

**Statement of financial position  
As at 30 September 2025**

	Notes	2025 USD	2024 Restated* USD
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	6	16 707 466	20 866 651
<b>Current assets</b>			
Inventories	7	13 865 371	13 419 671
Trade and other receivables	8	4 665 772	3 595 085
Cash and bank balances	9	1 498 542	577 222
<b>Total current assets</b>		<u>20 029 685</u>	<u>17 591 978</u>
<b>Total assets</b>		<u><u>36 737 151</u></u>	<u><u>38 458 629</u></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Share capital and reserves</b>			
Share capital	10.2	339	37
Share premium	10.2	319 976	319 976
Retained earnings		15 341 906	14 424 932
Revaluation reserve		13 403 763	15 893 338
<b>Total equity</b>		<u>29 065 984</u>	<u>30 638 283</u>
<b>Non-current liabilities</b>			
Deferred tax liabilities	11	3 081 505	4 162 480
Borrowings	17	124 761	-
<b>Total non-current liabilities</b>		<u>3 206 266</u>	<u>4 162 480</u>
<b>Current liabilities</b>			
Trade and other payables	12	1 770 650	1 169 901
Provisions for other liabilities and charges	13	666 877	637 483
Income tax payable	14	293 491	61 569
Dividend payable	15	1 105 583	1 788 913
Bank overdraft	16	235 434	-
Borrowings	17	392 866	-
<b>Total current liabilities</b>		<u>4 464 901</u>	<u>3 657 866</u>
<b>Total equity and liabilities</b>		<u><u>36 737 151</u></u>	<u><u>38 458 629</u></u>

*\*The comparative balances were previously reported in ZWG. The numbers were restated by converting to the Company's new presentation currency, USD. For details regarding the change in presentation currency, refer to Note 2.1.1.*

.....  
Mkushi H. P.  
Board Chairman

.....  
Nyakudya V.  
Chief Executive Officer

**Statement of profit or loss and other comprehensive income  
for the year ended 30 September 2025**

	Notes	2025 USD	2024 Restated* USD
Revenue	18	39 487 717	25 325 312
Cost of sales	19	<u>(30 475 528)</u>	<u>(14 862 924)</u>
<b>Gross profit</b>		9 012 189	10 462 388
Distribution costs	19	(160 272)	(85 628)
Administrative expenses	19	(5 737 401)	(3 629 877)
Other income	21	99 255	1 508 354
Allowance for impairment	19	(314 032)	(388 449)
Retrenchment costs	27	(235 786)	-
Other gains	22	<u>3 800</u>	<u>33 343</u>
<b>Operating profit</b>		2 667 753	7 900 131
Finance cost	23	(93 532)	(222 645)
Finance income	23	43	13
Monetary loss		<u>-</u>	<u>(1 997 197)</u>
<b>Profit before income tax</b>		2 574 264	5 680 302
Income tax expense	24	<u>(706 718)</u>	<u>137 153</u>
<b>Profit for the year</b>		<u>1 867 546</u>	<u>5 817 455</u>
<b>Other comprehensive income:</b>			
Items that will not be reclassified to profit or loss;			
Revaluation surplus	6	348 439	20 206 430
Items that will be reclassified to profit or loss;			
Impairment of property plant and equipment	6	(3 496 264)	-
Income tax relating components of other comprehensive income	11	<u>658 250</u>	<u>(4 313 092)</u>
Other comprehensive (loss)/income for the year, net of income tax		<u>(2 489 575)</u>	<u>15 893 338</u>
<b>Total comprehensive (loss)/ income for the year</b>		<u>(622 029)</u>	<u>21 710 793</u>
<b>Basic earnings per share (USD Cents)</b>	26	5.50	17.14
<b>Diluted earnings per share (USD Cents)</b>	26	5.50	17.14
<b>Headline earnings per share (USD Cents)</b>	26	6.18	17.04
<b>Dividend per share (USD Cents)</b>		2.80	4.90

**The above statement of profit/(loss) and other comprehensive income should be read in conjunction with accompanying notes.**

*\*The comparative balances were previously reported in ZWG. The numbers were restated by converting to the Company's new presentation currency, USD. For details regarding the change in presentation currency, refer to Note 2.1.1.*

**Statement of changes in equity  
for the year ended 30 September 2025**

	Notes	Share capital USD	Share premium USD	Share option reserve USD	Revaluation reserve USD	Retained earnings USD	Total USD
<b>Balance as at 1 October 2023</b>		37	113 921	209 261	-	10 270 978	10 594 197
Total comprehensive income for the year		-	-	-	15 893 338	5 817 455	21 710 793
Profit for the year		-	-	-	-	5 817 455	5 817 455
Other comprehensive income for the year		-	-	-	15 893 338	-	15 893 338
<b>Transactions with owners in their capacity as owners:</b>							
Share options exercised	10.2	-	1 072	-	-	-	1 072
Transfer between reserves	10.2	-	204 983	(204 983)	-	-	-
Share option expense	10.3	-	-	(4 278)	-	-	(4 278)
Dividend declared	15	-	-	-	-	(1 663 501)	(1 663 501)
<b>Balance as at 30 September 2024</b>		37	319 976	-	15 893 338	14 424 932	30 638 283
<b>Balance as at 1 October 2024</b>		37	319 976	-	15 893 338	14 424 932	30 638 283
Impact of change in functional currency		302	-	-	-	-	302
Total comprehensive loss for the year		-	-	-	(2 489 575)	1 867 546	(622 029)
Profit for the year		-	-	-	-	1 867 546	1 867 546
Other comprehensive loss for the year		-	-	-	(2 489 575)	-	(2 489 575)
<b>Transaction with owners:</b>							
Dividend declared	15	-	-	-	-	(950 572)	(950 572)
<b>Balance as at 30 September 2025</b>		339	319 976	-	13 403 763	15 341 906	29 065 984

The above statement of changes in equity should be read in conjunction with accompanying notes.

\*The comparative balances were previously reported in ZWG. The numbers were restated by converting to the Company's new presentation currency, USD. For details regarding the change in presentation currency, refer to Note 2.1.1.

**Statement of cash flows  
for the year ended 30 September 2025**

		<b>2025</b>	<b>2024</b>
	<b>Notes</b>	<b>USD</b>	<b>Restated*</b>
			<b>USD</b>
<b>Cash flows from operating activities</b>			
Profit before income tax		2 574 264	5 680 302
<b>Adjustments for:</b>			
Depreciation	<b>6</b>	1 638 772	14 181
Monetary loss		-	1 997 197
Foreign exchange loss/(gain)	<b>19</b>	188 889	(1 471 385)
Allowance for impairment	<b>8</b>	314 032	388 449
Profit from disposal of motor vehicles	<b>22</b>	(3 800)	(33 343)
Non-cash employee benefit expense - share based	<b>20</b>	-	(4 278)
Finance cost	<b>23</b>	93 532	222 645
Finance income	<b>23</b>	(43)	(13)
<b>Working capital changes:</b>			
Increase in inventories		(445 700)	(2 198 215)
(Increase)/decrease in trade and other receivables		(1 064 195)	(57 252)
Increase in trade and other payables		600 749	415 024
Increase in provision for other liabilities		29 394	77 915
Net cash generated from operations		3 925 894	5 031 227
Finance cost paid	<b>23</b>	(93 532)	(222 645)
Finance income received	<b>23</b>	43	13
Income taxes paid	<b>14</b>	(897 521)	(792 448)
<b>Net cash generated from operating activities</b>		<b>2 934 884</b>	<b>4 016 147</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Acquisition of property, plant and equipment	<b>6</b>	(627 412)	(245 329)
Proceeds from sale of motor vehicles		3 800	32 470
<b>Net cash utilised in investing activities</b>		<b>(623 612)</b>	<b>(212 859)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from bank loan	<b>17</b>	517 627	-
Proceeds from bank overdraft	<b>16</b>	235 434	-
Proceeds from issuance of shares - share options	<b>10</b>	-	1 072
Dividend paid	<b>15</b>	(1 633 902)	(2 127 437)
<b>Net cash utilised in financing activities</b>		<b>(880 841)</b>	<b>(2 126 365)</b>
Increase in cash and cash equivalents		1 430 431	1 676 923
Cash and cash equivalents at the beginning of the year		572 772	(190 959)
Effects of exchange rates on cash and cash equivalents		(508 809)	-
Impact of change in functional currency		(302)	-
Effects of inflation on cash and cash equivalents		-	(913 192)
Cash and cash equivalents at the end of the year	<b>9</b>	<b>1 494 092</b>	<b>572 772</b>

The above statement of cash flows should be read in conjunction with accompanying notes.

*\*The comparative balances were previously reported in ZWG. The numbers were restated by converting to the Company's new presentation currency, USD. For details regarding the change in presentation currency, refer to Note 2.1.1.*

**Notes to the financial statements  
for the year ended 30 September 2025**

**1 GENERAL INFORMATION**

CAFCA Limited (the "Company") is a public limited liability company incorporated and domiciled in Zimbabwe. The Company has a primary listing on the Zimbabwe Stock Exchange and a secondary listing on the Johannesburg Stock Exchange. These financial statements were approved for issue by the Board of Directors on 6 November 2025.

**2 MATERIAL ACCOUNTING POLICY INFORMATION**

The material accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

**2.1 Basis of preparation**

The financial statements of CAFCA Limited have been prepared with an aim to comply with IFRS Accounting Standards and in the manner required by the Zimbabwe Companies and Other Business Entities Act (Chapter 24:31).

The preparation of financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in **note 4**.

**2.1.1 Determination of functional currency**

Given the context of the environment, management has assessed if there has been a change in the functional currency of the Company. In doing so, management considered the regulatory framework and parameters set in IAS 21 and made the judgements as follows;

**a. The currency that mainly influences the sales prices for goods and services**

For the year ended 30 September 2025, turnover was raised in both USD and ZWG currency. The overall composition of was dominated with USD sales, which were 86% of the total turnover. However, prices to customers continue being quoted in both USD and ZWG, where customers give their preference based on the market liquidity prevalent. The Company projects to continue earning revenue in both currencies.

**Notes to the financial statements  
for the year ended 30 September 2025 (continued)**

**2.1.1 Determination of functional currency (continued)**

**b. The currency of the competitive forces and regulations that mainly determines the selling prices of goods and services.**

Zimbabwe is a multi-currency economy. Nonetheless, it is largely supplied by imports and there is increasing demand for foreign currency. However, according to the 2025 Monetary Policy Statement issued in February 2025, the Statement was issued at a time when the economy was experiencing relative inflation and exchange rate stability. Prior, the Reserve Bank had extensive stakeholder engagements and consultations to leverage critical feedback and inputs required in mapping the monetary policy priorities for 2025. The consultative meetings revealed broad acceptance of the ZWG by the market.

**c. The currency that mainly influences labour, material and other costs of providing goods and services (normally the currency in which such costs are denoted and settled)**

The currency that mainly influences labour, material and other costs of providing goods or services will often be the currency in which those costs are denominated and settled. During the year, the below are the compositions of transacting currencies on respective expenditures:

- copper – procured on a ratio of USD 95% and ZWG 5%;
- aluminium – procured on a ratio of USD 100%;
- pvc – procured on a ratio of USD 100%;
- electricity – USD 100% and wate 100% ZWG; and
- staff related costs - incurred at 100% USD basis.

This composition of currency, however, fluctuated monthly in response to market liquidity.

**d. The currency in which funds from financing activities are generated; and the currency in which receipts from operating activities are usually retained.**

Financing activities refers to the issuing of debt and equity instruments. The Company utilised a bank overdraft facilities to fund its working capital requirements. Interest is calculated on the ZWG denominated principal and were also in ZWG. The Company retains receipts from operating activities in both currencies.

**e. Fungibility of ZWG currency**

The ZWG currency is practically not fully fungible, due to factors that limit its interchangeability with other currencies or units. The main factors are regulatory constraints, as referenced on the website <https://www.veritaszim.net/node/7167>. Conversions slide in largely one direction, which is from USD to ZWG.

**Notes to the financial statements  
for the year ended 30 September 2025 (continued)**

**2.1.1 Determination of functional currency (continued)**

The Zimbabwe Gold (ZWG) currency's fungibility is affected by several regulations and laws. Key restrictions include:

- Legal Tender Regulations - The Reserve Bank of Zimbabwe (Legal Tender) Regulations, 2019 (SI 142 of 2019) declared the Zimbabwe dollar as the sole legal tender, restricting foreign currencies, including the Zimbabwe Gold, from being used as legal tender.
- Exchange Control Act - The Exchange Control Act, amended in 2019 and 2022, allows for civil penalties to be imposed on those who contravene the Act. However, subsection (2a) of the Act permits the use of foreign currency for certain transactions until December 31, 2030.
- Finance Acts - The Finance (No. 2) Act, 2019, and subsequent Finance Acts, re-enacted the regulations, solidifying the Zimbabwe dollar's position as the primary currency.
- Presidential Powers (Temporary Measures) Act - The new currency law, introduced in April 2024, is based on this Act, empowering the President to make regulations for urgent situations.

As discussed above, the Company's revenue and costs have been denominated in USD currency as it appears to have been indicators that suggest a change in functional currency during the year. It is management's view that the Company's functional currency be changed from the local currency, ZWG to USD.

Based on the above factors, the Company concluded there was a change in functional currency from ZWG to USD effective 1 October 2024.

**Conversion from Zimbabwe Gold to United States Dollar**

The Company changed its functional and presentation currency from Zimbabwe Gold (ZWG) to United States Dollars (USD) effective 1 October 2024. The change in functional currency was applied prospectively. The change in functional currency entails all amounts, including comparatives being translated from ZWG to USD in accordance with (IAS 21) - The Effects of Changes in Foreign Exchange Rates. The Company's previous functional currency (ZWG) was a currency of a hyperinflationary economy, as such IAS 21 requires that the ZWG inflation adjusted amounts for the period prior to the change in functional currency and the previously stated comparative inflation adjusted financial statements, be translated to USD at the closing exchange rate at the date of change in functional currency.

In accordance with (IAS 20) - Financial Reporting in Hyperinflationary Economies, the

**Notes to the financial statements  
for the year ended 30 September 2025 (continued)**

**2.1.2 Changes in accounting policy and disclosures**

- (a) **New standards, amendments and interpretations effective for the first time for 30**

## **September 2025 year end that are relevant to the Company:**

At the date of authorisation of these financial statements, several new but not yet effective, Standards and amendments to existing Standards, and Interpretations have been published by the IASB. None of these Standards or amendments to existing Standards have been adopted early by the Company.

Management anticipates that all relevant pronouncements will be adopted for the first period beginning on or after the effective date of the pronouncement. New Standards, amendments and Interpretations not adopted in the current year have not been disclosed as they are not expected to have a material impact on the Company's financial statements.

### **IAS 1 - Classification of Liabilities as Current or Non-current (Amendments to IAS 1)**

- The amendments elaborate on guidance set out in IAS 1 by clarifying that the classification of a liability as either current or non-current is based on the entity's rights at the end of the reporting period.
- The amendments elaborate on guidance set out in IAS 1 by stating that management's expectations around whether they will defer settlement or not does not impact the classification of the liability.
- And also adding guidance about lending conditions and how these can impact classification and including requirements for liabilities that can be settled using an entity's own instruments.
- The amendments should be applied retrospectively, with entities being allowed to apply them to an earlier period, as long as they disclose that they have done so.
- The amendments affect entities with borrowing arrangements so therefore the impact could be widespread.
- These amendments could have a significant impact on an entity's presentation of their borrowings which in turn could impact important financial ratios.
- These Standards and amendments are not expected to have a significant impact on the financial statements in the period of initial application and therefore no disclosures have been made.

The amendments are effective for annual periods beginning on or after **1 January 2024**.

## **Notes to the financial statements for the year ended 30 September 2025 (continued)**

### **2.1.2 Changes in accounting policy and disclosures (continued)**

- (a) **New standards, amendments and interpretations effective for the first time for 30 September 2025 year end that are relevant to the Company (continued):**

#### **IAS 1 - Non-current Liabilities with Covenants (Amendments to IAS 1)**

- The amendments set out in 'Non-current Liabilities with Covenants (Amendments to IAS 1)' state that at the reporting date, the entity does not consider covenants that will need to be complied with in the future, when considering the classification of the debt as current or non-current. Instead, the entity should disclose information about these covenants in the notes to the financial statements.
- The IASB wants these amendments to enable investors to understand the risk that such debt could become repayable early and therefore improving the information being provided on the long-term debt.
- The amendments affect entities with borrowing arrangements so therefore the impact could be widespread.
- These amendments could have a significant impact on an entity's presentation of their borrowings which in turn could impact important financial ratios.
- These Standards and amendments are not expected to have a significant impact on the financial statements in the period of initial application and therefore no disclosures have been made.

The amendment is effective for annual reporting periods beginning on or after **1 January 2024**, with early application permitted.

#### **IFRS 16 - Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)**

- The amendments state that previously IFRS 16 only included guidance on how to account for sale and leaseback transactions at the date of the transaction itself. However, the Standard did not specify any subsequent accounting when reporting on the sale and lease back transaction after that date.
- As a result, without further requirements, when the payments include variable lease payments there is a risk that a modification or change in the leaseback term could result in the seller-lessee recognising a gain on the right of use they retained even though no transaction or event would have occurred to give rise to that gain.
- Consequently, the IASB decided to include subsequent measurement requirements for sale and leaseback transactions to IFRS 16, as amendments affect entities accounting for a sale and leaseback transaction.
- These amendments would only impact the subsequent accounting for a sale and leaseback transaction, while these amounts could be material, in most cases it is unlikely to have a significant impact.

### **Notes to the financial statements for the year ended 30 September 2025 (continued)**

#### **2.1.2 Changes in accounting policy and disclosures (continued)**

- (a) **New standards, amendments and interpretations effective for the first time for 30 September 2025 year end that are relevant to the Company (continued):**

#### **IFRS 16 - Lease Liability in a Sale and Leaseback (Amendments to IFRS 16) (continued)**

- The amendments are not expected to have a significant impact on the financial statements as CAFCA does not have any lease in the current period.
- The amendment is effective for annual reporting periods beginning on or after **1 January 2024**. Earlier application is permitted.

#### **IAS 7 & IFRS 7 - Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)**

- The amendments require additional disclosures that complement the existing disclosures in these two Standards.
- They require entities to disclose:
  - the terms and conditions of the arrangement;
  - the amount of the liabilities that are part of the arrangements, breaking out the amounts for which the suppliers have already received payment from the finance providers, and stating where the liabilities are included on the statement of financial position;
  - ranges of payment due dates; and
  - liquidity risk information.
- These additional disclosure requirements address investors wanting more visibility around supplier finance arrangements, which in some jurisdictions around the world are better known as reverse factoring arrangements.
- The amendments apply to all entities that engage in supplier financing arrangements.
- The amendments will require new disclosures to be prepared with more detailed information provided on their supplier finance arrangements. Depending on the complexity or volume of such arrangements this may result in significantly more disclosures.
- These Standards and amendments are not expected to have a significant impact on the financial statements in the period of initial application and therefore no disclosures have been made.

The amendments are effective for accounting periods beginning on or after **1 January 2024**.

### **Notes to the financial statements for the year ended 30 September 2025 (continued)**

#### **2.1.2 Changes in accounting policy and disclosures (continued)**

- (a) **New standards, amendments and interpretations effective for the first time for 30 September 2025 year end that are relevant to the Company (continued):**

**IFRS S1 - (General Requirements for Disclosure of Sustainability-related Financial Information)**

- The objective is to require an entity to disclose information about its sustainability-related risks and opportunities that is useful to primary users of general purpose, financial reports in making decisions relating to providing resources to the entity.
- The Company shall apply this Standard in preparing and reporting sustainability-related financial disclosures in accordance with IFRS Sustainability Disclosure Standards. Sustainability-related risks and opportunities that could not reasonably be expected to affect an entity's prospects are outside the scope of this Standard.
- Fair presentation requires disclosure of relevant information about sustainability-related risks and opportunities that could reasonably be expected to affect the entity's prospects, and their faithful representation in accordance with the principles set out in this Standard. To achieve faithful representation, an entity shall provide a complete, neutral and accurate depiction of those sustainability-related risks and opportunities.
- Materiality is an entity-specific aspect of relevance based on the nature or magnitude, or both, of the items to which the information relates, in the context of the entity's sustainability-related financial disclosures.

The amendments are effective for accounting periods beginning or after **1 January 2024**. Earlier application is permitted.

#### **IFRS S2 (Climate-related Disclosures)**

IFRS S2 has been developed to capture climate-specific requirements which includes:

- Strategy disclosures that distinguish between physical and transitional risks;
- Disclosure of their plans to respond to climate-related risks and opportunities, including how climate-related targets are set and any targets it is required to meet by law or regulation; and
- Companies should perform scenario analysis to explain how various climate-related events may impact the business in the future; and
- Climate-related metrics and target disclosures should include:
  - Cross-industry metrics that are relevant to all companies e.g. greenhouse gas emissions, refer to our publication on 'What are sustainability scope 1, 2 and 3 emissions?' for more information on greenhouse gas emissions;
  - Industry-based metrics relevant to companies within the related industries; and
  - Company specific metrics considered by the board or management when measuring progress towards set targets.

The amendments are effective for reporting periods beginning on or after **1 January 2024**.

### **Notes to the financial statements**

#### **for the year ended 30 September 2025 (continued)**

##### **2.1.2 Changes in accounting policy and disclosures (continued)**

- (b) **New standards, amendments and interpretations issued but not effective for 30 September 2025 year end that are relevant to the Company but have not been early adopted:**

At the date of authorisation of these financial statements, the Company has not applied the following new and revised IFRS Accounting Standards that have been issued but are not yet effective. The directors anticipate that the adoption of these standards and interpretations in future years will have no material impact on the financial statements of the Company.

#### **IAS 21 - Lack of Exchangeability (Amendments to IAS 21)**

- The amendments include both updates to guidance to assist preparers in correctly accounting for foreign currency items and increases the level of disclosure required to help users understand the impact of a lack of exchangeability on the financial statements.
  
- The amendments:
  - introduce a definition of whether a currency is exchangeable, and the process by which an entity should assess this exchangeability. This includes application guidance included in a new Appendix A;
  - provide guidance on how an entity should estimate a spot exchange rate in cases where a currency is not exchangeable; and
  - require additional disclosures in cases where an entity has estimated a spot exchange rate due to a lack of exchangeability, including the nature and financial impact of the lack of exchangeability, and details of the spot exchange rate used and the estimation process.
  
- These amendments only affect entities that are required to report foreign currency transactions where there is a long-term lack of exchangeability between currencies; and
  
- Affected entities may be required to adjust the carrying value of any monetary items that have been translated from a foreign currency which is not exchangeable, and will be required to provide additional disclosures on how the new spot rate has been determined.
  
- In the current year, the Lack of Exchangeability amendments to IAS 21 do not have a material impact on CAFCA Limited, as the Company did not estimate its own spot exchange rate but instead applied the official exchange rates in translating transactions and balances.

The amendments are effective for reporting periods beginning on or after **1 January 2025**.

#### **Notes to the financial statements for the year ended 30 September 2025 (continued)**

##### **2.1.2 Changes in accounting policy and disclosures (continued)**

- (b) New standards, amendments and interpretations issued but not effective for 30 September 2025 year end that are relevant to the Company but have not been early adopted (continued):**

#### **IFRS 18 Presentation and Disclosures in Financial Statements**

- IFRS 18 was developed to address the lack of detailed requirements in IAS 1 for the following areas:
  - the classification of income and expenses in the statement of profit or loss;
  - the presentation of subtotals in the statement of profit or loss; and
  - the aggregation and disaggregation of information presented in the primary financial statements or disclosed in the notes.
- IFRS 18 requires foreign exchange differences to be classified in the same category of the statement of profit or loss as the income and expenses from items that gave rise to the foreign exchange differences.
- The assessment of an entity's main business activities is therefore going to be a key judgement which may significantly impact the geography of where items appear in the statement of profit or loss.
- IFRS 18 introduces the concept of a 'management-defined performance measure' (MPM) in order to address the significant diversity in practice currently seen when it comes to so-called 'alternative performance measures' and any non-GAAP performance measures.
- The Standard requires entities that present expenses classified by function to disclose the amount of depreciation, amortisation, employee benefits, impairment losses and write-down of inventories included in each line in the operating category of the statement of profit or loss.
- The directors are still assessing the impact of IFRS 18 on the financial statements of the Company.

The amendments are effective for reporting periods beginning on or after **1 January 2027**.

#### **IFRS 19 Subsidiaries without Public Accountability**

- IFRS 19 was developed to reduce set of disclosures that certain in-scope entities can elect to apply instead of the disclosure requirements set out in other IFRS Accounting Standards. IFRS 19 will work alongside other IFRS Accounting Standards, with eligible subsidiaries applying the measurement, recognition and presentation requirements set out in other IFRS and the revised disclosures outlined in IFRS 19.

### **Notes to the financial statements for the year ended 30 September 2025 (continued)**

#### **2.1.2 Changes in accounting policy and disclosures (continued)**

- (b) **New standards, amendments and interpretations issued but not effective for 30 September 2025 year end that are relevant to the Company but have not been early adopted (continued):**

#### **IFRS 19 Subsidiaries without Public Accountability (continued)**

- Due to the nature of IFRS 19, it is amended whenever there are any new or amended

disclosure requirements in other IFRS Accounting Standards. In the future, IFRS 19 will be amended at the same time as the IASB issues or revises other IFRS Accounting Standards. To ensure that IFRS 19 is always up to date, any proposed amendments to IFRS 19 will be included in an exposure draft for the corresponding new or amended IFRS Accounting Standards. As part of this process, the IASB has said it will continue to apply the initial principles of IFRS 19 to determine whether new or amended disclosure requirements being proposed as part of IFRS Accounting Standards provide useful information to users of the financial statements of eligible subsidiaries and, therefore, whether to include those disclosures in IFRS 19.

- In order to apply IFRS 19, an entity must meet all of the following criteria at the end of its reporting period:
  - is a subsidiary
  - does not have public accountability, and
  - has a parent that produces consolidated financial statements available for public use that comply with full application of IFRS.
- For purposes of applying IFRS 19, an entity has public accountability if:
  - it has debt or equity instruments that are traded on a public market or is in the process of issuing such instruments, or
  - holds assets in a fiduciary capacity for a broad group of outsiders as one of its primary business activities.
- IFRS 19 includes reduced disclosures for almost all existing IFRS, the details of which are specific to each impacted standard. To apply IFRS 19, entities will first apply the recognition, measurement, and presentation requirements in each applicable IFRS. The entity will then not apply the disclosure requirements in the applicable IFRS but will instead refer to IFRS 19 for required disclosures.
- These Standards and amendments are not expected to have a significant impact on the financial statements in the period of initial application and therefore no disclosures have been made.

The Standard is effective from annual reporting periods beginning on or after **1 January 2027**.

**Notes to the financial statements  
for the year ended 30 September 2025 (continued)**

**2.1.2 Changes in accounting policy and disclosures (continued)**

- (b) New standards, amendments and interpretations issued but not effective for 30 September 2025 year end that are relevant to the Company but have not been early adopted (continued):**

**Amendments to IFRS 9 and IFRS 7 - Amendments to the Classification and Measurement of Financial Instruments**

- The IASB issued amendments to the classification and measurement of financial instruments to promote consistency. The amendments were developed to address the following areas:

**a. Derecognition of financial instruments when an electronic payment system is used**

- New guidance has been added to IFRS 9 to specifically address when a financial liability should be derecognised when it is settled by electronic payment. Previously, an entity was required to wait until the settlement date of the transaction to discharge the liability, but the new guidance allows for the liability to be discharged before the settlement date if:
  - the payment cannot be withdrawn, stopped or cancelled
  - the entity no longer has the practical ability to access the cash, and
  - settlement risk associated with the electronic payment system is insignificant.

**b. Classification of financial assets: Contractual cash flows that are solely payments of principal**

- IFRS 9 has always required an entity to consider the characteristics of its contractual cash flows to appropriately classify a financial asset. The amendments provide some additional guidance to help an entity assess whether the contractual cash flows of a financial asset are consistent with a basic lending arrangement. Given the importance of this determination, new guidance has been provided, including examples of contractual cash flows that are solely payments of principal and interest on the principal outstanding, to ascertain whether or not the arrangements would be consistent with a basic lending arrangement.
  
- IFRS 9 also describes certain situations where financial assets may have contractual cash flows that are described as principal and interest, but the payments made do not actually represent a basic lending arrangement. This may be the case if a financial asset has non-recourse features. The amendments to IFRS 9 provide a clearer definition of a non-recourse feature, which is now outlined as a financial asset where the entity's ultimate right to receive cash flows is contractually limited to the cash flows generated by specified assets.

**Notes to the financial statements  
for the year ended 30 September 2025 (continued)**

**2.1.2 Changes in accounting policy and disclosures (continued)**

- (b) **New standards, amendments and interpretations issued but not effective for 30 September 2025 year end that are relevant to the Company but have not been early adopted (continued):**

**Amendments to IFRS 9 and IFRS 7 - Amendments to the Classification and Measurement of Financial Instruments (continued)**

**c. Classification of financial assets: Contractually linked instruments**

- IFRS 9 has also been updated to provide additional guidance to clarify the characteristics of contractually linked instruments as well as the definition of the underlying pool used to assess whether a transaction contains contractually linked instruments. The amendments also specify that transactions that contain multiple debt instruments are not automatically contracts with multiple contractually linked instruments, and so they must be carefully assessed before a final determination is made.

**d. Amendments made to the disclosures of financial instruments: Investments in equity instruments designated at fair value through other comprehensive income**

- The amendments to IFRS 7 add new required disclosures for any investments in equity instruments designated at fair value through other comprehensive income. These include disclosures of the fair value gain or loss presented in other comprehensive income for the period, showing separately the fair value gain or loss related to investments derecognised or held, as well as the transfer of cumulative gain or loss within equity related to derecognised investments.

**e. Amendments made to the disclosures of financial instruments: Contractual terms that could change the amount of contractual cash flow based on contingent events**

- IFRS 7 has been amended to require additional new disclosures for each class of financial asset measured at amortised cost or fair value through other comprehensive income, as well as financial liabilities measured at amortised cost. When there are contractual terms that could change the contractual cash flows based on the outcome of a contingent event not directly related to basic lending risk, an entity must now disclose certain information surrounding the related contingent event as well as possible changes to cash flows and the gross carrying value and amortised cost of the related financial asset or liability. These new disclosures are also now reflected in IFRS 19.

- These Standards and amendments are not expected to have a significant impact on the financial statements in the period of initial application and therefore no disclosures have been made.

The amendments are effective from annual reporting periods beginning on or after **1 January 2026**.

**Notes to the financial statements**

**for the year ended 30 September 2025 (continued)**

**2.1.2 Changes in accounting policy and disclosures (continued)**

- (b) New standards, amendments and interpretations issued but not effective for 30 September 2025 year end that are relevant to the Company but have not been early adopted (continued):**

**Annual Improvements to IFRS Accounting Standards – Volume 11**

- The publication is a collection of amendments to IFRS Accounting Standards discussed by the IASB during the current project cycle for annual improvements. The IASB uses the Annual Improvements process to make necessary, but non-urgent, amendments to IFRS Accounting Standards that will not be included as part of any other project. A summary of the issues addressed is set out below:

**a. IFRS 1 -First-time Adoption of International Financial Reporting Standards**

Amends paragraphs B5–B6 of IFRS 1:

- to improve consistency with the requirements in IFRS 9, and
- to add cross-references to improve the understandability of IFRS 1

**b. IFRS 7 - Financial Instruments: Disclosures**

Amends paragraph B38 of IFRS 7:

- to replace an obsolete reference to paragraph 27A of IFRS 7 with a reference to paragraphs 72–73 of IFRS 13 'Fair Value Measurement', and
- to replace the phrase 'inputs that were not based on observable market data' with 'unobservable inputs' to make the wording consistent with the wording in paragraph 72 of IFRS 13.

**c. Guidance on implementing IFRS 7 - Financial Instruments: Disclosures**

Amends paragraph IG14 to make its wording consistent with the requirements in paragraph 28 of IFRS 7 and with the wording and concepts in IFRS 9 and IFRS 13

**e. IFRS 10 - Consolidated Financial Statements**

Amends paragraph B74 of IFRS 10 'Consolidated Financial Statements' to use less conclusive language and to clarify that the relationship described in paragraph B74 is just one example of a circumstance in which judgement is required to determine whether a party is acting as a de facto agent.

**f. IAS 7 - Statement of Cash**

Amends paragraph 37 of IAS 7 to replace the term 'cost method' with 'at cost'.

**Notes to the financial statements  
for the year ended 30 September 2025 (continued)**

- (b) **New standards, amendments and interpretations issued but not effective for 30 September 2025 year end that are relevant to the Company but have not been early adopted (continued):**

**Annual Improvements to IFRS Accounting Standards – Volume 11 (continued)**

These Standards and amendments are not expected to have a significant impact on the financial statements in the period of initial application and therefore no disclosures have been made.

The amendments are effective from annual reporting periods beginning on or after **1 January 2026**.

**2.2 Segment reporting**

An operating segment is a component of an entity:

- That engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity);
- Whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance; and
- For which discrete financial information is available.

The Company operates within the cable manufacturing industry. The activities of the Company are entirely related to the manufacturing and selling of cable and allied products for the transmission and distribution of electrical energy and information, primarily in Zimbabwe.

The operating segment is reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision-maker, responsible for allocating resources, assessing performance of the operating segment and making strategic decisions, has been identified as the executive management team.

### **2.3 Foreign currency translation**

#### **Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in the statement of profit or loss and other comprehensive income.

## **Notes to the financial statements for the year ended 30 September 2025 (continued)**

### **2.3 Foreign currency translation (continued)**

#### **Transactions and balances (continued)**

Foreign exchange gains and losses that relate to borrowings are presented in the statement of profit or loss and other comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the statement of profit or loss and other comprehensive income and a net basis ,within 'other (losses)/ gains.

### **2.4 Property, plant and equipment**

Property, plant and equipment is initially stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance costs are charged to statement of profit or loss and other comprehensive income during the reporting period in which they are incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight line method to allocate cost to their residual values over their estimated useful lives, as follows:

Buildings	40 years
Plant and equipment	10 to 15 years
	3 to 10
Motor vehicles	years
	3 to 5
Office equipment	years

An asset's carrying amount is immediately written down to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposal of assets are determined by comparing proceeds with the carrying amount. These are included in the statement of profit or loss and other comprehensive income.

**Notes to the financial statements  
for the year ended 30 September 2025 (continued)**

**2.5 Revaluation of motor vehicles**

**Initial application of a policy to revalue assets according to IAS 16 Property, plant and equipment - Revaluation of motor vehicles.**

CAFCA Limited has adopted the revaluation model for its motor vehicles as of 1 October 2024, in accordance with IAS 16 - Property, Plant and Equipment.

This represents an initial application for motor vehicles, rather than a change in accounting policy under IAS 8 - Accounting Policies, Changes in Accounting Estimates, and Errors.

The fair value of the motor vehicles was determined using market and cost approaches. The difference between the carrying amount before revaluation and the fair value as at 1 October 2024 was treated as the revaluation surplus in USD terms and recognised in other comprehensive income.

As at the revaluation date, 1 October 2024, the fair values of the motor vehicles were determined through a Directors' Valuation. Directors based their valuations on market prices for comparable vehicles and then adjusted these amounts to reflect differences in the nature, condition and specific characteristics of each motor vehicle.

The change was made to provide a more relevant and reliable reflection of the fair value of the Company's assets in the financial statements. This approach better aligns the carrying amounts with

current market conditions and supports more informed decision-making by users of the financial statements.

**Fair value hierarchy**

The following table shows an analysis of the fair values of motor vehicles recognised in the statement of financial position by level of the fair value hierarchy:

	<b>Motor Vehicle USD</b>
<b>Fair value measurement using significant unobservable inputs (Level 3)</b>	
Net replacement value	<u>710 079</u>

**Notes to the financial statements  
for the year ended 30 September 2025 (continued)**

**2.5 Revaluation of motor vehicles (continued)**

<b>Fair value hierarchy (continued)</b>	<b>Motor Vehicle USD</b>
<b>Reconciliation of revalued amounts:</b>	
Opening carrying amount	587 291
Depreciation charge for the year	(225 651)
Carrying amount under cost model	<u>361 640</u>
Revaluation surplus	<u>348 439</u>
Closing carrying amount	<u>710 079</u>

**2.6 Impairment of non-financial assets**

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired.

Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets

("Cash generating units"). Non-financial assets other than goodwill that suffered an impairment are reviewed at the end of each reporting period.

## 2.7 Financial instruments

### Recognition and derecognition

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument. Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

### Classification and initial measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with IFRS 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

## Notes to the financial statements for the year ended 30 September 2025 (continued)

### 2.7 Financial instruments (continued)

#### Classification and initial measurement of financial assets (continued)

Financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

- amortised cost;
- fair value through profit or loss (FVTPL); and
- fair value through other comprehensive income (FVOCI).

In the periods presented, the Company does not have any financial assets categorised as FVOCI.

The classification is determined by both:

- the entity's business model for managing the financial asset; and
- the contractual cash flow characteristics of the financial asset.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

#### Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

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

principal and interest on the principal amount outstanding.

### **Financial assets at fair value through profit or loss (FVTPL)**

Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorised at fair value through profit and loss. Further, irrespective of business model financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVTPL.

The category also contains a quoted equity investments. The Company accounts for the investments at FVTPL. For unquoted investments the Company made an irrevocable election to account them at fair value through other comprehensive income (FVOCI).

Assets in this category are measured at fair value with gains or losses recognised in profit or loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

## **Notes to the financial statements for the year ended 30 September 2025 (continued)**

### **2.7 Financial instruments (continued)**

#### **Financial assets at fair value through other comprehensive income (FVOCI)**

The Company accounts for financial assets at FVOCI if the assets meet the following conditions:

- they are held under a business model whose objective it is "hold to collect" the contractual cash flows and sell; and
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Any gains or losses recognised in other comprehensive income (OCI) will be recycled upon derecognition of the asset.

#### **Impairment of financial assets**

IFRS 9's impairment requirements use forward-looking information to recognise expected credit losses – the 'expected credit loss (ECL) model'. Instruments within the scope of the requirements included loans and other debt-type financial assets measured at amortised cost and FVOCI, trade receivables, contract assets recognised and measured under IFRS 15 and loan commitments and some financial guarantee contracts (for the issuer) that are not measured at fair value through profit or loss.

The financial assets for CAFCA Limited subject to IFRS 9 impairment include trade and other receivables and cash and cash equivalents, as these instruments are measured at amortised cost and fall within the scope of the expected credit loss (ECL) model.

All impairment losses are recognised in profit or loss.

The Company considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts information that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1'); and
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2'); and
- 'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date.

'12-month expected credit losses' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second category.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

## **Notes to the financial statements for the year ended 30 September 2025 (continued)**

### **2.7 Financial instruments (continued)**

#### **Trade and other receivables**

The Company makes use of a simplified approach in accounting for trade and other receivables, recognise the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating, the Company uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

The Company considers the following as constituting an event of default:

- Amounts that are at least 120 days past due; or
- Amounts that are unlikely to be paid to the Company in full.

Trade receivables are written off (ie derecognised) when there is no reasonable expectation of recovery. Failure to make payments within 240 days from the invoice date and failure to engage with the Company on alternative payment arrangement amongst other is considered indicators of no reasonable expectation of recovery.

#### **Financial liabilities**

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Company designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method and financial liabilities designated at FVTPL, are subsequently carried at fair value with gains or losses recognised in profit or loss.

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand, deposits held on call with banks, and investments in money market instruments. Cash and cash equivalents are measured at fair value, with any impairment or appreciation in value of foreign currency denominated balances arising from changes in exchange rates, being written off or credited against the exchange gains and losses account in profit

or loss. In the statement of financial position, bank overdrafts are shown under current liabilities.

### **Trade and other payables**

Trade and other payables represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within two months of recognition. Trade and other payables are classified as current liabilities unless payment is not due within twelve months after the reporting date.

## **Notes to the financial statements for the year ended 30 September 2025 (continued)**

### **2.7 Financial instruments (continued)**

#### **Trade and other payables (continued)**

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

#### **Offset**

If a legally enforceable right exists to set-off recognised amounts of financial assets and liabilities, which are determinable monetary amounts and the Company intends to settle on a net basis, the relevant financial assets and liabilities are offset.

### **2.8 Inventories**

Raw materials, work in progress and finished goods are stated at the lower of cost and net realisable value. Cost comprises direct raw materials, direct labour, other direct costs and related production overheads based on normal operating capacity. Cost excludes borrowing costs. Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated selling expenses. Obsolete, redundant and slow moving stocks are identified and written down to net realisable value.

### **2.9 Share capital**

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

### **2.10 Current income and deferred tax**

The income tax expense or credit for the period is the tax payable on the current year's taxable income based on the applicable income tax rate adjusted by changes in deferred income tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date in Zimbabwe. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

**Notes to the financial statements  
for the year ended 30 September 2025 (continued)**

**2.10 Current income and deferred tax (continued)**

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred tax is also not accounted for if it arises from the initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the reporting date and are expected to apply when the related deferred tax asset is realised or liability is settled. Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets and liabilities and when the deferred income tax balances relate to the same taxation authority. Current income tax assets and liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle the balance on a net basis, or to realise the asset and settle the liability simultaneously.

Current income and deferred tax is recognised in the statement of profit or loss and other comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

**2.11 Provisions**

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to passage of time is recognised as interest expense.

**Notes to the financial statements  
for the year ended 30 September 2025 (continued)**

**2.12 Revenue recognition**

The Company manufactures and supplies cable and allied products. Revenue is recognised when control of the products has transferred, being when the products are delivered to the customer. This is the point at which the performance obligation is satisfied and a receivable is recognised as the consideration is unconditional and only the passage of time is required before payment is due.

The Company recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities in the statement of financial position. Similarly, if the Company satisfies a performance obligation before it receives the consideration, the Company recognises either a contract asset or a receivable in its statement of financial position, depending on whether something other than the passage of time is required before the consideration is due.

**(a) Sales of goods - wholesale**

Revenue from the sale of goods is recognised at a point in time when the products have been delivered to the customer. Delivery does not occur until the products have been delivered to the specified location, the risk of obsolescence has been transferred to the customer and there are no unfulfilled obligations that could affect the customer's acceptance of the products.

**(b) Sales of goods - retail**

Revenue from the sales of goods at a point in time recognised when the Company sells a product to the customer.

**(c) Consignment inventory**

Revenue from consignment arrangement is recognised at a point in time when the goods have been sold by the consignee. Control of goods is not passed to the consignee when the consignment stock is held by the consignee.

**2.13 Interest income**

Interest income is recognised using the effective interest method. When a loan and receivable is impaired, the Company reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loans is recognised using the original effective interest rate.

**Notes to the financial statements  
for the year ended 30 September 2025 (continued)**

**2.14 Employee benefits**

**(a) Pension obligations**

The Company operates a defined contribution plan. A defined contribution plan is a pension plan under which the Company pays contributions to a privately administered pension plan on a contractual basis. The Company has no further legal or constructive obligation to pay contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The pension plan is funded by payments from employees and by the Company and by taking account of the recommendations of independent actuaries. The contributions are recognised as employee benefit expenses when they are due.

**(b) Short term obligations**

Liabilities for wages and salaries, including non-monetary benefits and that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the statement of financial position.

**(c) Bonus plans**

The Company recognises a liability and an expense for bonuses based on a formula that takes into consideration the profit attributable to the Company's shareholders after certain adjustments. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

**(d) Share-based payments**

Share based compensation benefits are provided to employees through an equity settled share-based compensation plan. The fair value of options granted under the share-based compensation plan is recognised as employee benefits expense with a corresponding increase in equity. The total granted under the share-based compensation plan is recognised as employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (e.g. the Company's share price)
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period), and
- including the impact of any non-vesting conditions (e.g. the requirement for employees to save or holding shares for a specific period of time).

## **2.14 Employee benefits (continued)**

### **(d) Share-based payments (continued)**

When the options are exercised, the Company transfers the appropriate amount of shares to the employee. The proceeds received net of any directly attributable transaction costs are credited directly to equity.

## **2.15 Dividends**

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Company, on or before the end of the reporting period but not distributed at the end of the reporting period.

## **2.16 Earnings per share**

### **(a) Basic earnings per share**

Basic earnings per share are calculated by dividing:

- the profit attributable to owners of the Company, excluding any costs of servicing equity other than ordinary shares;
- by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year excluding treasury shares.

### **(b) Diluted earnings per share**

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

## **3 FINANCIAL RISK MANAGEMENT**

### **3.1 Financial risk factors**

The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's future financial performance. The primary objective of the financial risk management function is to establish risk limits and to ensure that risk stays within limits.

## **3 FINANCIAL RISK MANAGEMENT (CONTINUED)**

### **3.1 Financial risk factors (continued)**

Risk management is carried out under policies approved by the Board of Directors (the "Board"). The Board provides principles for overall risk management, as well as policies covering specific areas,

such as foreign exchange risk, interest rate risk, credit risk and the investment of excess liquidity.

**(a) Market risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market prices. The Company's market risks arise from open positions in foreign currencies and interest bearing assets and liabilities, to the extent that these are exposed to general and specific market movements.

**i) Foreign exchange risk**

Foreign exchange risk is the risk arising from fluctuations in foreign exchange rates and their effect on future commercial transactions or recognised assets and liabilities denominated in a currency that is not the Company's functional currency. The Company is exposed to foreign exchange risk arising from various currency exposures on purchases that are denominated in a currency other than the USD, primarily with respect to the South African Rand ("ZAR") and the ZWG.

The Company's primary method of managing foreign exchange risk is to match the Company's principal cash outflows to the currency in which the principal cash inflows are denominated.

**ii) Price risk**

Price risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices, other than those arising from interest rate risk and currency risk, whether those changes are caused by factors specific to the individual financial instrument or its issuer or factors affecting all financial instruments traded in the market.

The Company is not exposed to equity securities or commodity price risk because it had no assets nor obligations that expose the Company to these risks at the reporting date (2024: USDnil).

**iii) Cash flow and fair value interest rate risk**

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market interest rates.

As the Company has no interest-bearing assets, the Company's income is substantially independent of changes in market interest rates (2024:USDnil).

**Notes to the financial statements  
for the year ended 30 September 2025 (continued)**

**3 FINANCIAL RISK MANAGEMENT (CONTINUED)**

**3.1 Financial risk factors (continued)**

**(b) Credit risk**

Credit risk is the risk that one party to a financial instrument will cause a financial loss to the other party by failing to discharge a contract. Credit risk potentially arises from cash and cash equivalents, deposits with banks and financial institutions, loans and receivables, investments, as well as credit exposures to wholesale and retail customers including outstanding trade receivables. The Company manages and analyses credit risk for each of their new clients before standard payment and delivery

terms and conditions are offered.

Only approved financial institutions with sound capital bases are utilised to invest surplus funds. For customers, credit control assesses the credit worthiness of the customers before credit is granted.

The executive management team meets regularly to manage the concentration of credit risk and set and assess limits for the individual customer. The executive management team assesses the credit risk quality of the customer, taking into account its financial position, past experience and other factors. Counterparty specific exposure is monitored against concentration of credit risk in relation to the total credit risk exposure to all counterparties. The Company has well established credit control procedures that monitor activity on a customer account and allow for remedial action should the customer not comply with payment terms. Payment terms and credit limits vary between customers.

Credit limits are monitored based on the financial position and history of the customer's ability to pay. In the view of management, the credit quality of trade receivables is considered sound.

The Company's maximum exposure to credit risk by class of financial asset on statement of financial position is as follows:

	<b>2025</b>	<b>2024</b>
	<b>USD</b>	<b>Restated*</b>
		<b>USD</b>
Trade and other receivables (excluding prepayments and statutory receivables)	3 152 769	2 394 226
Cash and cash equivalents	1 498 542	577 222
	<u>4 651 311</u>	<u>2 971 448</u>

The credit quality of financial assets can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates:

**Notes to the financial statements  
for the year ended 30 September 2025 (continued)**

**3 FINANCIAL RISK MANAGEMENT (CONTINUED)**

**3.1 Financial risk factors (continued)**

**(b) Credit risk (continued)**

	<b>2025</b>	<b>2024</b>
	<b>USD</b>	<b>Restated*</b>
		<b>USD</b>
<b>Trade receivables (excluding amounts due from related parties)</b>		
Counterparties without external credit rating:		
Group 1 Existing customers with no defaults in the past.	3 152 769	2 394 226
Group 2 Existing customers with some defaults		

in the past.	-	-
All defaults were fully recovered.	-	-
Group 3 Existing customers with defaults not recovered.	-	-
	<u>3 152 769</u>	<u>2 394 226</u>

The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

The impairment of trade receivables is carried out at each reporting date using the expected credit loss model. This model utilises a provision matrix in which the Company's receivables are stratified into groups with similar risk characteristics. Historical credit loss rates are calculated on a weighted average basis. These credit loss rates are then used as the baseline rates for determining the loss rate for each customer group. The credit loss rates are then adjusted for forward looking information and applied against each bucket of trade receivables outstanding at the reporting date to produce the expected credit loss in the period.

Trade receivables mainly comprise of foreign customers (Malawi, Mozambique and Rwanda). Expected average GDP growth rate, interest rates and exchange rates specific to the above mentioned countries were taken into account in developing the provision matrix. Apart from other factors specific to the individual debtors, the expected inflation rate of United States of America was taken into account since the outstanding debts are mainly USD denominated.

Credit limits are established based on internal rating criteria. Management assesses the credit quality of the customer taking into account its financial position, past experience and other factors. The utilisation of credit limits is regularly monitored. Outstanding customer receivables are regularly monitored.

**Notes to the financial statements  
for the year ended 30 September 2025 (continued)**

**3 FINANCIAL RISK MANAGEMENT (CONTINUED)**

**3.1 Financial risk factors (continued)**

**(b) Credit risk (continued)**

The Company however reduced its credit sales during the year because it perceived a value mismatch between credit offered and value received at the end of the credit term. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are granted short credit terms.



**Notes to the financial statements  
for the year ended 30 September 2025 (continued)**

**3 FINANCIAL RISK MANAGEMENT (CONTINUED)**

**3.1 Financial risk factors (continued)**

**(b) Credit risk (continued)**

The gross trade receivables balance at year-end amounts to USD 3 858 761. Included in this balance is an amount of USD 443 915 related to an electricity barter arrangement. Accordingly, management excludes the barter-related receivables from the impairment assessment, as these balances are expected to be settled through the approved set-off arrangement rather than through cash collection.

Set out below is the information about the credit risk exposure on the Company's trade receivables using a provision matrix:

	Current USD	More than 30 days past due USD	More than 60 days past due USD	More than 90 days past due USD	More than 120 days past due USD	Total USD
<b>30 September 2025</b>						
Expected credit loss rate	1.21%	5.61%	67.86%	12.14%	100%	
Gross carrying amount						
– trade receivables	1 992 287	430 594	35 600	378 819	587 546	3 424 846
Credit loss allowance	(24 158)	(24 158)	(24 158)	(45 972)	(587 546)	(705 992)
Net carrying amount	<u>1 968 129</u>	<u>406 436</u>	<u>11 442</u>	<u>332 847</u>	<u>-</u>	<u>2 718 854</u>

**Debt securities and other financial assets at amortised cost**

All of the Company's debt investments at amortised cost are considered to have low credit risk, and the loss allowance recognised during the period was therefore limited to 12 months expected losses. Instruments are considered to be of low credit risk when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.

The company does not hold any security for amounts receivable from customers. None of the amounts due from related parties are past due or impaired and repayments have been received regularly and on time historically. The Company has procedures in place to assess whether to enter into once off transactions with third parties, including mandatory credit checks.

**Notes to the financial statements  
for the year ended 30 September 2025 (continued)**

**3 FINANCIAL RISK MANAGEMENT (CONTINUED)**

**3.1 Financial risk factors (continued)**

**(b) Credit risk (continued)**

Set out below is the information about the credit risk exposure on the Company's trade receivables using a provision matrix:

<b>30 September 2024*</b>	<b>Current USD</b>	<b>More than 30 days past due USD</b>	<b>More than 60 days past due USD</b>	<b>More than 90 days past due USD</b>	<b>More than 120 days past due USD</b>	<b>Total USD</b>
Expected credit loss rate	0.12%	0.20%	0.17%	0.10%	100%	
Gross carrying amount – trade receivables	515 263	330 046	372 769	1 179 239	388 869	2 786 186
Credit loss allowance	(644)	(645)	(645)	(1158)	(388 869)	(391 960)
Net carrying amount	<u>514 619</u>	<u>329 401</u>	<u>372 124</u>	<u>1 178 081</u>	<u>-</u>	<u>2 394 226</u>

**Debt securities and other financial assets at amortised cost**

All of the Company's debt investments at amortised cost are considered to have low credit risk, and the loss allowance recognised during the period was therefore limited to 12 months expected losses. Instruments are considered to be of low credit risk when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.

The company does not hold any security for amounts receivable from customers. None of the amounts due from related parties are past due or impaired and repayments have been received regularly and on time historically. The Company has procedures in place to assess whether to enter into once off transactions with third parties, including mandatory credit checks.

*\*The comparative balances were previously reported in ZWG. The numbers were restated by converting to the Company's new presentation currency, USD. For details regarding the change in presentation currency, refer to Note 2.1.1.*

for the year ended 30 September 2025 (continued)

### **3 FINANCIAL RISK MANAGEMENT (CONTINUED)**

#### **3.1 Financial risk factors (continued)**

##### **(c) Liquidity risk**

Liquidity risk is the risk that the Company may fail to meet its payment obligations when they fall due, the consequences of which may be the failure to meet the obligations to creditors. Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. The Company identifies this risk through periodic liquidity gap analysis and the maturity profile of assets and liabilities. Where major gaps appear, action is taken in advance to close or minimise the gaps.

Cash flow forecasting is performed by management. Management monitors rolling forecasts of the Company's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Company does not breach borrowing limits or covenants on any of its borrowing facilities. Such forecasting takes into consideration the Company's debt financing plans, covenant compliance and compliance with internal statement of financial position ratio targets.

Surplus cash held by the Company over and above the balance required for working capital management, is invested in interest bearing current accounts and time deposits, choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient headroom.

The table below analyses the Company's non-derivative financial assets and financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within twelve months equal their carrying balances as the impact of discounting is not significant.

**Notes to the financial statements**  
for the year ended 30 September 2025 (continued)

### **3 FINANCIAL RISK MANAGEMENT (CONTINUED)**

#### **3.1 Financial risk factors (continued)**

(c) Liquidity risk (continued)

At 30 September 2025	Up to 1 year USD	1 year to 5 years USD	Total USD
<b>Assets</b>			
Trade and other receivables (excluding prepayments and statutory receivables)	3 152 769	-	3 152 769
Cash and cash equivalents	1 498 542	-	1 498 542
	<u>4 651 311</u>	<u>-</u>	<u>4 651 311</u>
<b>Liabilities</b>			
Trade and other payables (excluding statutory liabilities)	1 770 650	-	1 770 650
Bank overdraft	235 434	-	235 434
Loan	-	517 627	517 627
Dividend payable	1 105 583	-	1 105 583
	<u>3 111 667</u>	<u>517 627</u>	<u>3 629 294</u>
<b>Liquidity gap</b>	<u>1 539 644</u>	<u>-</u>	<u>1 539 644</u>
<b>Cumulative liquidity surplus</b>	<u>1 539 644</u>	<u>(517 627)</u>	<u>1 022 017</u>

The liquidity risk on foreign creditors and lenders has increased due to delay of foreign payments owing to the challenge of inadequate nostro funds that the country is grappling with. Refer note 10 for additional disclosures under cash and cash equivalents. The Company has mitigating measures in place to manage the increase in liquidity risk such as ongoing engagement with banks and participating on the forex interbank market.

Notes to the financial statements  
for the year ended 30 September 2025 (continued)

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (continued)

(c) Liquidity risk (continued)

At 30 September 2024*	Up to 1 year USD	1 year to 5 years USD	Total USD
-----------------------	------------------------	-----------------------------	--------------

**Assets**

Trade and other receivables (excluding prepayments and statutory receivables)  
Cash and cash equivalents

2 394 739	-	2 394 739
577 222	-	577 222
<u>2 971 961</u>	<u>-</u>	<u>2 971 961</u>

**Liabilities**

Trade and other payables (excluding statutory liabilities)  
Borrowings  
Dividend payable

1 169 901	-	1 169 901
-	-	-
1 663 501	125 412	1 663 501
<u>2 833 402</u>	<u>125 412</u>	<u>2 833 402</u>

**Liquidity gap**

<u>138 559</u>	<u>-</u>	<u>138 559</u>
----------------	----------	----------------

**Cumulative liquidity surplus**

<u>138 559</u>	<u>(125 412)</u>	<u>13 147</u>
----------------	------------------	---------------

The liquidity risk on foreign creditors and lenders has increased due to delay of foreign payments owing to the challenge of inadequate nostro funds that the country is grappling with. Refer note 10 for additional disclosures under cash and cash equivalents. The Company has mitigating measures in place to manage the increase in liquidity risk such as ongoing engagement with banks and participating on the forex interbank market.

*\*The comparative balances were previously reported in ZWG. The numbers were restated by converting to the Company's new presentation currency, USD. For details regarding the change in presentation currency, refer to Note 2.1.1.*

**Notes to the financial statements  
for the year ended 30 September 2025 (continued)**

**3 FINANCIAL RISK MANAGEMENT (CONTINUED)**

**3.2 Capital management**

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Company monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings less cash and cash equivalents. Total capital is calculated as 'equity' as shown on the statement of financial position plus net debt.

	<b>2025</b>	<b>2024 Restated*</b>
	<b>USD</b>	<b>USD</b>
The gearing ratio as at 30 September was as follows:		
Bank overdraft	(235 434)	-
Borrowings	(124 761)	-
Less: cash and cash equivalents	1 498 542	(577 222)
Net cash/(debt)	1 138 347	(577 222)
Total equity	29 065 984	30 638 283
Total capital	30 204 331	30 061 061
Gearing ratio	-1%	-2%

**3.3 Fair value estimation**

Observable inputs reflect market data obtained from independent sources and unobservable inputs reflect the Company's market assumptions. These two types of inputs have created the following fair value hierarchy:

- Level 1** Quoted prices (unadjusted) in active markets for identical assets or liabilities. The level includes listed equity securities traded on active markets.
- Level 2** Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3** Inputs for the asset or liability that is not based on observable market data (unobservable inputs). This level includes equity investments and debt instruments with significant unobservable components.

*\*The comparative balances were previously reported in ZWG. The numbers were restated by converting to the Company's new presentation currency, USD. For details regarding the change in presentation currency, refer to Note 2.1.1.*

**Notes to the financial statements  
for the year ended 30 September 2025 (continued)**

**3 FINANCIAL RISK MANAGEMENT (CONTINUED)**

**3.3 Fair value estimation (continued)**

The hierarchy requires the use of observable market data when available. The Company considers relevant and observable market prices in its valuations where possible. The Company had no financial assets or financial liabilities carried at fair value at 30 September 2025 (2024: USDnil).

**4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENT**

Estimates and judgements are continually evaluated and are based on historical experience and other factors (refer to **note 2.1**), including expectations of future events that are believed to be reasonable under the circumstances.

**Critical accounting estimates and assumptions**

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

**a) Carrying amount of property, plant and equipment**

The Company carried out an impairment assessment of plant and equipment as at 30 September 2025. The cash generating unit ("CGU") specifically tested for impairment was plant and equipment, which is the smallest group of assets that generate cash inflows independently of other assets held by the Company. There has been no impairment loss recognised for the year ended 30 September 2025 (2024: USD nil).

**Indicators of impairment**

In accordance with IAS 36, 'Impairment', an entity should assess at each reporting date whether there is any indication that an asset may be impaired. The following external and internal sources of information may be indications of impairment:

- The Company has been operating above current expected monthly capacity level of 170 tonnes with actual production averaging 210 tonnes per month.
- Repairs and maintenance costs have continued to be significant and constitute approximately 12% of the carrying amount of plant and equipment.
- Prevailing foreign currency shortages adversely impact the Company's ability to import the required quantities of raw material which may impact production.

**Notes to the financial statements  
for the year ended 30 September 2025 (continued)**

**4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENT (CONTINUED)**

The recoverable amount of the CGU was determined based on value in use of the plant and equipment. The calculation was based on approved budgetary forecasts, internal forecasts of operating costs, capital expenditure production volumes, costs of production, future cash flows for the next three years, inflation and long term real discount rates. The estimated future cash flows were based on the approved 2026 budget inflated by constant gross profit margins and revenue growth rates, which is based on the Zimbabwe National Budget. Long-term growth rates are based on the Business Monitor International ("BMI") reports, which are specific to Zimbabwe.

#### **Impairment review**

Also taken into account are the expectations about possible variations in the amount or timing of future cash flows and the time value of money. To address the time value of money, management determined the appropriateness of the applied discount rate. The discount rate applied is the country risk, which has been adjusted for foreign risk and specific risks relating to the Company.

All the above estimates are subject to risks and uncertainties including future availability or continued lack thereof of foreign currency. It is therefore possible that changes can occur which may affect the recoverability of the plant and equipment.

#### **b) Useful lives and residual values of property, plant and equipment**

The Company's management determines the estimated useful lives and related depreciation charges for its property, plant and equipment. These estimates are based on projected life cycles of these assets. It could change significantly as a result of technological innovations and competitor actions in response to severe industry cycles. Management will increase the depreciation charge where useful lives are less than previously estimated lives, or it will write off or write down technically obsolete or non-strategic assets that have been abandoned or sold.

#### **c) Going concern**

The Company's ability to continue operating as a going concern may be negatively impacted as the Company continues to operate in a volatile macroeconomic environment characterised by liquidity constraints and foreign currency shortages. The Company's ability to acquire imported raw materials is dependent on its ability to obtain adequate and affordable foreign currency.

The financial statements have been prepared on a going concern basis which assumes that the Company will continue in existence for the 'foreseeable future'.

### **Notes to the financial statements for the year ended 30 September 2025 (continued)**

#### **4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENT (CONTINUED)**

Management assessed that the Company will continue operating as a going concern, citing the following:

- Revenue increased to USD38.7m from USD24m recorded during the 2024 financial year.
- The profitability of the Company also decreased to USD2.4m from USD7.3m for the same period last year.

- Continued cost containment and reduction measures, capital expenditure rationalisation and optimising efficiencies on existing capital.

Accordingly, the directors believe that it is appropriate for the financial statements to be prepared on a going concern basis.

**d) Impairment of trade receivables and financial assets**

The following are the critical judgements, apart from those involving estimations, that the directors have made in the process of applying expected credit losses model of impairing trade receivables:

- Significant increase of credit risk- in assessing whether the credit risk of an asset has significantly increased the Directors consider qualitative and quantitative reasonable and supportable forward-looking information.
- Model and assumptions used- the Company used a model and assumptions in measuring fair value of financial assets as well as in estimating ECL. Directors have applied judgement in identifying the most appropriate model for each type of asset, as well as for determining the assumptions used in these models, including assumptions that relate to key drivers of credit risk.
- Business model assessment- the Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of assets and how these are managed.

**Notes to the financial statements  
for the year ended 30 September 2025 (continued)**

**5 SEGMENT INFORMATION**

The executive management team is the Company's chief operating decision maker. Management has determined the operating segments based on the information reviewed by the executive management team for the purposes of allocating resources and assessing performance.

The executive management team considers the business from both a geographic and product perspective. The Company has one product line, and operates in one industry sector.

Revenue is primarily from customers who are domiciled in Zimbabwe though other revenue is from external customers domiciled in, Mozambique, Malawi and Rwanda. The amount of revenue from external customers is as follows:

	<b>2025 USD</b>	<b>2024 Restated* USD</b>
Revenue from customers domiciled in Zimbabwe	36 782 665	23 041 884
Revenue from external customers	<u>2 705 052</u>	<u>2 283 428</u>
	<u><u>39 487 717</u></u>	<u><u>25 325 312</u></u>

**Entity-wide information**

The Company has only one reportable segment. The total carrying amount of non-current assets located in Zimbabwe is USD16.7 million (2024: USD 20.8 million) due to effect of change in functional and presentation currency from ZWG to USD of Property, Plant and Equipment cost, and there are no non-current assets located in other countries. As there is only discrete financial information available for the entire Company, the segment information provided to the executive team for the product reportable segments for the year ended 30 September 2025 is as follows:

	<b>2025 Cables USD</b>	<b>2025 Total USD</b>	<b>2024* Cables USD</b>	<b>2024* Total USD</b>
Revenue from customers	39 487 717	39 487 717	25 325 312	25 325 312
Depreciation	(1 638 772)	(1 638 772)	(14 181)	(14 181)
Share option credit	-	-	(4 278)	(4 278)
Profit before interest and taxation	2 667 753	2 667 753	7 900 131	7 900 131
Finance income	43	43	13	13
Finance cost	93 532	93 532	222 645	222 645
Income tax expense	706 718	706 718	(137 153)	(137 153)
Total assets	36 737 151	36 737 151	38 458 629	38 458 629
Total liabilities	<u>7 671 167</u>	<u>7 671 167</u>	<u>7 820 346</u>	<u>7 820 346</u>

*\*The comparative balances were previously reported in ZWG. The numbers were restated by converting to the Company's new presentation currency, USD. For details regarding the change in presentation currency, refer to Note 2.1.1.*

**Notes to the financial statements  
for the year ended 30 September 2025 (continued)**

**6 PROPERTY, PLANT AND EQUIPMENT**

	Land USD	Buildings USD	Plant and equipment USD	Motor vehicles USD	Total USD
<b>Year ended 30 September 2024*</b>					
Opening carrying amount	11 580	57 077	211 162	189 364	469 183
Revaluation gain	4 289 465	5 996 461	9 920 504	-	20 206 430
Additions	-	-	-	245 329	245 329
Disposal	-	-	-	(40 110)	(40 110)
Depreciation charge for the year	-	-	(275)	(13 906)	(14 181)
<b>Closing carrying amount</b>	<b>4 301 045</b>	<b>6 053 538</b>	<b>10 131 391</b>	<b>380 677</b>	<b>20 866 651</b>
<b>As at 30 September 2024*</b>					
Cost	4 301 045	6 053 538	10 131 391	490 185	20 976 159
Accumulated depreciation	-	-	-	(109 508)	(109 508)
<b>Closing carrying amount</b>	<b>4 301 045</b>	<b>6 053 538</b>	<b>10 131 391</b>	<b>380 677</b>	<b>20 866 651</b>
<b>Year ended 30 September 2025</b>					
Opening carrying amount	4 301 045	6 053 538	10 131 391	380 677	20 866 651
Impairment loss	(734 046)	(1 033 137)	(1 729 081)	-	(3 496 264)
Revaluation gain	-	-	-	348 439	348 439
Additions	-	-	420 798	206 614	627 412
Depreciation charge for the year	-	(292 082)	(1 121 039)	(225 651)	(1 638 772)
<b>Closing carrying amount</b>	<b>3 566 999</b>	<b>4 728 319</b>	<b>7 702 069</b>	<b>710 079</b>	<b>16 707 466</b>
<b>As at 30 September 2025</b>					
Cost /Revalued amount	3 566 999	5 020 401	8 823 108	935 730	18 346 238
Accumulated depreciation	-	(292 082)	(1 121 039)	(225 651)	(1 638 772)
<b>Closing carrying amount</b>	<b>3 566 999</b>	<b>4 728 319</b>	<b>7 702 069</b>	<b>710 079</b>	<b>16 707 466</b>

A Director's Valuation was carried out to value the Company's motor vehicles. The valuation was carried out as at 1 October 2024.

\*The comparative balances were previously reported in ZWG. The numbers were restated by converting to the Company's new presentation currency, USD. For details regarding the change in presentation currency, refer to Note 2.1.1.

**Notes to the financial statements  
for the year ended 30 September 2025 (continued)**

	<b>2025 USD</b>	<b>2024 Restated* USD</b>
<b>7 INVENTORIES</b>		
Raw materials and consumables	5 419 339	3 068 905
Work in progress	486 781	362 262
Goods in transit	337 487	-
Finished goods	<u>7 621 764</u>	<u>9 988 522</u>
	13 865 371	13 419 689
Provision for slow moving and obsolete inventories	<u>-</u>	<u>(18)</u>
	<u><u>13 865 371</u></u>	<u><u>13 419 671</u></u>

There were no inventories written down to net realisable value during the year (2025: USD nil). There were no inventories pledged as security during the year (2024: USD nil).

The analysis for the provision for slow moving and obsolete inventories is as follows:

As at 1 October	18	1 084
Provision reversed during the year	<u>(18)</u>	<u>(1 066)</u>
As at 30 September	<u>-</u>	<u>18</u>

**8 TRADE AND OTHER RECEIVABLES**

Trade receivables - gross	3 858 761	2 786 186
Less: Allowance for expected credit losses	<u>(705 992)</u>	<u>(391 960)</u>
Trade receivables - net	3 152 769	2 394 226
Value added tax	820 709	256 060
Prepayments	659 851	933 438
Other receivables	<u>32 443</u>	<u>11 361</u>
	<u><u>4 665 772</u></u>	<u><u>3 595 085</u></u>

**Impairment and risk exposure**

The movements in the allowance for expected credit losses measured at amortised cost are as follows:

\*The comparative balances were previously reported in ZWG. The numbers were restated by converting to the Company's new presentation currency, USD. For details regarding the change in presentation currency, refer to Note 2.1.1.

**Notes to the financial statements  
for the year ended 30 September 2024 (continued)**

	<b>2025</b>	<b>2024 Restated*</b>
	<b>USD</b>	<b>USD</b>
<b>8 TRADE AND OTHER RECEIVABLES (CONTINUED)</b>		
Allowance for expected credit losses- net:		
As at 1 October	391 960	40 336
Charge to profit of loss for the year	314 032	388 449
Effects of inflation	-	(36 825)
	<u>705 992</u>	<u>391 960</u>
As at 30 September	<u>705 992</u>	<u>391 960</u>

Due to their short term nature, the carrying amount of trade and other receivables is considered to be the same as their fair value.

The other classes within trade and other receivables do not contain impaired assets and are not past due. Based on the credit history of these other classes, it is expected that these amounts will be received when due. The Company does not hold any collateral in relation to these receivables.

**9 CASH AND CASH EQUIVALENTS : FOR PURPOSES OF THE  
STATEMENT OF CASH FLOW**

**Cash and bank balances**

Cash at bank	1 496 369	570 064
Cash on hand	2 173	7 158
	<u>1 498 542</u>	<u>577 222</u>
Cash and cash equivalents	<u>1 498 542</u>	<u>577 222</u>

**Notes to the financial statements  
for the year ended 30 September 2025 (continued)**

	<b>2025 USD</b>	<b>2024 Restated* USD</b>
<b>10 RESERVES</b>		
<b>10.1 Authorised</b>		
50 000 000 ordinary shares with a nominal value of USD 0.00001 each.	<u>500</u>	<u>500</u>
100 000 5.5% cumulative preference shares of USD 0.00001 each	<u>1</u>	<u>1</u>

**10.2 Issued and fully paid**

	<b>ordinary</b>	<b>value of shares USD</b>	<b>Share premium USD</b>	<b>Total USD</b>
As at 1 October 2023*	33 789 000	37	113 921	113 958
Shares issued on exercise of employee share options	160 000	-	1 072	1 072
Share options exercised	-	-	204 983	204 983
As at 30 September 2024*	<u>33 949 000</u>	<u>37</u>	<u>319 976</u>	<u>320 013</u>

*\*The comparative balances were previously reported in ZWG. The numbers were restated by converting to the Company's new presentation currency, USD. For details regarding the change in presentation currency, refer to Note 2.1.1.*

**Notes to the financial statements  
for the year ended 30 September 2025 (continued)**

**10.2 Issued and fully paid (continued)**

	<b>Number of ordinary shares</b>	<b>Nominal value of ordinary shares USD</b>	<b>Share premium USD</b>	<b>Total USD</b>
As at 1 October 2024*	33 949 000	37	319 976	320 013
Impact of change in functional currency	-	302	-	302
As at 30 September 2025	<u>33 949 000</u>	<u>339</u>	<u>319 976</u>	<u>320 315</u>

The unissued share capital is under the control of the Directors subject to the limitations of the Zimbabwe Companies and Other Business Entities Act (Chapter 24:31).

**10.3 Share option reserve**

Share options were granted to Executive Directors with more than 5 years of service and who remain in employment at the exercise date. The Directors were empowered to allot 3 232 700 unissued ordinary shares to senior personnel for the purpose of fulfilling the requirements of the employee share option scheme. The exercise price of the granted options is equal to the market price of the shares on the date of the grant. Under the scheme, share options granted in 2010 were exercisable between 31 December 2013 and 31 December 2020 at a price of ZWL 0.12 cents per share and share options granted in 2014 were exercisable between 31 December 2015 and 31 December 2020 at a price of ZWL 0.25 cents per share, and shares granted in 2018 at a price of ZWL 50.00 are exercisable between 7 October 2021 and 31 December 2023. The Company has no legal or constructive obligation for repurchase or to settle the options in cash.

*\*The comparative balances were previously reported in ZWG. The numbers were restated by converting to the Company's new presentation currency, USD. For details regarding the change in presentation currency, refer to Note 2.1.1.*

**Notes to the financial statements  
for the year ended 30 September 2025 (continued)**

**10.3 Share option reserve (continued)**

Movements in the number of share options outstanding and their related weighted average exercise prices are as follows:

	<b>2025</b>	<b>2025</b>	<b>2024</b>	<b>2024</b>
	<b>Number of</b>	<b>Exercise</b>	<b>Number of</b>	<b>Resated*</b>
	<b>share options</b>	<b>price per</b>	<b>options</b>	<b>Exercise</b>
	<b>issued</b>	<b>share</b>	<b>issued</b>	<b>price per</b>
		<b>USD</b>		<b>share</b>
				<b>USD</b>
Options authorised	3 232 700	-	3 232 700	-
Outstanding at the beginning of the year	-	-	160 000	2
	-	-	160 000	-
Exercised	-	-	(160 000)	2
Total shares outstanding at the end of the year	-	-	-	-
Outstanding at the end of the year	-	-	-	-

*\*The comparative balances were previously reported in ZWG. The numbers were restated by converting to the Company's new presentation currency, USD. For details regarding the change in presentation currency, refer to Note 2.1.1.*

**Notes to the financial statements  
for the year ended 30 September 2025 (continued)**

**10.3 Share option reserve (continued)**

Share options outstanding at the end of the year had the following exercisable dates, expiry dates and exercise prices.

<b>Grant date</b>	<b>Exercisable date</b>	<b>Expiry date</b>	<b>Exercise price per share USD</b>	<b>2025 Number of share options</b>	<b>2024 Number of share options</b>
6 September 2018	7 October 2021	31 December 2023	2.00	-	-
				-	-
				-	-
The movement on the share option reserve is as follows:					
As at 1 October				-	209 261
Share options exercised				-	(204 983)
Credit to profit or loss statement				-	(4 278)
				-	-
As at 30 September				-	-

**Notes to the financial statements  
for the year ended 30 September 2025 (continued)**

**11 DEFERRED TAX LIABILITIES**

	As at 1 October USD	Recognised in profit and loss USD	Recognised in other comprehensive income USD	As 30 September USD
<b>Movement in temporary differences during the year ended 30 September 2025</b>				
Property, plant and equipment	4 455 797	(339 455)	89 723	4 206 065
Impairment of plant and equipment	-	-	(747 973)	(747 973)
Provision for bonus	(109 957)	(11 027)	-	(120 984)
Leave pay	(54 195)	3 458	-	(50 737)
Provision for credit losses	(100 798)	(80 995)	-	(181 793)
Advance receipts	(28 367)	5 294	-	(23 073)
<b>Net deferred tax liabilities/(assets)</b>	<b>4 162 480</b>	<b>( 422 725)</b>	<b>(658 250)</b>	<b>3 081 505</b>
<b>Year ended 30 September 2024*</b>				
Property, plant and equipment	1 089 344	(946 639)	4 313 092	4 455 797
Provision for bonus	(10 517)	(99 440)	-	(109 957)
Leave pay	(3 895)	(50 300)	-	(54 195)
Provision for credit losses	(1 039)	(99 759)	-	(100 798)
Advance receipts	(2 050)	(26 317)	-	(28 367)
<b>Net deferred tax liabilities/(assets)</b>	<b>1 071 843</b>	<b>(1 222 455)</b>	<b>4 313 092</b>	<b>4 162 480</b>

*\*The comparative balances were previously reported in ZWG. The numbers were restated by converting to the Company's new presentation currency, USD. For details regarding the change in presentation currency, refer to Note 2.1.1.*

**Notes to the financial statements  
for the year ended 30 September 2025 (continued)**

**11 DEFERRED TAX LIABILITIES (CONTINUED)**

	<b>2025 USD</b>	<b>2024 Restated* USD</b>
<b>Deferred tax liabilities:</b>		
Deferred tax liabilities to be settled after 12 months	3 081 505	4 162 480
	<hr/>	<hr/>
Deferred tax liabilities	3 081 505	4 162 480
	<hr/> <hr/>	<hr/> <hr/>

**12 TRADE AND OTHER PAYABLES**

Trade payables	1 517 614	543 621
Social security expenses and other taxes	78 983	73 568
Accrued expenses	174 053	552 712
	<hr/>	<hr/>
	1 770 650	1 169 901
	<hr/> <hr/>	<hr/> <hr/>

Trade and other payables are due within twelve months of the reporting date.

Trade payables are unsecured and are usually paid within 30 days of recognition. The carrying amounts of trade and other payables are considered to be the same as their fair values due to their short term nature.

**13 PROVISIONS FOR OTHER LIABILITIES AND CHARGES**

Provisions for other liabilities and charges comprises provisions for bonuses and leave pay. The movements during the year are as follows:

	<b>Leave pay provision USD</b>	<b>Bonus provision USD</b>	<b>Total USD</b>
<b>Year end 30 September 2024*</b>			
As at 1 October 2023	151 233	408 336	559 569
Utilised in the current year	(151 233)	(408 336)	(559 569)
Current year charge	210 467	427 016	637 483
	<hr/>	<hr/>	<hr/>
As at 30 September 2024	210 467	427 016	637 483
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

*\*The comparative balances were previously reported in ZWG. The numbers were restated by converting to the Company's new presentation currency, USD. For details regarding the change in presentation currency, refer to Note 2.1.1.*

**Notes to the financial statements  
for the year ended 30 September 2024 (continued)**

**13 PROVISIONS FOR OTHER LIABILITIES AND CHARGES (CONTINUED)**

	Leave pay provision USD	Bonus provision USD	Total USD
<b>Year end 30 September 2025</b>			
As at 1 October 2024*	210 467	427 016	637 483
Utilised in the current year	(210 467)	(427 016)	(637 483)
Current year charge	197 038	469 839	666 877
	<u>197 038</u>	<u>469 839</u>	<u>666 877</u>
As at 30 September 2025	<u>197 038</u>	<u>469 839</u>	<u>666 877</u>

	2025 USD	2024 Restated* USD
<b>14 INCOME TAX PAYABLE</b>		
As at 1 October	61 569	(231 285)
Tax paid during the year	(897 521)	(792 448)
Tax charge for the year ( <b>note 24</b> )	1 129 443	1 085 302
	<u>293 491</u>	<u>61 569</u>

**15 DIVIDEND PAYABLE**

Opening balance	1 788 913	2 252 849
Dividend declared	950 572	1 663 501
Dividend paid	(1 633 902)	(2 127 437)
Closing balance	<u>1 105 583</u>	<u>1 788 913</u>

**16 BANK OVERDRAFT**

Bank overdraft	<u>235 434</u>	<u>-</u>
----------------	----------------	----------

*\*The comparative balances were previously reported in ZWG. The numbers were restated by converting to the Company's new presentation currency, USD. For details regarding the change in presentation currency, refer to Note 2.1.1.*

for the year ended 30 September 2024 (continued)

	2025 USD	2024 Restated* USD
<b>17 BORROWINGS</b>		
Bank loan-Payable in 12 Months	392 866	-
Bank loan-Payable after 12 Months	<u>124 761</u>	<u>-</u>
Total borrowing	<u><u>517 627</u></u>	<u><u>-</u></u>

The loan is a drawdown in September 2025 from a USD 1 million loan facility at an interest rate of 11% per annum and payable over 36 months and is secured against the Solar Plant being built .

<b>18 REVENUE FROM CONTRACTS WITH CUSTOMERS</b>		
Revenue from customers domiciled in Zimbabwe	36 782 665	23 041 884
Revenue from external customers	<u>2 705 052</u>	<u>2 283 428</u>
	<u><u>39 487 717</u></u>	<u><u>25 325 312</u></u>

*\*The comparative balances were previously reported in ZWG. The numbers were restated by converting to the Company's new presentation currency, USD. For details regarding the change in presentation currency, refer to Note 2.1.1.*

## 19 EXPENSES BY NATURE

	2025 USD	2024 Restated* USD
Raw materials and consumables	24 877 952	11 569 645
Employee benefit expense (note 20)	4 581 650	3 454 478
Audit fees		
- Current year	61 434	40 094
Directors' emoluments		
- Fees	94 150	64 750
Postage and telephone	9 557	5 221
Canteen	86 604	97 417
Trade promotion	84 302	49 471
Plant repairs and maintenance	953 937	852 774
Building repairs and maintenance	125 248	155 947
Vehicle repairs and maintenance	156 443	107 375
Electricity and water	1 074 966	688 310
Depreciation (note 6)	1 638 772	14 181
Quality and ISO certifications	69 542	42 038
Security	224 998	173 542
Machine running expenses	310 458	103 826
Insurance	106 249	72 984
Secretarial and listing related costs	68 328	54 447
Legal and professional fees	69 114	31 582
Cleaning and laundry	43 990	32 228
Subscriptions	46 176	56 353
Computer expenses	141 408	141 261
Bank charges	109 565	110 668
Travel	81 979	56 353
Freight outwards and advertising expenses	68 982	36 157
Forklifts hire	166 698	147 055
Allowance for impairment of trade receivables (note 8)	314 032	388 449
Clinic expenses	35 037	25 758
Protective clothing	31 109	10 047
Printing and stationery	51 827	51 981
2% government levy	159 693	131 199
Packaging	8 546	8 754
Provision recognised for slow moving and obsolete inventories	-	(18)
Exchange loss on foreign currency balances	188 889	-
Other expenses	645 598	223 581
<b>Total cost of sales, distribution costs and administrative expenses</b>	<b>36 687 233</b>	<b>18 997 908</b>

*\*The comparative balances were previously reported in ZWG. The numbers were restated by converting to the Company's new presentation currency, USD. For details regarding the change in presentation currency, refer to Note 2.1.1.*

**Notes to the financial statements  
for the year ended 30 September 2025 (continued)**

**19 EXPENSES BY NATURE (CONTINUED)**

	<b>2025</b>	<b>2024 Restated*</b>
	<b>USD</b>	<b>USD</b>
The cost of sales, distributions costs and administrative expenses have been disclosed as follows:		
Cost of sales	30 475 528	14 893 954
Distribution costs	160 272	85 628
Administrative expenses	5 737 401	3 629 877
Allowance for impairment of trade and other receivables	314 032	388 449
	<u>36 687 233</u>	<u>18 997 908</u>
		-

Other expenses include production overheads, entertainment expense, long service awards, recruitment, refreshments, training and development, board lunches, withholding tax and zimtrade levy.

**20 EMPLOYEE BENEFIT EXPENSE**

Salaries - executive management	1 268 728	962 409
Salaries and wages - non executive employees	2 932 284	2 261 107
Social security costs ( <b>note 27</b> )	129 147	39 840
Pension costs ( <b>note 27</b> )	221 376	151 396
Share options credit	-	(4 278)
Recognition expenses	2 232	6 146
Attendance hamper	27 883	37 858
	<u>4 581 650</u>	<u>3 454 478</u>

**21 OTHER INCOME**

Scrap sales	98 108	34 851
Exchange gains on foreign currency balances	-	1 471 385
Sundry income	1 147	2 118
	<u>99 255</u>	<u>1 508 354</u>

*\*The comparative balances were previously reported in ZWG. The numbers were restated by converting to the Company's new presentation currency, USD. For details regarding the change in presentation currency, refer to Note 2.1.1.*

**Notes to the financial statements  
for the year ended 30 September 2025 (continued)**

	<b>2025</b>	<b>2024 Restated*</b>
	<b>USD</b>	<b>USD</b>
<b>22 OTHER LOSSES/ GAINS</b>		
Profit from disposal of motor vehicles	3 800	33 343
	<u>3 800</u>	<u>33 343</u>
<b>23 NET INTEREST EXPENSE</b>		
Finance cost	93 532	222 645
Finance income	(43)	(13)
	<u>93 489</u>	<u>222 632</u>
<b>24 INCOME TAX EXPENSE</b>		
	<b>2025</b>	<b>2024 Restated*</b>
	<b>USD</b>	<b>USD</b>
Current income tax on profits for the year	1 129 443	1 085 302
Deferred income tax (credit) /charge (note 11)	(422 725)	(1 222 455)
	<u>706 718</u>	<u>(137 153)</u>
<p>The tax on the Company's profit before income tax differs from the theoretical amount that would arise using the basic tax rate applicable to profits of 25.75 % (2025) 25.75%(2024) .</p>		
Profit before income tax	2 574 264	5 680 302
Notional taxation on profit for the year at a statutory rate of (25.75% 2025) 25.75%(2024)	662 873	1 462 678
Tax effects of:		
Income not subject to tax		
Non-deductible expenditure	43 845	(1 599 831)
	<u>706 718</u>	<u>(137 153)</u>

*\*The comparative balances were previously reported in ZWG. The numbers were restated by converting to the Company's new presentation currency, USD. For details regarding the change in presentation currency, refer to Note 2.1.1.*

**Notes to the financial statements  
for the year ended 30 September 2025 (continued)**

	<b>2025 USD</b>	<b>2024 Restated* USD</b>
<b>25 RETRENCHMENT COSTS</b>		
Retrenchment costs	235 786	-

This was a once off payment to employees to right size the business in light of prevailing macro-economic environment in the country.

**26 EARNINGS PER SHARE**

**26.1 Basic earnings per share**

Profit attributable to the ordinary equity holders of the Company

	1 867 546	5 817 455
Number of ordinary shares in issue ( <b>note 10</b> )	33 949 000	33 949 000
Basic earnings per share (USD cents)	5.50	17.14
Weighted number of shares in issue	33 949 000	33 949 000
Diluted earnings per share (USD cents)	5.50	17.14

**Reconciliation of basic earning per share to headline earnings per share**

Profit attributable to the ordinary equity holders of the Company	1 867 546	5 817 455
Adjustments:-		
Profit attributable to sale of fixed assets	(3 800)	(33 343)
Retrenchment costs ( <b>Note 25</b> )	235 786	-
Headline earnings attributable to shareholders	2 099 532	5 784 112
Headline earnings per share (USD cents)	6.18	17.04

*\*The comparative balances were previously reported in ZWG. The numbers were restated by converting to the Company's new presentation currency, USD. For details regarding the change in presentation currency, refer to Note 2.1.1.*

**Notes to the financial statements  
for the year ended 30 September 2025 (continued)**

**27 PENSION BENEFITS**

**CAFCA Pension Fund**

The Company provides for pensions on retirement of all employees by means of a defined contribution pension fund. The pension fund scheme is administered by Bright Insurance Brokers (Private) Limited. Contributions are made by both the Company and the employees at a rate of 11.5% and 7% respectively. All employees including Executive Directors comprising full-time permanent staff of the employer are eligible to be members of the fund.

**National Social Security Authority Scheme**

The Company and its employees contribute to the National Social Security Authority ("NSSA") Scheme. This is a social security scheme which was promulgated under the National Social Security Act (Chapter 17:04). The Company's obligations under the scheme are limited to specific contributions as legislated from time to time.

	<b>2025</b>	<b>2024 Restated*</b>
	<b>USD</b>	<b>USD</b>
Contributions recognised as an expense for the year are as follows:		
Social security costs ( <b>note 20</b> )	129 147	39 840
Pension costs ( <b>note 20</b> )	221 376	151 396
	<u>350 523</u>	<u>191 236</u>

**28 RELATED PARTY TRANSACTIONS**

**Related party listing:**

**Companies**

Reunert Electrical Engineering (Pty) Limited  
Cape Canary

Metal Fabricators of Zambia  
CBI Electric African Cables-A-Division of ATC  
(Propriety/ Limited)

Cbi Electric Telecomms Cables(Pty) Limited  
Crystal Ball Group Investment  
Redan Coupons Pvt Limited  
Stanbic Nominees

**Nature of relationship**

Common directorship/  
Shareholding

Associate shareholding

Sister company (sharing same  
shareholder)

Sister company (sharing same  
shareholder)

Sister company (sharing same  
shareholder)

Shareholding

Shareholding

Shareholding

*\*The comparative balances were previously reported in ZWG. The numbers were restated by converting to the Company's new presentation currency, USD. For details regarding the change in presentation currency, refer to Note 2.1.1.*

**Notes to the financial statements  
for the year ended 30 September 2025 (continued)**

**28 RELATED PARTY TRANSACTIONS (CONTINUED)**

**Related party listing (continued):**

**Key management personnel**

Honour Pineil Mkushi	Chairman: Non-executive Director
Vimbayi Nyakudya	Chief Executive Officer
Simbarashe Emmanuel Mangwengwende	Non-executive Director
Sharron Maparura	Non-executive Director
Edwin Tavengwa Zinyoro Chidzonga	Non-executive Director
Luis Corte	Non-executive Director
Joshua Tapambgwa	Non-executive Director
Tafadzwa Chigumbu	Non-executive Director

**Transactions with related parties:**

	<b>2025</b>	<b>2024 Restated*</b>
	<b>USD</b>	<b>USD</b>
<b>Purchases of raw materials</b>		
CBI Electric African Cables - A division of ATC (Proprietary) Limited	2 168 180	132 971
Metal Fabricators of Zambia plc ("Zamefa")	3 626 082	2 930 434
	<u>5 794 262</u>	<u>3 063 405</u>

**Key management compensation**

Key management includes directors (executive and non-executive) and executive managers (members of the executive committee).

Salaries and other short - term benefits	1 268 728	933 222
Share options credit	-	(4 278)
Directors' emoluments- Fees	94 150	61 523
	<u>1 362 878</u>	<u>990 467</u>

There were no loans made to directors or key management of the Company during the year (2024: USD nil).

*\*The comparative balances were previously reported in ZWG. The numbers were restated by converting to the Company's new presentation currency, USD. For details regarding the change in presentation currency, refer to Note 2.1.1.*

**Notes to the financial statements  
for the year ended 30 September 2025 (continued)**

**29 CAPITAL COMMITMENTS**

The Company had no significant capital expenditure contracted for by the directors at the reporting date (2024: USD nil).

**30 CONTINGENCIES**

The Company did not have any contingent assets or liabilities at the reporting date (2024: USD nil).

**31 EVENTS AFTER THE REPORTING DATE**

No adjusting or significant non-adjusting events have occurred between the 30 September 2025 reporting date and the date of authorisation.

*\*The comparative balances were previously reported in ZWG. The numbers were restated by converting to the Company's new presentation currency, USD. For details regarding the change in presentation currency, refer to Note 2.1.1.*