deferred by including it in the initial carrying amount of the asset or liability). After initial recognition, the deferred gain or loss 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 market participants would consider when pricing the asset or liability.

3.13. Financial instruments (continued)

3.13.2 Financial assets (continued)

Contracts in progress, contract receivables and other receivables

The valuation of contracts in progress takes account of all direct expenditure on contracts, less payment on account and provision for possible losses to completion. Profits or losses on contracts are recognized with reference to the stage of completion, which is determined by taking into account the proportion of work executed and the nature of each contract. Anticipated losses to completion are deducted.

Trade receivables are amounts due from customers for goods sold in the ordinary course of business. If collection was expected in one year or less, they were presented as current assets. If not, they were presented as non-current assets. Trade receivables were measured at initial recognition at fair value, and were subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts were recognised in profit or loss when there was objective evidence that the asset was impaired. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments were considered indicators that the trade receivable was impaired. The allowance recognised was measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on financial assets measured at amortised cost. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognises Expected Credit Losses ("ECL") for trade receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group recognises ECL when there has been a significant increase in credit risk since initial recognition. In contrast, 12 months ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument.
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.

3.13.2 Financial liabilities and equity instruments

Financial Liabilities

Financial liabilities are recognized when the Group becomes bound to the contractual obligations of an instrument. Financial liabilities are derecognized 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.

3.13. Financial instruments (continued)

3.13.2 Financial liabilities and equity instruments (continued)

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. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables were presented as current liabilities if payment was due within one year or less, If not, they were presented as non-current liabilities. Trade payables were initially measured at fair value, and were subsequently measured at amortised cost, using the effective interest rate method.

3.14. Leases

The Group assesses whether a contract contains a lease, at inception of the contract. The Group recognises a right of use asset and a corresponding lease liability with respect to all the lease arrangements in which it is a leasee, except for short term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The Group as Lessor

The Group enters into lease agreements as a lessor with respect to some of its investment properties. Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the leasee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to carrying amount of the leased asset and recognised on a straight-line basis over the lease term .

Amounts due from lessees under finance lease are recognised as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding respect of the leases.

When a contract includes leases and non- lease components, the Group applies IFRS 15: Revenue from Contracts with customers, to allocate the consideration under the contract to each component.

The Group as Lessee

The lease liability is initially measured at the present value of the lease payments that are not paid at the present value of the lease payments that are not paid at the commencement date, discounted using the rate implicit in the lease. If this rate cannot be reliably determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprises of: fixed lease payments (including in substance fixed payments), less any lease incentives; variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date; the amount expected to be payable by the lease under residual value guarantees; the exercise price of purchase options, if the lease is reasonably certain to exercise the options; and payments of penalties for terminating the lease, if the base term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the consolidated statement of financial position. The lease liability is subsequently measured by increasing the carrying amount to reflect the lease payments made. The Group remeasured the lease liability (and makes a corresponding adjustment to the related right of use asset) whenever: the lease term has changed change or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease using a revised rate The lease payments change due to changes in an index or rate or a change in expected payments under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating rate, in which case a revised discount rate is used). A lease contract is modified, and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

The Group did not make such adjustments during the periods presented.

3.14. Leases (continued)

The right of use assets comprises the initial measurement of the corresponding lease liability, lease payments made at or before the commencement date and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and amortisation losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under IAS 37; Provisions" Contingent Liabilities and Contingent Assets. The costs are included in the related right of use asset, unless those costs are incurred to produce inventories.

Right of use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lessee transfers ownership of the underlying asset or the cost of the right of use assets reflects that the Group expects to exercise a purchase option, the related right of use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right of use assets are presented as a separate line in the consolidated statement of financial position.

The Group applies IAS 36: Impairment of Assets to determine whether right of use asset is impaired and accounts for any identified impairment loss as described in the Property, Plant and Equipment policy (3.7).

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and right of use asset. The related payments are recognised as an expense in the period in which the event or condition triggers those payments occurs and are included in the line administrative expenses in the statement of profit or loss.

As a practical expedient, IFRS 16: Leases permits a lease not to separate non lease components, and instead account for any lease and associated non lease components as a single arrangement. The Group has not used this practical expedient.

3.15 Share based payments

Senior Executives of the Group receive remuneration in the form of share based payments, whereby they receive equity instruments as consideration for rendering services. The cost of equity settled transactions with employees is measured by reference to the fair value at the date on which they are granted. In valuing equity settled transactions, no account is taken of any performance conditions other than those linked to the price of the shares of the Group. The cost of equity settled transactions is recognised, together with corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award ('the vesting date').

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

Details regarding the determination of the fair value of equity settled share based transactions are set out in note 11.

The fair value determined at the grant date of the equity settled share based payments is expensed on a straight line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimate, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve (Share Based Payment reserve).

3.16. Investment properties

Investment property is property held to earn rentals and/or for capital appreciation rather than for use in the production or supply of goods or services, for administrative purposes, or sale in the ordinary course of business. This classification is performed on a property-by-property basis. Initially, investment property is measured at its cost, including transaction costs. Subsequent to initial measurement, investment property is measured at fair value. Gains or losses arising from changes in the fair value of investment property are included in profit or loss for the period in which they arise.

An investment property is de-recognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on de-recognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the assets) is included in profit or loss in the period in which the property is de-recognised.

3.17. Capitalisation of borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

3.18. Provisions and contingencies

3.18.1 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the statement of financial position date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

3.18.2 Restructurings

A restructuring provision is recognised when the Group has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring provision includes only the direct expenditures arising from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with the ongoing activities of the entity.

3.18.3 Contingent liabilities

A contingent liability is a possible obligation that arises from past events and existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain events not wholly within the control of the Group, or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability. If the likelihood of an outflow of resources is remote, the possible obligation is neither a provision nor a contingent liability and no disclosure is made.

3.18.4 Contingent assets

A contingent asset is a possible asset that arises from past events and existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the control of the Group. In the ordinary course of business, the Group may pursue a claim against a subcontractor or client. Such contingent assets are only recognised in the financial statements where the realisation of income is virtually certain. If the flow of economic benefits is only probable, the contingent asset is disclosed as a claim in favour of the Group but not recognised on the statement of financial position.

3.19. Employee benefits

3.19.1 Defined contribution plans

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

3.19.2 Short term employee benefits

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

3.19.3 Termination benefits

Termination benefits are payable when employment is terminated by the Group before retirement date or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to either: terminating the employment of current employees according to a detailed formal plan without the possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy.

Benefits falling due more than twelve (12) months after the statement of financial position date are discounted to present value.

3.19. Employee benefits (continued)

3.19.4 Retirement benefit costs

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

3.20 Related parties

Related parties are considered to be related if one party has the ability to control or jointly control the other party or exercise significant influence over the other party in making financial and operating decisions. Key management personnel are also regarded as related parties. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including all Executive and non-Executive Directors.

Related party transactions are those where a transfer of resources or obligations between related parties occur, regardless of whether or not a price is charged.

4 PROPERTY, PLANT AND EQUIPMENT

	Group				
	Freehold land and buildings USD	Plant and machinery USD	Motor vehicles USD	Furniture and office equipment USD	Total USD
Cost/Valuation					
Balance at 1 January 2023	**2 951 613**	**15 668 725**	**1 250 690**	**73 180**	**19 944 208**
Additions	-	3 754 679	312 941	100 057	4 167 677
Disposals	-	(169 371)	(18 500)	-	(187 871)
Effects of translation	(776 613)	4 702 209	16 590	106 332	4 048 518
Balance 31 December 2023	**2 175 000**	**23 956 242**	**1 561 721**	**279 569**	**27 972 532**
Additions	-	1 927 390	526 862	71 712	2 525 964
Disposals	-	(1 492 488)	(514 991)	-	(2 007 479)
Revaluation	725 000	-	-	-	725 000
Balance 31 December 2024	**2 900 000**	**24 391 144**	**1 573 592**	**351 281**	**29 216 017**
Depreciation and impairment					
Balance 1 January 2023	**-**	**-**	**-**	**-**	**-**
Depreciation charge for the year	72 500	3 865 078	387 955	101 595	4 427 128
Elimination on disposals	-	(80 159)	(4 843)	-	(85 002)
Balance 31 December 2023	**72 500**	**3 784 919**	**383 112**	**101 595**	**4 342 126**
Depreciation charge for the year	72 500	3 959 800	437 013	116 261	4 585 574
Impairment loss		261 780			261 780
Elimination on revaluation	(145 000)	-	-	-	(145 000)
Elimination on disposals	-	(1 463 487)	(497 120)	-	(1 960 607)
Balance 31 December 2024	**-**	**6 543 012**	**323 005**	**217 856**	**7 083 873**
Carrying amount					
Balance at 31 December 2023	**2 102 500**	**20 171 323**	**1 178 609**	**177 974**	**23 630 406**
Balance at 31 December 2024	**2 900 000**	**17 848 132**	**1 250 587**	**133 425**	**22 132 144**

Free hold land and buildings with a fair value of USD 2 700 000 (2023: 2 700 000) were pledged as collateral for the loan facilities in note 12.

At reporting date, the Directors appointed Integrated Properties (Private) Limited to revalue the freehold land and buildings. All other asset categories were not revalued.

During the year, the Group recognised an impairment loss of USD 261 780 (2023: Nil) on plant and machinery. The impairment recognised resulted from technical obsolescence of some machinery items. In determining the recoverable amounts of the machinery, the fair values less costs to sell were adopted as the machinery is no longer in use and therefore, a value in use could not be obtained.

4 PROPERTY, PLANT AND EQUIPMENT (continued)

	Company				
	Right of use assets USD	Plant and machinery USD	Motor vehicles USD	Furniture and office equipment USD	Total USD
Cost/Valuation					
Balance at 01 January 2023	**11 038**	**15 668 725**	**1 250 690**	**73 180**	**17 003 633**
Additions	-	3 703 292	312 941	81 131	4 097 364
Disposals	-	(169 371)	(18 500)	-	(187 871)
Effects of translation	12 962	4 702 209	16 590	106 332	4 838 093
Revaluation					
Balance 31 December 2023	24 000	23 904 855	1 561 721	260 643	25 751 219
Additions	1 046 169*	1 927 389	526 860	71 712	3 572 130
Disposals	**-**	**(1 492 488)**	**(514 991)**	**-**	**(2 007 479)**
Balance 31 December 2024	**1 070 169**	**24 339 756**	**1 573 590**	**332 355**	**27 315 870**
Depreciation and impairment					
Balance at 01 January 2023	**-**	**-**	**-**	**-**	**-**
Depreciation charge for the year	**12 000**	**3 855 063**	**387 955**	**98 745**	**4 353 763**
Depreciation eliminated at disposal	-	(80 159)	(4 843)		(85 002)
Balance 31 December 2023	**12 000**	**3 774 904**	**383 112**	**98 745**	**4 268 761**
Depreciation charge for the year	12 000	4 009 771	437 014	114 878	4 573 663
Impairment loss	-	261 780	-	-	261 780
Depreciation eliminated at disposal	-	(1 463 487)	(497 120)		(1 960 607)
Balance 31 December 2024	**24 000**	**6 582 968**	**323 006**	**213 623**	**7 143 597**
Carrying amount					
Balance at 31 December 2023	**12 000**	**20 129 951**	**1 178 609**	**161 898**	**21 482 458**
Balance at 31 December 2024	**1 046 169**	**17 756 788**	**1 250 584**	**118 732**	**20 172 273**

No assets were pledged as collateral security as at 31 December 2024 (2023:USD Nil)

During the year, the Group recognised an impairment loss of **USD 261 780 (2023: Nil)** on plant and machinery. The impairment recognised resulted from technical obsolescence of some machinery items. In determining the recoverable amounts of the machinery, the fair values less costs to sell were adopted as the machinery is nor longer in use and therefore, a value in use of Nill was obtained.

*Remeasurement of the right of use asset.

The right use asset that was obtained as at 1 January 2024 was fully depreciated and had accruing amount nil as at 31 December 2024. The right of use asset was then remeasured to 1 046 196 has as at 31 December 2024 based on lease rentals currently obtained in the market as at that date.

5 INVESTMENT PROPERTY

	Company	
	2024 USD	2023 USD
At fair value:		
At 1 January	7 800 930	9 802 065
Fair value adjustment	-	2 200
Effects of translation	-	476 737
Additions	-	82 160
Transfers	-	(2 562 232)
Disposal	-	-
At 31 December	**7 800 930**	**7 800 930**

Fair Value

The fair value of investment property has been arrived at on the basis of a valuation carried out at 31 December 2024 by independent professional valuers, Integrated Properties. In arriving at the market value, the implicit investment approach based on the capitalisation of income was applied. This method is based on the principle that rentals, capital and income generated by owner occupied assets are interrelated. The effective date of revaluation was 31 December 2024.

The Group measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:-

- Level 1: Quoted market price (unadjusted) in an active market for an identical instrument/asset.

- Level 2: Valuation techniques based on observable inputs, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.

- Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

The value produced by a model or other valuation technique may be adjusted to allow for a number of factors as appropriate, because valuation techniques cannot appropriately reflect all factors market participants take into account when entering into a transaction. Management believes that these valuation adjustments are necessary and appropriate to fairly state financial instruments carried at fair value on the statement of financial position.

The following table presents assets and liabilities recognised at fair value in the statement of financial position of the Group:

	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
Freehold land and buildings	-	2 900 000	-	2 900 000
Investment property	-	7 800 930	-	7 800 930

There were no transfers between level 1 and level 2 during the current year.

The property rental income earned by the entity from its investments property, all of which is leased out under operating leases, amounted to USD 133 685 (2023: USD 185 244). Direct operating expenses arising on the investment property amounted to USD 307 250 (2023: USD 305 224).

Investment property with a fair value of USD 3 525 000 (2023: Nill) was pledged as collateral for the loan facilities in note 12.

6 INVESTMENTS

	Group		Company	
	2024 USD	2023 USD	2024 USD	2023 USD
Financial assets carried at fair value through other comprehensive Income	55 197	78 304	47 416	63 732
Investments in Subsidiaries	-	-	6 303 560	6 303 560
	55 197	**78 304**	**6 350 976**	**6 367 292**

Financial assets that are disclosed under long term investments are stated at fair value with the changes in fair value being recognised in other comprehensive income.

6.1 Financial assets carried at fair value through other comprehensive Income

	Group		Company	
	2024 USD	2023 USD	2024 USD	2023 USD
Balance at 1 January	78 304	215 051	63 732	210 643
Additions during the period	-	-	-	-
Fair value through other comprehensive income	**(23 107)**	**(136 747)**	**(16 316)**	**(146 911)**
Balance at 31 December	**55 197**	**78 304**	**47 416**	**63 732**

Investments include investments in equity instruments listed on the Zimbabwe Stock Exchange.

6.2 Investments in Subsidiaries

	Group		Company	
	2024 USD	2023 USD	2024 USD	2023 USD
Balance at the beginning of the year	-	-	6 303 560	4 638 430
Fair value adjustment through profit and loss	-	-		1 665 130
	-	**-**	**6 303 560**	**6 303 560**

7 INVENTORIES

	Group		Company	
	2024 USD	2023 USD	2024 USD	2023 USD
Land under development	3 658 203	2 562 232	3 658 203	-
Construction materials	2 475 449	1 095 211	2 483 509	1 095 211
Spares and consumables	840 083	923 531	654 431	815 405
	6 973 735	**4 580 974**	**6 796 143**	**1 910 616**

Included in land under development is Shurugwi Impali Land bank amounting to USD3 658 203 that was reclassified to inventory from investment property following change of intention from capital appreciation to land development for residential stands and subsequent resale in the normal course of trading.

8 CONTRACTS IN PROGRESS AND CONTRACT RECEIVABLES

	Group		Company	
	2024 USD	2023 USD	2024 USD	2023 USD
Contracts receivables in respect of certified work	6 277 872	17 181 145	6 277 872	17 181 145
Contracts receivables in retentions	2 021 403	1 721 884	2 021 403	1 721 884
Contracts work in progress	42 941 566	17 525 678	42 941 566	17 525 678
Less: allowance for credit losses	(351 243)	(245 924)	(351 243)	(245 924)
	50 889 598	**36 182 783**	**50 889 598**	**36 182 783**

8 CONTRACTS IN PROGRESS AND CONTRACT RECEIVABLES (continued)

Movement in the allowance for credit losses

	Group		Company	
	2024 USD	2023 USD	2024 USD	2023 USD
Balance at 1 January	249 221	129 154	245 924	128 891
Net movement in provision for the year	102 022	207 226	105 319	210 695
Effects of translation	-	(90 456)	-	(93 662)
Balance at 31 December	**351 243**	**245 924**	**351 243**	**245 924**

Ageing of impaired contracts in progress and receivables

	2024		
	Contract Receivables USD	Loss Rate %	ECL USD
Retention	2 021 403	6.37%	128 714
Current	42 941 566	0.19%	80 280
30 Days	1 163 863	0.81%	9 456
60 Days	247 892	10.62%	26 329
>90 Days	4 866 117	2.19%	106 464
Total	**51 240 841**		**351 243**

	2023		
	Contract Receivables USD	Loss Rate %	ECL USD
Retention	1 344 173	2.23%	30 018
Current	27 787 993	0.27%	75 419
30 Days	534 982	0.30%	1 602
60 Days	1 505 309	1.60%	24 150
>90 Days	5 256 249	2.18%	114 734
Total	**36 428 707**		**245 924**

Book debtors are encumbered as shown in **note 12.**

In determining trade recoverability of trade receivables, the Group considers any changes in the credit quality of the trade receivable from the date credit was initially granted up to the reporting date.

The Directors consider that the carrying amount of trade receivables approximates their fair values.

Ageing of impaired contracts in progess and receivables

	Group		Company	
	2024 USD	2023 USD	2024 USD	2023 USD
180+ days	106 464	114 734	106 464	114 734

9 OTHER RECEIVABLES

	Group		Company	
	2024 USD	2023 USD	2024 USD	2023 USD
Prepayments	1 534 026	9 898 205	1 522 129	9 886 308
Other receivables	427 077	884 661	2 102 318	1 960 296
Less:allowance for credit losses	(652)	(3 297)	(652)	(1 235)
Less: Related party receivables	(45 784)	(391 938)	(1 738 624)	(1 486 772)
	1 914 667	**10 387 631**	**1 885 171**	**10 358 597**

The average credit period for trade receivables is thirty (30) days. No interest is charged on the overdue trade receivables. The entity has recognised an allowance for credit losses against all receivables using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the sector, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

Trade receivables disclosed include amounts (see below for aged analysis) that are past due at the end of the reporting period. The Group does not hold any collateral or other credit enhancements over these balances nor does it have a legal right of offset against any amounts owed by it to the counterparty.

Other receivables debtors days

	Group		Company	
	2024 USD	2023 USD	2024 USD	2023 USD
Debtor days	12	70	12	70

10 CASH AND CASH EQUIVALENTS

	Group		Company	
	2024 USD	2023 USD	2024 USD	2023 USD
Bank overdraft	(519 679)	(155 106)	(519 679)	(155 106)
Cash at bank	2 559 425	2 886 806	2 504 525	2 870 913
Bank and cash balances	**2 039 746**	**2 731 700**	**1 984 846**	**2 715 807**

Cash and cash equivalents are recognised at fair value. For the purpose of the statement of cash flows, cash and cash equivalents comprise cash on hand and bank balances held with our bankers.

11 SHARE CAPITAL AND RESERVES

	Group		Company	
	2024 USD	2023 USD	2024 USD	2023 USD
Authorised and issued share capital				
Authorised				
875 000 000 ordinary shares of USD0.01 each	8 750 000	8 750 000	8 750 000	8 750 000
Issued				
239 388 107 (2022: 241 653 707) ordinary shares of USD0.01 each.	2 316 175	2 316 175	2 316 175	2 316 175
Unissued share capital	**6 433 825**	**6 433 825**	**6 433 825**	**6 433 825**

Issued share capital
This is share capital which Directors may allot, grant options over or deal with at their discretion (in terms of the Articles of Association) subject to the limitations of the Companies and Other Business Entities Act (Chapter 24:31) and the Zimbabwe Stock Exchange, without further restrictions. During the financial period, there were no share movements in the Group. In the 2023 financial year, the Group bought back 2 265 600 shares as authorised by the shareholders.

Issued share capital reconciliation

	Group		Company	
	2024 USD	2023 USD	2024 USD	2023 USD
Shares at the beginning of the year	239 388 107	241 653 707	239 388 107	241 653 707
Shares cancelled	-	(2 265 600)	-	(2 265 600)
Shares at the end of the year	**239 388 107**	**239 388 107**	**239 388 107**	**239 388 107**

Share Options Scheme

The Directors are empowered to grant share options to senior executives of the Group up to a maximum of 20 000 000 (2023: 20 000 000) share options. The options are granted for a period of five (5) years at a price determined by the middle market price ruling on the Zimbabwe Stock Exchange on the day on which the options are granted. In the 2023 financial year, the Group granted 7 637 500 shares to its senior management with a vesting condition of serving in the employment of the company for 5 years. The share options are exercisable any time during the vesting period. In the current financial year, 615 000 (2023: 1 230 000) share options were forfeited. Details of share options outstanding as at 31 December 2024 were as follows:

	Group		Company	
	2024 USD	2023 USD	2024 USD	2023 USD
Balance at the beginning of year	500 407 6	-	500 407 6	-
Granted during the year	6 407 500	7 637 500	6 407 500	7 637 500
Forfeited during the year	(615 000)	(1 230 000)	(615 000)	(1 230 000)
Exercised during the year	-	-	-	-
Balance as at end of year	**5 792 500**	**6 407 500**	**5 792 500**	**6 407 500**

A valuation was carried out by the Ernst & Young Advisory Services (Private) Limited as at 01 January 2023. The estimated fair values of options granted were determined using Black Scholes model in accordance with IFRS 2 and IFRS 13 with the following inputs and assumptions:

	2023 USD
Grant date share price (USD)	0.083
Exercise price (USD)	0.083
Expected volatility	60.05%
Dividend yield	4%
Risk-free interest rate (ZWL)	63%

Valuation Inputs

Exercise price

The scheme rules state that the price for the shares comprised in an option shall be the middle market price ruling on the Zimbabwe Stock Exchange on the day on which the options are granted.

Expected volatility

Expected volatility is a measure of the amount by which the price is expected to fluctuate during a period, for example between grant date and the exercise date.

Volatility was calculated as the standard deviation of log normal daily returns for the period starting January 2017 to December 2022.

Expected dividends

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

Risk free rate of return

A risk free rate of return is the interest rate an investor would expect to earn on an investment with no risk which is usually taken to be a Government issued security. It is the interest rate earned on a riskless security over a specified time horizon. The risk free rate return is based on 62.65% Fixed Rate Infrastructure Development Bonds 2015 issued by the Infrastructure Development Bank of Zimbabwe.

All options expire, if not exercised five (5) years after the date of grant of 1 January 2023.

	Group		Company	
	2024 USD	2023 USD	2024 USD	2023 USD
Opening share options reserve	25 044	-	25 044	-
Net expenses arising from share options	20 236	25 044	20 236	25 044
Closing share options reserve	**45 280**	**25 044**	**45 280**	**25 044**

12 INTEREST BEARING BORROWINGS

	Group		Company	
	2024 USD	2023 USD	2024 USD	2023 USD
Secured borrowings at amortised costs				
Current				
Opening balance	1 880 547	619 914	1 880 547	619 914
Additional loans	1 500 079	2 560 197	1 500 079	2 560 197
Interest charged	356 113	363 607	356 113	363 607
Repayments	(2 821 679)	(1 663 171)	(2 821 679)	(1 663 171)
	915 060	**1 880 547**	**915 060**	**1 880 547**

	Group		Company	
	2024 USD	2023 USD	2024 USD	2023 USD
Secured borrowings at amortised costs				
Non-Current				
Opening balance	-	-	-	-
Movement	-	-	-	-
Additional loans	1 092 623	-	1 092 623	-
Interest charged	-	-	-	-
Repayments	-	-	-	-
	1 092 623	**-**	**1 092 623**	**-**

Short term borrowings have an average tenure of six (6) months. They accrue interest at an effective rate of 12% per annum (2023: 10%) per annum. The balances include loans denominated in ZWG which accrue interest at 41% per annum(2023: 95% ZWL). These bank loans are fully secured against immovable property and a notarial general covering bond over movable assets, including a cession of book debts.

Long term borrowings have a tenure of 5 years. They accrue interest at an effective rate of 8.5% per annum per annum.

13 SEGMENTAL ANALYSIS

Operating segment information
For management purposes the Group is organised into business units based on their products and services and has resulted in three reportable operating segments as follows:

Contracting
The segment offers civil engineering works in the following categories:
- Roads and earthworks
- Building construction
- Fabrication and steel works

Property Development and Leasing
This segment is into property development and leasing of property. Properties are leased out to business units in the Group as well as to third parties.

Quarry Mining
The quarry mining business unit manufactures stone aggregates which are key in the contracting business.

	2024				2023			
	Contracting	Properties	Quarry	Consolidated	Contracting	Properties	Quarry	Consolidated
Revenue	**56 093 117**	-	**1 286 335**	**56 093 117**	**53 834 005**	-	**1 286 335**	**53 834 005**
External	56 093 117	-	-	56 093 117	53 834 005	-	-	53 834 005
Internal	-	-	1 286 335	-	-	-	1 286 335	-
Rental Income	-	491 210	-	357 525	-	465 923	-	185 244
External	-	357 525	-	357 525	-	185 244	-	185 244
Internal	-	133 685	-	-	-	280 679	-	-
Gross profit	15 714 233	-	(428 282)	15 277 886	13 714 159	-	79 530	13 793 689
Net finance cost	(356 113)	-	-	(356 113)	(363 607)	-	-	(363 607)
Fair value gain	-	-	-	-	-	2 200	-	2 200
Profit before tax	**8 961 768**	**242 881**	**(726 503)**	**8 407 387**	**9 594 251**	**184 098**	**(207 132)**	**7 875 697**
Segment assets	90 337 310	14 477 822	314 157	92 371 480	80 504 325	13 312 926	167 899	85 784 666
Segment Liabilities	53 749 023	7 231 355	122 295	50 707 857	54 197 193	903 225	122 295	53 695 885
Net segment assets	36 588 287	7 246 467	191 862	41 663 623	26 307 132	12 409 701	45 604	32 088 781
Depreciation charge for the year	4 573 663	-	11 910	4 585 574	4 268 762	-	-	4 342 126
Impairment of non-current assets	261 780	-	-	261 780	-			-
Capital expenditure	3 572 130	-	-	2 525 964	4 097 364	82 160	-	4 167 677
Number of empoyees	2 049	10	29	1 137	2 049	10	29	2 088

14 LEASE LIABILITY

Lease liabilities are presented in the consolidated statement of financial position as follows:

	Company	
	2024 USD	2023 USD
Current	234 209	55 975
Non-current	836 933	-
	1 046 167	55 975

The lease liabilities comprise of discounted lease payments.

15 TAXATION

15.1 Deferred tax

	Group		Company	
	2024 USD	2023 USD	2024 USD	2023 USD
Balance at the beginning of year	7 861 646	7 556 664	5 048 223	4 891 314
Charge to income statement	1 978 672	303 615	2 506 415	155 542
Charge to other comprehensive income	36 019	1 367	(163)	1 367
Balance at the end of year	**9 876 337**	**7 861 646**	**7 554 475**	**5 048 223**
Comprising of:				
Accelerated wear and tear	3 277 102	6 557 708	3 277 102	6 557 708
Uncertified work and claims	9 484 380	17 525 678	9 484 380	17 525 678
Retention	549 223	1 833 388	549 223	1 833 388
Revenue received in advance	-	(2 819 291)	-	(2 819 291)
Maintenance provision	(1 175 519)	(546 875)	(1 175 519)	(546 875)
Assessed loss and other	(2 258 849)	(14 688 962)	(4 580 711)	(17502 385)
	9 876 337	**7 861 646**	**7 554 475**	**5 048 223**

15.2 Current tax liability

	Group		Company	
	2024 USD	2023 USD	2024 USD	2023 USD
Balance at the beginning of year	21 610	12 311	-	-
Tax charge	33 045	21 610	-	-
Tax paid	(21 862)	(12 311)	-	-
Balance at the end of year	**32 793**	**21 610**	**-**	**-**

16 TRADE AND OTHER PAYABLES

	Group		Company	
	2024 USD	2023 USD	2024 USD	2023 USD
Trade	1 934 715	2 045 291	2 061 863	1 859 100
Accruals	142 187	198 072	97 144	147 648
Provisions	10 798 823	15 866 369	11 480 684	16 614 063
Unearned revenue (Advance receipts)	25 381 730	24 664 843	25 377 803	24 660 965
Other	2 329 776	2 556 933	2 333 440	2 516 675
	40 587 231	**45 331 508**	**41 350 934**	**45 798 451**

The average credit period on purchases of goods and services from suppliers is thirty (30) days. No interest is charged on trade payables.

The Group has financial risk management policies in place to ensure that all payables are paid within pre-agreed credit terms.

The Directors consider that the carrying amount of trade payables approximates their fair values.

17 SUB-CONTRACTORS

	Group		Company	
	2024 USD	**2023 USD**	**2024 USD**	**2023 USD**
Balance as at year end	8 405 010	6 062 000	8 405 010	6 062 000

Contracts in progress and contract receivables include claims against clients in respect of sub-contractor liabilities. These liabilities are only settled when payment has been received from clients.

18 CONSTRUCTION CONTRACT REVENUE BY SEGMENTS

	Group		Company	
	2024 USD	**2023 USD**	**2024 USD**	**2032 USD**
Roads and Transport	31 127 935	27 316 460	31 127 935	27 316 460
Mining	16 045 909	19 100 292	16 045 909	19 100 292
Housing	4 576 986	2 687 861	4 576 986	2 687 861
Commercial Buildings and Civils	4 342 287	4 729 392	4 342 287	4 729 392
	56 093 117	**53 834 005**	**56 093 117**	**53 834 005**

19 OTHER INCOME

	Group		Company	
	2024 USD	**2023 USD**	**2024 USD**	**2023 USD**
Rental income	133 685	185 244	-	-
Unrealised exchange (loss)/gain	(62 186)	141 032	355 427	149 366
Realised exchange gain	422 966	46 592	(15 642)	44 750
Sundry income	231 159	80 381	197 251	86 202
Profit/(loss) on disposal of property, plant and equipment	347 589	(4 027)	347 589	(4 027)
	1 073 213	**449 222**	**884 625**	**276 291**

20 ADMINISTRATION EXPENSES

	Group		Company	
	2024 USD	2023 USD	2024 USD	2024 USD
Corporate social investment	202 298	161 873	202 298	161 873
Allowance for credit losses	102 674	207 226	105 971	209 460
Bad debts	200	-	200	-
Audit fees	36 741	42 000	36 741	42 000
Bank charges	974 037	1 280 431	971 779	1 276 643
Communication	69 799	67 515	66 046	63 421
Computer printing and stationery	193 745	172 157	187 942	170 868
Depreciation	270 802	273 547	168 366	213 047
Director's fees	108 477	106 000	108 477	106 000
Insurance	89 794	64 721	69 815	48 825
Licenses and levies	91 321	97 936	91 226	81 307
Professional and subscriptions	443 446	278 185	391 029	183 447
Property expenses	62 317	10 096	367 523	280 679
Staff	2 989 763	2 455 873	2 894 965	2 274 071
Training and recruitment	156 746	111 456	156 746	111 456
Travel and accommodation	180 572	128 399	164 542	119 156
Utilities	179 692	86 427	62 276	24 740
Repairs and maintaince	645 562	29 769	641 984	5 981
Security expenses	149 494	144 314	37 703	55 443
Fuel and oils	127 926	76 090	127 926	76 090
General admin	124 156	37 639	68 814	33 512
Other	388 037	170 856	358 608	159 703
	7 587 599	**6 002 510**	**7 280 977**	**5 697 722**

21 PROFIT BEFORE TAX

Profit before tax has been arrived at after charging the following:

	Group		Company	
	2024 USD	2023 USD	2024 USD	2023 USD
Depreciation and impairment	4 847 354	4 342 126	7 143 597	4 268 762
Staff costs	2 989 763	2 455 873	2 894 965	2 274 071

22 INCOME TAX

	Group		Company	
	2024 USD	2023 USD	2024 USD	2023 USD
22.1 Current tax:				
Current income tax	33 045	21 610	-	-
Deferred tax movement	1 978 672	303 615	2 506 252	155 542
Income tax	**2 011 717**	**325 225**	**2 506 252**	**155 542**
22.2 Tax reconciliation:				
Profit before tax	**8 407 387**	**7 878 994**	**8 961 768**	**9 594 251**
Tax at standard rate (25.75%)	2 164 902	1 947 687	2 307 656	2 371 698
Adjusted for:				
Effects of expenses not deductible for tax	(73 298)	(621 612)	275 035	(1 225 867)
Effects of other permanent differences	(79 887)	(1 000 850)	(76 439)	(990 289)
Effective tax	**2 011 717**	**325 225**	**2 506 252**	**155 542**

23 EARNINGS PER SHARE

Basic earning basis
The calculation is based on the profit attributable to ordinary Shareholders and the number of shares in issue at the end of the year which participated in the results of the Group.

Diluted earnings basis
The calculation is based on the profit attributable to ordinary Shareholders and the number of shares in issue after adjusting to assume conversion of share options not yet exercised.

Headline earnings basis
The calculation of basic, diluted and headline earnings per share from continuing operations attributable to ordinary shareholders of the Company is based on the following data:

	Group		Company	
	2024 USD	**2023 USD**	**2024 USD**	**2023 USD**
Earnings				
Basic earnings	**6 395 670**	**7 553 769**	**6 455 516**	**9 438 709**
Fair value adjustments	-	(2 200)	-	(1 665 130)
Exchange gains	(360 780)	(187 624)	(339 785)	(194 116)
Insurance proceeds	(66 237)	(740)	(66 237)	(740)
(Profit)/loss on disposal on property	(347 589)	4 027	(347 589)	4 027
Number of shares				
Weighted average number of shares in issue used in the determination of:				
Basic	239 388 107	239 388 107	239 388 107	239 388 107
Headline	239 388 107	239 388 107	239 388 107	239 388 107
Adjustment for outstanding share options	5 792 500	6 407 500	5 792 500	6 407 500
Diluteds	**245 180 607**	**245 795 607**	**245 180 607**	**245 795 607**
Profit per share (USD cents):				
Basic	2.67	3.16	2.70	3.94
Diluted	2.61	3.07	2.63	3.84
Headline	2.35	3.08	2.38	3.17

24 RETIREMENT BENEFIT COSTS

Pension funds
The Group's operations and all permanent employees contribute to one of the funds detailed below:

24.1 Masimba Holdings Limited Retirement Fund
All permanent entity employees with the exception of those participating in the funds detailed in 24.2 below are members of this Fund administered by Old Mutual. The Fund is a defined contribution scheme. All members joining the Fund automatically participate on the defined contribution pension benefit basis.

As at 31 December 2024, there were 125 (2023: 128) members in the scheme.

24.2 Construction Industry Pension Fund
This Fund is a defined contribution scheme and encompasses employees generally subject to an industrial agreement.

24.3 National Social Security Authority (NSSA)
The entity and its employees contribute to the National Social Security Authority. This is a social security scheme promulgated under the National Social Security Act 1989. The Group's obligations under the scheme are limited to specific contributions legislated from time to time.

24 RETIREMENT BENEFIT COSTS (CONTINUED)

24.4 Pension costs recognised as an expense for the year

	Group		Company	
	2024 USD	2023 USD	2024 USD	2023 USD
Masimba Holdings Limited Retirement Fund	66 409	82 400	66 409	82 400
National Social Security Authority	14 224	13 806	14 224	13 806
Other Funds	26 203	22 756	26 203	22 756
	106 836	**118 962**	**106 836**	**118 962**

25 CAPITAL COMMITMENTS

Capital expenditure authorised, but not contracted for, is USD3 312 826 (2023: USD3 897 406). The expenditure is to be financed from internal resources and existing facilities.

26 DIRECTORS' INTERESTS

The Directors' directly/indirectly hold the following number of shares in the Company:

		Group		Company	
Director's Name		31 December 2024 Shares	31 December 2023 Shares	31 December 2024 Shares	31 December 2023 Share
Canada Malunga	Giona Capital (Private) Limited	-	15 406 581	-	15 406 581
Malcom William McCulloh & Mark Mario Di Nicola	Zumbani Capital (Private) Limited	-	69 827 168	-	69 827 168

27 FINANCE COSTS

Finance costs for borrowings at amortised cost

	Group		Company	
	2024 USD	2023 USD	2024 USD	2023 USD
Borrowings at amortised cost	2 007 683	1 880 547	2 007 683	1 880 547
Net interest expense	**356 113**	**363 607**	**356 113**	**363 607**

Authority is granted in the Articles of Association for Directors to borrow a sum not exceeding 300% of the ordinary Shareholders' funds without the prior sanction of an ordinary resolution of the Company. The Group's borrowings have not exceeded the borrowing threshold per Articles of Association .

The average rate for finance costs was 12% (2023:10%) for USD borrowings and 41% (2023:95%-ZWL) for ZWG borrowings.

28 INSURANCE COVER

In the opinion of the Directors, the Group's assets are adequately insured at full replacement cost of current condition and age of the asset.

29 CONTINGENT LIABILITIES AND CONTINGENT ASSETS

29.1 The Group is from time to time involved in various disputes, claims and legal proceedings arising in the ordinary course of the business. The Board does not believe that adverse decisions in any pending proceedings or claims against the Group will have a material effect on the future financial conditions of the Group.

29.2 Bank guarantees in issue as at year end:

	Group		Company	
	2024 USD	2023 USD	2024 USD	2023 USD
Performance bonds	413 162	8 046 599	413 162	8 046 599
Advance payment bonds	405 162	405 162	405 162	405 162
Retention bonds	-	55 000	-	55 000
	818 324	**8 506 761**	**818 324**	**8 506 761**

30 RELATED PARTY DISCLOSURES

The Group's related parties include joint ventures,companies that have common directorship and key management as described below:

30.1 Related party transactions

	Group		Company	
	2024 USD	2023 USD	2024 USD	2023 USD
Related party				
Reinforcing Steel Contractors Zimbabwe	337 845	235 646	106 996	235 646
Proplastics Limited	1 254 797	277 650	277 650	277 650
Total transactions reported under cost of sales	**1 592 642**	**513 296**	**384 646**	**513 296**

30.2 Year end balances arising from transactions with related parties

Included in the contracts receivables, work in progress, other receivables and trade payables balances are related party balances that resulted from transactions that occurred between Masimba Holdings Limited and its related parties.

	Group		Company	
	2024 USD	2023 USD	2024 USD	2023 USD
Related party receivables				
Proplastics Limited	45 784	391 938	-	391 938
Masimba Properties (Zimbabwe) Limited	-	-	-	1 094 834
Stemrich Investments	-	-	1 738 624	-
	45 784	**391 938**	**1 738 624**	**1 486 772**
Related party payables				
Reinforcing Steel Contractors Zimbabwe	106 996	62 702	106 996	62,702
Proplastics Limited	141 088	337 518	141 088	337,518
Masimba Properties (Zimbabwe) Limited	-	-	2 208 018	-
	248 084	**400 220**	**2 456 102**	**400 220**

Balances and transactions between entities within the Group have been eliminated on consolidation and are not disclosed in this note.

30 RELATED PARTY DISCLOSURES (CONTINUED)

30.3 Transactions with key management personnel

Key management of the Group are the executive members of Masimba Holdings Limited's Board of directors and senior management personnel. Key management personnel's remuneration include the following expenses:

The remuneration of directors and other members of key management during the year were as follows:

	Group		Company	
	2024 USD	2023 USD	2024 USD	2023 USD
Compensation to key management	823 671	910 005	823 671	910 005
Loans and advances to Directors	42 965	37 377	42 965	37 377

The remuneration of Directors and key Executives is determined by the Remuneration Committee having regard to the performance of individuals and market trends.

Loans and advances to Directors

Terms and Conditions: The loan amount limit ranges from 100% to 130% of annual salary and is subject to cash flow and Remuneration Committee approval. The annual interest rate is the lower of 50% of minimum Bank lending rate and 150% of the income tax deemed interest rate. The repayment period is six (6) months to two (2) years.

31 FINANCIAL INSTRUMENTS

(a) Significant accounting policies

Details of the significant accounting policies and methods adopted including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial assets, financial liability and equity instruments, are disclosed per note 3.

(b) Categories of financial instruments

	Group		Company	
	2024 USD	2023 USD	2024 USD	2023 USD
Financial assets				
Cash and cash equivalents	2 039 746	2 731 700	1 984 846	2 715 807
Trade and contract receivables	52 804 265	46 962 352	52 774 769	46 541 380
Financial assets carried at fair value	55 197	78 304	47 416	63 732
Financial liabilities				
Borrowings, trade payables and subcontractors	50 707 857	53 850 991	63 233 054	59 400 522

(c) Fair value of financial instruments

The fair value of financial assets and financial liabilities approximate the carrying values in the statement of financial position as at 31 December 2024.

32 FINANCIAL RISK MANAGEMENT

The entity's financial liabilities comprise bank loans and overdrafts and trade and other payables. The main purpose of these financial instruments is to raise finance for the entity's operations. The entity has various financial assets such as trade receivables, cash and short term deposits which arise directly from its operations. The entity does not use derivative financial instruments in its management of foreign currency risk. Derivative financial instruments are not held or issued for trading purposes.

The main risks arising from the entity's financial instruments are cash flow risk, foreign currency risk, interest rate risk, credit risk and liquidity risk. Senior Executives of the Group meet on a regular basis to review and agree on policies to manage each of these risks. Treasury management strategies together with currency and interest rate exposures are re-evaluated against revised economic forecasts. Compliance with the Group policies and exposure limits are reviewed at Audit and Risk Committee meetings.

32 FINANCIAL RISK MANAGEMENT (continued)

32.1 Foreign exchange risk management (continued)

The Group undertakes certain transactions denominated in currencies other than the USD hence exposure to exchange rate fluctuations arises.

	2024		2023	
Currency	**Foreign Balance ZWG**	**USD Equivalent**	**Foreign Balance ZWG**	**USD Equivalent**
Receivables	635 427 944	24 628 990	101 980 980	7 520 721
Bank overdraft	(3 743 403)	(145 093)	(707 703)	(52 190)
Payables	1 267 195	49 116	3 770 711	278 076
	632 951 736	**24 533 013**	**105 043 988**	**7 746 607**

Given the amounts and types of currency held, the Group has no significant exposure to foreign currency risk at year end.

Fair values of financial instruments

The estimated net fair values of all financial instruments approximate the carrying amounts shown in the financial statements. Assets and liabilities denominated in currencies other than the USD which were on hand at the statement of financial position date have been valued for the purpose of these financial statements at interbank rate as the Directors are of the opinion that they fairly reflects the value of such assets and liabilities for accounting purposes.

32.2 Interest risk

The entity's treasury policy limits exposure to interest rate fluctuations by adopting a non-speculative approach to managing interest rate risk and only deals in approved financial instruments. Implementation of treasury policy ensures limited exposure to funding instruments while investment instruments are those which provide risk free returns at variable interest rates and mature within one year.

32.3 Credit risk

Financial assets which potentially subject the entity to concentration of credit risk consist principally of cash, short-term deposits and trade receivables. The entity's surplus cash equivalents and short-term deposits are placed with high quality creditworthy financial institutions. The trade receivables are presented net of the allowance for credit losses and comprise a large, widespread customer base and the Group monitors the performance and financial condition of its customers so that the exposure to bad debts is not significant.

32.4 Liquidity risk

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

32.5 Capital risk management

The entity manages its capital structure to ensure that it will be able to continue as a going concern, while maximising the return to stakeholders through the optimisation of debt and equity.

The capital structure of the entity consists of debt, which includes borrowings and finance leases as disclosed in Note 12 and 13 respectively, interest bearing borrowings and equity attributable to equity holders of the parent, comprising issued share capital, reserves and retained earnings.

The Group's Audit and Compliance Committee reviews the capital structure on a quarterly basis. As part of this review, the Committee considers the cost of capital and the risks associated with each class of capital. Based on the recommendations of the Committee, the entity will balance its overall structure through payments of dividends, new share issues and share buy backs as well as the issue of new debt or the redemption of existing debt.

33 JOINT OPERATIONS

Details of material joint operations

Proportion of ownership interest voting rights held by Masimba

	Proportion of ownership interest voting rights held by Masimba	
	2024 %	**2023 %**
Masimba Holdings Limited and Kuchi Construction (Private) Limited	50	50
Masimba Holdings Limited and Tencraft (Private) Limited	69	69

The above joint operations are accounted for using the proportional consolidation method in these consolidated financial statements.

35 GOING CONCERN

The Directors have assessed the ability of the entity to continue operating as a going concern and believe that the preparation of these financial statements on a going concern basis is still appropriate. However, the Directors believe that under the current economic environment a continuous assessment of the ability of the entity to continue to operate as a going concern will need to be performed to determine the continued appropriateness of the going concern assumption that has been applied in the preparation of these financial statements. In confirming the validity of the going concern basis of preparation, the Group has considered the following specific factors:

- The Group reported a Profit Before Tax of USD 8 407 387 for the year (2023:USD7 875 697).
- Liquidity needs of the Group have been assessed on a 12 months rolling cashflow forecast and net cash requirements are compared to available borrowing facilities in order to determine headroom or any shortfalls. This analysis shows that available borrowing facilities are expected to be sufficient over the lookout periods, which is typically 12 months from the date of authorisation of these financial statements.

36 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Board of Directors and authorised for issue on 31 March 2025.

37 EVENTS AFTER PERIOD

There were no events after the reporting period that could have a material impact on the Group and its subsidiaries.

Shareholders' Analysis

Shareholder Spread

Range	Holders	% of Holders	Holdings	% of Issued Shares
500 – 0	348	29.10	58,253	0.02
1,000 - 501	139	11.62	99,137	0.04
5,000 - 1,001	333	27.84	871,147	0.36
10,000 - 5,001	119	9.95	855,213	0.36
50,000 - 10,001	145	12.12	3,136,857	1.31
and over 50,001	112	9.36	234,367,400	97.90
Total	**1,196**	**100.00**	**239,388,007**	**100.00**

Major Shareholders – Top 10

Rank	Shareholder	Number of Shares	% of Total
1	Zumbani Capital (Private) Limited	69,827,168	29.17
2	Akribos Wealth Managers Nominees	44,718,786	18.68
3	Old Mutual Life Assurance Company of Zimbabwe Limited	43,104,807	18.01
4	Puredream Investments (Private) Limited	18,534,518	7.74
5	Giona Capital (Private) Limited	15,406,581	6.44
6	QuantAfrica Wealth Management	11,377,401	4.75
7	Stanbic Nominees (Private) Limited	6,566,888	2.74
8	FED Nominees (Private) Limited	3,718,910	1.55
9	Wealthaccess Investment Managers Nominees	2,976,179	1.24
10	Effective Circle (Private) Limited	2,570,900	1.07
	Others	20,585,869	8.61
	Total Number of Shares	**239,388,007**	**100.00**

Analysis by Category

Industry	Holders	of Holders %	Holdings	of Issued Shares %
Banks, Insurance companies and nominees	90	7.53	59,107,807	24.69
Pension funds, Trust/Property companies	79	6.61	7,209,532	3.01
Resident Individuals and other corporate companies	938	78.43	171,547,358	71.66
Foreign Companies and Foreign individuals	89	7.44	1,523,310	0.64
Total	**1,196**	**100.00**	**239,388,007**	**100.00**

Shareholders' Diary

30 May 2025	Fiftieth Annual Report to be Published on the Company's Website
23 June 2025	Fiftieth Annual General Meeting of Shareholders
26 September 2025	Interim Press Results
7 November 2025	Third Quarter Trading Update
31 December 2025	Financial Year End
March 2026	Preliminary Announcement to Shareholders
May 2026	First Quarter Trading Update
May 2026	Fifty-First Annual Report to be Published on the Company's Website
June 2026	Fifty-First Annual General Meeting

CORPORATE AND ADVISORY INFORMATION

Company Registration Number	278/74
Business Address and Registered Office **Postal Address** **Telephone** **Email** **Website**	44 Tilbury Road Willowvale P.O. Box CY490 Harare, Zimbabwe +263 242 611 641-5 or 611 741-9 +263 772 220921-2 / 712 806600/2 enquiries@masimbagroup.com www.masimbagroup.com
Share Transfer Secretaries **Telephone**	**First Transfer Secretaries** 1 Armagh Road, Eastlea Harare, Zimbabwe +263 242 782 864 -72
Auditor **Telephone**	**Grant Thornton** 135 Enterprise Road Highlands Harare, Zimbabwe +263 242 442 511
Bankers **Telephone** **Telephone**	**FBC Crown Bank Limited** Africa Unity Square Branch Nelson Mandela Avenue Harare, Zimbabwe +263 242 704 481-82 **FBC Banking Corporation Limited** FBC Centre, 45 Nelson Mandela Avenue Harare, Zimbabwe +263 242 704 462
Lawyers **Telephone**	Atherstone & Cook Legal Practitioners Praetor House 119 Josiah Chinamano Avenue Harare, Zimbabwe +263 242 794 994

Notice To Shareholders

Notice is hereby given that the fiftieth Annual General Meeting of members of Masimba Holdings Limited for the year ended 31 December 2024 will be held at 44 Tilbury Road, Willowvale, Harare, Zimbabwe, on Monday 23 June 2025 at 12 noon, for the purpose of transacting the following business:

1. ORDINARY BUSINESS

1.1 Approval of Financial Statements and Reports
To receive, consider and adopt the Annual Financial Statements for the year ended 31 December 2024, including the Directors' and Independent Auditor's reports thereon.

1.2 Approval of Directors' Fees
Approval of Directors' fees for the year ended 31 December 2024.

Note: In terms of Section 184 of the Zimbabwe Stock Exchange Listing Requirements, the Directors' Remuneration Report shall be available for inspection at the AGM and, thereafter, the Company's registered office.

1.3 Election of Directors
1.3.1 In accordance with Articles 114 of the Articles of Association, Dr. Kupukile Mlambo and Prof. Hodson Makurira, who were recently appointed as Directors will retire at the upcoming Annual General Meeting. Being eligible, they have offered themselves for re-election. The election of directors will be concluded via separate resolutions.
1.3.2 In accordance with Article 115 of the Articles of Association, Mr. Gregory Sebborn and Ms. Cathrine Charmaine Chitiyo will retire by rotation at the forthcoming Annual General Meeting. Both individuals are eligible and have offered themselves for re-election. The election of directors will be conducted via separate resolutions.

1.4 Dividend
To confirm the declaration of a final dividend of USD0.35 cents and ZWG3.17 cents per share for the year ended 31 December 2024.

1.5 Auditor
1.5.1 To approve the remuneration of the auditor for the previous year.
1.5.2 To consider the appointment of Messrs. Grant Thornton as the auditor for the ensuing year.

Note: In terms of Section 69(6) of the Zimbabwe Stock Exchange Listing Requirements, companies must change audit partners every five years and their audit firm every ten years. The current audit partner has been serving in this role for the past three years, starting from the financial year ended 31 December 2022. Grant Thornton Chartered Accountants (Zimbabwe) has been the auditor for the Company for the past nine years. As a result, they remain eligible to continue as the auditor for the Company.

2. SPECIAL BUSINESS

2.1 Share Buyback
To consider and if deemed fit, to pass with or without modification, the following special resolution, "That the Company, as duly authorised by section 129 of the Companies and Other Business Entities Act (Chapter 24:31) and the Zimbabwe Stock Exchange listing requirements, may purchase its own ordinary shares in such manner or on such terms as the Directors may from time to time determine and provided that:

i. The repurchases are not made at a price greater than five percent (5%) above nor five percent (5%) below the weighted average of the market price at which such ordinary shares are traded on the Zimbabwe Stock Exchange as determined over the five (5) business days immediately preceding the date of the repurchase.
ii. The maximum number of shares authorised to be acquired shall not exceed ten percent (10%) of the Company's issued ordinary share capital.
iii. This authority shall expire at the next Annual General Meeting and shall not extend beyond fifteen (15) months from the date of this resolution."

Directors' Statement
The Directors in considering the effect of any such repurchase, will duly consider the ability of the Company, for a period of twelve (12) months, to pay its debts in the ordinary course of business, the maintenance of an excess of assets over liabilities, and the adequacy of ordinary capital and reserves as well as adequacy of working capital.

Details of the Meeting
Shareholders are advised that the details of the meeting will be available on the Company's website, www.masimbagroup.com, on Friday 30 May 2025. Alternatively, Shareholders may contact First Transfer Secretaries at 1 Armagh Road, Eastlea, Harare, Zimbabwe.

Audited Financial Statements
The electronic copies of the Company's 2024 Integrated Annual Report, the financial statements and Directors' and Independent Auditor's reports for the financial year ended 31 December 2024 will be available on or before Friday 6 June 2025. These documents, which will also be available on the Company's website, www.masimbagroup.com, will be emailed to the Shareholders whose email addresses are on record.

By Order of the Board

P. Mutiti
Company Secretary

30 May 2025

Note: A member entitled to attend and vote at the Annual General Meeting of Shareholders may appoint a proxy to attend, speak and, on poll, vote in his stead. A proxy need not to be a member of the Company. Forms of proxy must be lodged at the Registered Office of the Company or emailed to enquiries@masimbagroup.com not less than forty-eight (48) hours before the time of holding of the meeting.

Directors: G. Sebborn (Chairman), *F. Matahwa (CEO), S. Bwanya, C.C. Chitiyo, *A. Makamure, H. Makurira, H.S. Mashanyare, K. Mlambo (*Executive)

Registered Address: 44 Tilbury Road, Willowvale, Harare, Zimbabwe.

Proxy Form

For the fiftieth Annual General Meeting to be held at 44 Tilbury Road, Willowvale, Harare, on Monday 23 June 2025 at 1200 hours.

I/We………..

of………

being the holder of……………………………………………………………………………shares in the Company hereby appoint:

1…………………………………………………………………………of…………………………………………………… or failing him/her

2…………………………………………………………………………of……………………………………………………or failing him/her

as my/our proxy to act for me/us at the AGM for the purpose of considering and, if deemed fit, passing with or without modification, the resolutions to be proposed thereat, and at each adjournment or postponement thereof, and to vote for and/or against the resolutions and/or abstain from voting in respect of the shares in the issued share capital of the Company registered in my/our name (see note 2) in accordance with the following instructions:

Resolutions	For	Against	Abstain
1. Ordinary Business			
1.1 That the audited financial statements for the year ended 31 December 2024, together with the reports of the Directors and Auditors thereon be adopted.			
1.2 That the fees of the Directors for the year ended 31 December 2024 be approved.			
1.3.1 That Dr. Kupukile Mlambo be elected as a Director of the Company in terms of the Articles of Association. 1.3.2 That Prof. Hodson Makurira be elected as a Director of the Company in terms of the Articles of Association. 1.3.3 That Mr. Gregory Sebborn be re-elected as a Director of the Company in terms of the Articles of Association. 1.3.4 That Ms Cathrine Charmaine Chitiyo be re-elected as a Director of the Company in terms of the Articles of Association.			
1.4 That the dividend of USD0.35 cents and ZWG3.17 cents per share for the year ended 31 December 2024 be approved.			
1.5.1 That the remuneration of the auditor, Messrs. Grant Thornton, for the previous year be approved. 1.5.2 That the appointment of Messrs. Grant Thornton as the auditor for the ensuing year be approved.			
2. Special Business			
2.1 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.			

Every person present and entitled to vote at the AGM shall, on a show of hands, have one vote only, but in the event of a poll, every share shall have one vote.

Signed at……………………………………on…………………………………………………2025.

Signature(s)…………………………………………………………………………………………

Assisted by…………………………………………………………………………………………

Full name(s) of signatories if signing in a representative capacity (see note 2) (PLEASE USE BLOCK LETTERS).

………

Notes to the form of proxy……………………………………………………………………………………………

Instructions for signing and lodging the form of proxy

1. A Shareholder may insert the name of a proxy or the names of two alternative proxies of the Shareholder's choice in the space provided. The person whose name appears first on the form of proxy will, unless his/her name has been deleted, be entitled to act as proxy to the exclusion of those whose names follow.

2. A Shareholder's instruction to the proxy must be indicated by the insertion of the relevant number of votes exercisable by that Shareholder in the appropriate space/s provided as well as by means of a cross whether the Shareholder wishes to vote, for, against or abstain from the resolutions. Failure to comply with the above will be deemed to authorise the proxy to vote or abstain from voting at the AGM as he/she deems fit in respect of the entire Shareholder's votes exercisable thereat. A Shareholder or his/her proxy is not obliged to use all the votes exercisable by the Shareholder or by his/her proxy or cast them in the same way.

3. A deletion of any printed matter and the completion of any blank spaces need not be signed or initialled. Any alteration or correction must be initialled by the signatories.

4. The Chairman shall be entitled to decline to accept the authority of a person signing the proxy form:

   i. under a power of attorney
   ii. on behalf of a Company

   unless that person's power of attorney or authority is deposited at the offices of the Company's transfer secretaries, or the registered office of the Company, not less than forty-eight (48) hours before the meeting.

5. If two or more proxies attend the meeting then that person attending the meeting whose name appears first on the proxy form and whose name is not deleted, shall be regarded as the validly appointed proxy.

6. When there are joint holders of shares, any one holder may sign the form of proxy. In the case of joint holders, the senior who tenders a vote will be accepted to the exclusion of other joint holders. Seniority will be determined by the order in which names stand in the register of members.

7. The completion and lodging of this form of proxy will not preclude the member who grants this proxy form from attending the AGM and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof should such member wish to do so.

8. To be effective, completed proxy forms must reach the Company's transfer secretaries or the registered office of the Company not less that forty-eight (48) hours before the time appointed for the holding of the AGM.

9. Please ensure that name(s) of the member(s) on the form of proxy and the voting form are the same as those on the share register.

10. Please be advised that the number of votes a member is entitled to will be determined by the number of shares recorded on the Share Register by 1600 hours on Friday 20 June 2025.

OFFICE OF THE TRANSFER SECRETARIES
First Transfer Secretaries (Private) Limited
1 Armagh Road, Eastlea
Harare
Zimbabwe

info@fts-net.com

REGISTERED OFFICE OF THE COMPANY
44 Tilbury Road
Willowvale
Harare
Zimbabwe

pearl.mutiti@masimbagroup.com

Notes

Masimba
HOLDINGS LIMITED

masimbagroup.com |