

Cafca Limited  
 Incorporated in terms of laws of Zimbabwe(Zimbabwe Registration number:40/1945)  
 Share Code: CAC  
 ISIN Code: ZW0009011942  
 ("CAFCA" or "the Company")

Notice To Shareholders

Unaudited Abridged Financial Results for the six months ended 31 March 2025

All figures are in Zimbabwean Gold (ZWG)

	<b>Unaudited</b>	<b>Reviewed</b>
	<b>31 March 2025</b>	<b>31 March 2024</b>
<b>Abridged Statement of Profit or Loss and other Comprehensive Income for six months ended</b>	<b>ZWG</b>	<b>ZWG</b>
<b>31 March 2025</b>		
Revenue	478,509,082	274,461,199
Operating profit	30,192,492	91,902,113
Finance cost	(657,789)	(4,972,006)
Monetary loss	-	(14,879,367)
Profit before income tax	29,534,703	72,050,740
Income tax expense	(13,807,386)	(13,813,573)
Profit for the period	15,727,317	58,237,167
Total comprehensive income for the period	15,727,317	58,237,167
Issued Ordinary Shares (weighted) (number)	33,949,000	33,949,000
Basic Earnings per share (ZWG cents) (note 10)	46.33	171.54
Diluted Earnings per share(number)	33,949,000	33,949,000
Diluted Earnings per share (ZWG cents) (note 10)	46.33	171.54
Headline earnings per share(number)	33,949,000	33,949,000
Headline Earnings per share(ZWG cents) (note 10)	46.12	169.97

**Abridged statement of Financial Position  
As at 31 March 2025**

	<b>Unaudited 31 March 2025</b>	<b>Reviewed 31 March 2024</b>
<b>ASSETS</b>	<b>ZWG</b>	<b>ZWG</b>
<b>Non-Current Assets</b>		
Property ,plant and equipment	457,855,811	519,072,661
<b>Current assets</b>		
Inventories	353,941,474	321,029,183
Trade and other trade receivables	107,299,357	72,180,486
Cash and cash equivalents	5,335,120	14,361,284
<b>Total Assets</b>	<b>924,431,762</b>	<b>926,246,312</b>
<b>Share capital and reserves</b>		
Share Capital	9,073	887
Share premium	8,186,251	7,609,604
Retained earnings	423,926,893	329,036,652
Revaluation reserve	426,104,419	477,599,169
<b>Total Equity</b>	<b>858,226,636</b>	<b>384,861,867</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Deferred income tax liabilities	23,271,177	21,389,587
<b>Current liabilities</b>		
Trade and other payables	7,426,620	18,781,359
Provisions for other liabilities and charges	9,488,763	13,922,060
Current income tax liabilities	16,986,981	1,531,824
Dividend payable	4,148,931	44,508,156
Borrowings	4,832,654	-
<b>Total current liabilities</b>	<b>42,933,949</b>	<b>91,007,715</b>
<b>Total equity and liabilities</b>	<b>924,431,762</b>	<b>926,643,614</b>

**Abridged Statement of Changes in Equity  
For the half year ended 31 March 2025**

	Share Capital	Share Premium	Share Option Reserve	Revaluation reserve	Retained earnings	Total
	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG
<b>Balance at 1 October 2023</b>	888	2,709,246	4,976,618	-	244,262,687	251,949,439
Transaction with owners:						
Share options exercised	-	25,488	-	-	-	25,488
Share options credit	-	-	(101,748)	-	-	(101,748)
Transfers between reserves		- 4,874,870	(4,874,870)	-	-	-
Total comprehensive income for the period	-	-	-	-	58,237,167	58,237,167
Profit for the period	-	-	-	-	58,237,167	58,237,167
Other comprehensive income for the period	-	-	-	-	-	-
<b>Balance at 31 March 2024</b>	<b>888</b>	<b>7,609,604</b>	<b>-</b>	<b>-</b>	<b>302,499,854</b>	<b>310,110,346</b>
<b>Balance at 1 October 2024</b>	887	7,609,604	-	477,599,169	329,063,652	814,273,312
Transaction with owners:						
Effects of translation differences	8,186	576,647	-	(51,494,750)	79,135,924	28,226,007
Share option expense	-	-	-	-	-	-
Transfers between reserves	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	15,727,317	15,727,317
Profit for the year	-	-	-	-	-	-
Other comprehensive income for the period	-	-	-	-	15,727,317	15,727,317
<b>Balance at 31 March 2025</b>	<b>9,073</b>	<b>8,186,251</b>	<b>-</b>	<b>426,104,419</b>	<b>423,926,893</b>	<b>858,226,636</b>

**Abridged Statement of Cash Flows for six months ended 31 March 2025**

	<b>Unaudited 31 March 25 ZWG</b>	<b>Reviewed 31 March 2024 ZWG</b>
Profit before income tax	29,534,703	72,050,740
Depreciation	21,378,147	874,062
Net loss on net monetary assets	-	38,503,602
Profit on sale of property plant, and equipment	(101,709)	(531,100)
Non-cash employee benefit-share based payment credit	-	(101,748)
Finance cost	657,789	4,972,006
Working capital changes:		
Decrease in inventories	(32,912,291)	(46,098,619)
(Increase)/Decrease in trade and other receivables	(35,118,871)	52,663,092
Increase in trade and other payables	(21,630,532)	(10,561,315)
Increase in provision for other liabilities	(6,371,820)	12,343,929
<b>Cash generated from operations</b>	<b>(44,564,584)</b>	<b>99,426,792</b>
Tax paid	(5,673,221)	(3,345,851)
Finance cost	(657,789)	(4,972,006)
<b>Net(cash utilised in)/generated from operating activities</b>	<b>(50,895,594)</b>	<b>4,659,090</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of property ,plant and equipment	(5,530,106)	(639,585)
Proceeds from sale of property,plant and equipment	101,709	531,100
<b>Net cash utilised in investing activities</b>	<b>(5,428,397)</b>	<b>(108,485)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Increase in borrowings	4,832,654	-
Dividend paid	(40,359,225)	(54,943,913)
Proceeds from issuance of share options	-	25,488
<b>Cash utilised in financing activity</b>	<b>(35,526,571)</b>	<b>(54,918,425)</b>
Decrease/(Increase) in cash and cash equivalents	(91,850,562)	36,082,025
Cash and cash equivalents at the beginning of the year	14,361,284	(4,751,049)
Effects of inflation on cash and cash equivalents	-	(33,470,516)
Effects of exchange rates differences	82,824,398	
<b>Cash and cash equivalents at the end of the period</b>	<b>5,335,120</b>	<b>(2,139,540)</b>

**NOTES TO THE UNAUDITED ABRIDGED FINANCIAL STATEMENTS**  
**For the six months ended 31 March 2025**

**1 General information**

CAFCA Limited (the "Company") manufactures and supplies cables for transmission and distribution of energy. CAFCA is primary listed on the Zimbabwe Stock Exchange and secondary listed on the Johannesburg Stock Exchange.

**2 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).

**3 Functional and presentation currency**

Following the Introduction of the Zimbabwe Gold Currency by the Reserve Bank of Zimbabwe (RBZ) on 5 April 2024 and the Statutory Instrument (SI) 60 of 2024, all the previously existing Zimbabwe Dollar (ZWL) balances were converted into ZWG as at that date. The swap rate of ZWG 1: ZWL 2 498.7242 was used as guided by the closing interbank exchange rate and the price of gold as at that date. The previously reported balances and transactions between 1 October 2023 and 31 March 2024 were inflated to the 31st of March 2024.

In light of increased level of USD transactions, the Directors conducted a thorough assessment of factors influencing the determination of Company's functional currency. The assessment considered factors such as primary economic activities, currency of transactions, cash flow patterns, the regulatory environment and long-term stability.

The Directors effective 1 October 2024 adopted USD as functional currency.

**4 Going Concern**

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

- a. The Company has no exposure to foreign liabilities.
- b. The Company has stock cover of 13 months in finished goods.
- c. The Company has adequate working capital and facilities from local banks

**5. Related party transactions**

**i. Purchases of goods 11**

	<b>Unaudited</b> <b>31 March 2025</b> <b>ZWG</b>	<b>Reviewed</b> <b>31 March 2024</b> <b>ZWG</b>
CBI-Electric African Cables-A Division of ATC( Pty) Limited	31,129,245	6,035
Metal Fabricators of Zambia Plc(Zamefa)	48,327,873	22,033,815

**Key management remuneration:**

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

Salaries and short term benefits	15,525,272	11,853,548
Share options charge	-	(101,748)
Director' emoluments		
-Fees	1,022,171	1,074,814
<b>Total</b>	<b>15,547,443</b>	<b>12,826,614</b>

## 7.Segmentation information

Revenue is primarily from customers who are domiciled in Zimbabwe and revenue from external customers pertains mainly to customers domiciled in Malawi, Rwanda and Mozambique.

Revenue analysis	<b>Unaudited 31 March 2025 ZWG</b>	<b>Reviewed 31 March 2024 ZWG</b>
Revenue from customers domiciled in Zimbabwe	448,701,390	577,081,634
Revenue from external customers	29,807,692	28,236,143

These revenues are attributable to customers domiciled in Zimbabwe. The breakdown of the major component of total revenue from three major customers of at least 10% is as follows:

	<b>Unaudited 31 March 2025 ZWG</b>	<b>Reviewed 31 March 2024 ZWG</b>
Retail	47,646,238	52,094,783

The segment information provided to the executive team for the product reportable segments for the year ended 30 September are as follows:

Revenue from customers	478,509,082	274,461,199
Profit before interest and taxation	29,534,703	72,050,740
Finance cost	657,789	4,972,006
Income tax expense	13,807,386	13,813,573
Total current assets	924,431,762	926,643,614
Total liabilities	66,205,126	112,397,302

## 8.Capital commitments

The Company had no significant capital commitments authorised or contracted for at the reporting period (2024:ZWG Nil)

	Unaudited 31 March 2025 ZWG	Reviewed 31 March 2024 ZWG
<b>9.Property plant and equipment</b>		
Capital expenditure	5,530,106	639,585
Depreciation	21,378,147	874,062
<b>10.Reconciliation of basic earnings per share to headline earning per share</b>		
	31 March 2025 ZWG	31 March 2024 ZWG
<b>Profit for the year attributable to CAFCA LTD shareholders</b>	<b>15,727,317</b>	<b>58,237,167</b>
Adjustment to basic earnings		
-Profit of disposal of fixed assets	(101,709)	(531,100)
<b>Headline earnings attributable to CAFCA LTD shareholders</b>	<b>15,655,608</b>	<b>57,706,067</b>
<b>11.Borrowings</b>		
All borrowings are short-term(not exceeding 12 months) and bear interest ranging between (30% -45 %) per annum. These borrowings are unsecured.	31 March 2025	31 March 2024
	4,832,654	-

## **COMMENTARY AND OVERVIEW OF RESULTS**

### **Trading Environment**

The half year was a tale of two quarters for CAFCA. The second quarter became subdued following a strong Q1 performance. The period was characterized by an increase in competitive products following a shift in market conditions towards increased informalization of the retail sector. Additionally, the mining sector, particularly the platinum group metals sector, remained subdued to low commodity prices. The recovery of the agricultural season is also yet to translate into cash flows and therefore infrastructure development, as harvesting for row crops is still pending, with only tobacco in the middle of its selling season.

### **Financial Performance**

Revenue in Zimbabwean Gold (ZWG) increased by 76% compared to the same period last year, reaching ZWG478.5 million. However, due to margin contraction, profit after tax fell by 72% to ZWG15.7 million. The company has quickly adapted to changing market conditions by adjusting its market position to defend its market share. The balance sheet remains strong, with continuous effort being put to organize working capital for balance sheet preservation and agility to react to market conditions.

### **Operational Performance**

Sales volumes for the half year were 5% lower than the same period last year due to worsening trading conditions. Copper and Aluminium volumes declined by 12% and 10%, respectively, compared to the same prior period.

The commercial business and utilities segments experienced volume growth of 3% and 75%, respectively, against the same period last year, whereas the retail and distribution sector declined by 27%, indicating the change in market dynamics. Foreign currency challenges in Malawi and Mozambique slowed down export business during the period. This coincided with the transition to a more direct sales arrangement without distributors from the previous consignment stock arrangement to improve working capital efficiency in the export business.

During the period, CAFCA's delivery performance was sustained with hit rates maintained at over 100%, albeit at reduced production runs given the subdued demand conditions in the second quarter.

### **Dividend**

The board decided not to declare an interim dividend considering cash flow considerations.

### **Outlook**

While the outlook remains challenging, the board will continue monitoring the strategies put in place, to navigate the turbulence in the trading environment.

### **Results Announcement**

The Unaudited Abridged Financial Results for the six months ended 31 March 2025 ("**Results**"), which is the responsibility of the directors, is available on the JSE cloudlink at:

<https://senspdf.jse.co.za/documents/2025/jse/isse/cac/interim25.pdf>.

and on the Company's website at [www.cafca.co.zw](http://www.cafca.co.zw) and, any investment decisions by investors and/or shareholders should be based on such information.

By order of Board

**C Kangara**

**Company Secretary**

**15 May 2025**

Directors

H.P Mkushi (Chairman) E.T.Z Chidzonga T.Chigumbu L.Corte S.E Mangwengwende S.Maparura J.Tapambgwa V.Nyakudya ( Chief Executive Officer)

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