INNSCOR AFRICA LIMITED

Unaudited Abridged Group Financial Results

FOR THE SIX MONTHS ENDED 31 DECEMBER 2024

INNSCOR Africa Limited

Our passion for **value creation**

Salient Features

			Six Months Ended 31 December 2024 Unaudited USD
Revenue	▲	12%	535 786 885
Operating profit before financial (loss)/income, depreciation, amortisation and fair value adjustments	▲	16%	58 823 138
Profit for the period	▲	1%	33 435 478
Basic earnings per share (cents)	▲	1%	4.24
Headline earnings per share (cents)	▲	2%	4.22
Cash generated from operating activities	▲	9%	62 662 377
Interim dividend per share (cents)	▲	4%	1.45

DIRECTORS' RESPONSIBILITY

The Holding Company's Directors are responsible for the preparation and fair presentation of the Group's unaudited abridged consolidated interim financial statements, of which this press release represents an extract. These unaudited abridged Group consolidated interim financial statements are presented in accordance with the disclosure requirements of the Victoria Falls Stock Exchange ("VFEX") Listing Requirements and, except where stated, in accordance with the measurement and recognition principles of International Financial Reporting Standards ("IFRS") and the manner required by the Companies and Other Business Entities Act [Chapter 24:31]. Except where stated, the principal accounting policies applied in the preparation of these unaudited abridged Group consolidated interim financial statements are consistent with those applied in the previous period's financial statements. There is no impact arising from revised IFRS, which became effective for the reporting period commencing on or after 1 January 2024, on the Group's unaudited abridged consolidated interim financial statements.

OPERATING ENVIRONMENT AND OVERVIEW

The operating environment that prevailed during the six months under review was initially characterised by turbulent market conditions, mainly in respect of inflationary pressures, and the requirement for the Group to navigate complex regulatory developments which carried through from the second half of the prior financial year.

To arrest the inflationary trend and widening disparity of market exchange rates evident during the first half of the period under review, the country's local currency ("ZWG") was devalued 43% by the authorities at the end of September 2024; this action was coupled with tightening monetary policy measures, which included an upward adjustment to local currency interest rates and statutory reserve requirements for the banking sector.

The second half of the current six-month period under review has seen a period of relative stability from a local currency and inflationary pressure perspective, although local and foreign currency market liquidity has remained severely constrained. The more stable currency environment has promoted improved ZWG trading modalities and allowed for consistent pricing strategies to be pursued by industry. Overall business sentiment, however, remains fragile, with the cumulative effects of prolonged market volatility and constrained liquidity, continuing to affect the general trading environment, and overall confidence.

Notwithstanding the fluid trading environment, particularly in the first quarter of the period under review, the Group achieved pleasing volume growth across its core manufacturing operations. The Mill-Bake segment continued to benefit from better capacity utilisation, with solid volume momentum achieved across the portfolio of operations in this segment; this was supported by sustained volume growth in the Beverage and Light Manufacturing segments, which have seen previous investments starting to contribute positively to overall volume performance. Volume contribution from the Protein segment increased on aggregate, despite the continued market headwinds faced in the pork category, resulting largely from the change in the Value Added Tax ("VAT") status in this category effected in January 2024.

The effects of the 2023/24 drought weighed heavily on local agricultural output during the period under review. As a result, the Group was reliant on imports for much of its commodity requirements. The prospects for the current season appear more positive than last, despite the late start to the rains, and in the year ahead, the Group is well positioned to secure a greater proportion of raw material requirements locally. The Group's contract farming initiative, "AGrowth", remains a key focus toward contributing to the nation's medium-term objective of achieving local food security, and building capacity in the local agricultural sector.

This scheme continues to enable the sourcing of more locally-grown commodities for use by the Group's manufacturing entities; 6,700 hectares are currently under contract for the 2024/25 summer season, with a similar hectarage planned for the upcoming 2025 winter wheat season.

The Group continued to face acute power difficulties in the form of load-shedding and poor grid reliability during the period under review. As a result, the Group is occupied with the establishment of a number of on-site, auxiliary solar power facilities, to improve power supply across all key manufacturing sites. These projects are at various stages of progress, with a number expected to be completed and commissioned in the forthcoming financial year.

UNCERTAIN TAX POSITIONS

As previously reported, the local market has experienced significant currency and legislative changes since 2018, which have created numerous uncertainties in the tax treatment of transactions due to the absence of clear guidelines and transitional measures.

In addition, there are further complications arising from the wording of the legislation concerning the currency of settlement of certain taxes for the periods 2019 to 2021, which give rise to interpretations that may differ from those of the tax authorities, thereby creating uncertainties in tax positions. The Zimbabwe Revenue Authority ("ZIMRA") continues to assess additional Income Taxes, VAT, penalties and interest for this particular period for amounts already settled by Group entities in Zimbabwe Dollars, but which ZIMRA deemed should have been paid exclusively in foreign currency, or for matters on which the Group believes it has no tax liability. As at 31 December 2024, the total amount being sought by ZIMRA from the Group's divisions and subsidiaries amounted to USD 13.211m, whilst the collective amount for associate companies for the same period in question (2019 to 2021) amounted to USD 4.718m. No credit has been given by ZIMRA to the equivalent amounts already paid in the Country's local tender.

These assessments have been objected to and challenged at the courts, and are at various stages of appeal. Should the Group's various appeals not be successful, it is assumed that the historical Zimbabwe dollars previously paid towards the settlement of these taxes will be refunded to the Group in local currency, at the equivalent current value prevailing at the date that the refund occurs.

The Group continues to engage the relevant authorities while these assessments are being objected to and challenged through the courts. Tax payments that have been made with respect to the revised assessments have been accounted for as taxation prepayments on the Group's Statement of Financial Position, in anticipation of a successful appeal process, as the Group believes that the settlements it previously made to fully expunge its tax liabilities for these historical periods were in line with the legal requirements prevailing at the time of settlement.

The Group's divisions and subsidiaries have so far paid a total of USD 11.346m under the "pay now, argue later" principle out of the total amounts assessed, whilst the Group's associate entities have paid a further USD 4.501m. The legislative gaps giving rise to differences in interpretations remain, and could lead to additional assessments for periods not yet audited by ZIMRA.

SUSTAINABILITY REPORTING AND PRACTICES

Sustainability principles are embodied in the Group's overall business strategy. The Group remains committed to sustainable development by mitigating and managing the environmental and social risks of its operations, and the environment in which the Group operates. The Group applies a combination of ISO 26000 and GRI Standards for Sustainability Reporting, and continues to strengthen its sustainability practices and values across its operations to ensure long-term business success.

FINANCIAL REVIEW

The Group recorded revenue of USD 535.787m during the period under review, representing a 12% increase over the comparative six-month period. This was driven by strong volume growth concentrated in the Mill-Bake, Beverage and Light Manufacturing segments, supported by an intense focus on optimal pricing strategies to protect critical consumer price points; the period under review contains the full cost-impact of regulatory adjustments to the VAT status on many of the Group's key product lines, coupled with the Special Surtax on Sugar Content ("Sugar Tax") in the Beverage segment.

Operating profit, before financial (loss)/income, depreciation, amortisation and fair value adjustments for the current period under review, closed at USD 58.823m and represented a growth of 16% over the USD 50.771m recorded in the comparative period.

The Group recorded a negligible net financial loss for the period, contrasting with the significant gain of USD 2.875m recorded in the comparative period.

Current period Depreciation and Amortisation of USD 16.213m represented a 21% increase over the USD 13.446m recorded in the comparative period. This was a result of the extensive investment programme that the Group has been pursuing over the past few years, and which saw a number of significant capital projects commissioned over the preceding twelve-month period.

The net interest expense of USD 4.927m remains largely unchanged and compares with the USD 4.443m recorded in the prior six-month period, with the Group maintaining minimal net gearing levels.

Fair value adjustments of USD 4.148m were recorded in the current period versus the USD 5.981m in the comparative period, representing a 31% decline; this was largely driven by the fair value adjustments on financial securities held by the Group, whilst the Group's significant biological asset holdings in the protein segment recorded an 18% decline versus the comparative period, after the application of the provisions of International Accounting Standard ("IAS") 41 (Agriculture).

The Group's Associate businesses continued to contribute positively to the overall Group result, with current period Equity Accounted Earnings recorded at USD 2.851m. This, however, was 17% lower than the USD 3.425m recorded in the comparative period, and was mainly attributable to the operational disruptions at Profeeds, following the previously reported silo collapse at its Harare-based operation.

The Group recorded a Profit Before Tax ("PBT") of USD 44.620m for the period under review, marginally behind the USD 45.162m recorded in the comparative period.

Headline Earnings Per Share ("HEPS") for the period under review amounted to 4.22 US cents per share, representing a 2% growth over the comparative period.

The Group's Statement of Financial Position remained strong, with a solid fixed asset base supported by efficient working capital positions and minimal net debt; net gearing closed at 6.4% at the end of the period under review.

From a cash generation perspective, the Group delivered an outstanding operating cash flow of USD 69.546m, representing a 7% improvement over the comparative period. The strong operating cash flows enabled the Group to continue its expansion investment drive, whilst maintaining a conservative debt level. The Group invested a total of USD 35.849m into capital expenditure projects during the period under review, primarily targeted toward expansion initiatives at National Foods, as well as the Bakery and Colcom divisions.

OPERATIONS REVIEW

MILL-BAKE

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

Current period loaf volumes in the **Bakery** division closed 5% ahead of the comparative period, supported by improved manufacturing efficiencies, enhanced loaf quality, optimal flour pricing and a convenient and stable exit price to the consumer.

The division is currently occupied with the construction of a new, fully-automated production line for the Harare operation, which will be commissioned toward the latter part of the current financial year. This initiative is being complemented by further ongoing automation initiatives across both the Harare and Bulawayo operations. Additionally, work continues as regards the scaling up of the "Baker's Inn Express Shop" portfolio, coupled with efforts to expand and optimise the operation's distribution fleet.

Total volumes at **National Foods** for the period were 25% above those recorded in the comparative period, driven by a strong performance in the core milling operations, and an improved contribution from the new FMCG business cluster.

- In the **Flour** division, aggregate volumes closed 18% ahead of the comparative period, representative of a strong recovery in the Bakers' flour segment, and further enhanced by firm demand in the "Gloria" prepack category.
- The **Stockfeed** division registered a volume growth of 22% over the comparative period, with pleasing momentum achieved across both the beef and poultry categories. The division continues to progressively upgrade its facilities at its Aspindale site; the investment initiatives include an upgrade to the ruminant plant, additional silo capacity, and a 2.85MW "turnkey" solar system expected to be commissioned by the end of the current financial year.
- Volumes in the **Maize** division closed 68% ahead of the comparative period, mainly attributable to a lower retention of maize at household level due to the impact of the 2023/24 El Nino-induced drought conditions. Going forward, a solid white maize pipeline has been secured, thus ensuring that there will be a guaranteed stable supply of maize meal products available to consumers until the 2024/25 local harvest.
- The **Snacks** division continued its strong growth trajectory, with current period volumes closing 57% ahead of the comparative period. This was driven by strong market demand, coupled with increased capacities across both the hard ("ZapNax") and soft ("King Kurl") snack categories.
- The **Downpacking** division, which primarily packs rice and salt, continued to operate under challenging market conditions. The affordability of rice was impacted by a combination of higher global rice prices, a result of the ban on exports of rice out of India which remained in effect until September 2024, and the imposition of VAT on the rice category locally. The relaxation of the ban on exports of product out of India will result in improved pricing to the consumer in the second half of the current financial year.
- The **Cereals** division recorded significant volume growth over the comparative period. The volume performance was driven mainly by the "Pearlenta" instant porridge category, with an improving volume trend also evident in the premium "NutriActive" product lines.
- The **Pasta** division commissioned its new shortcut pasta plant early in 2024, and capacity uptake has been very encouraging, with the now locally manufactured pasta under the "Better Buy" and "Primo" brands being well received by the market.
- Volumes in the **Biscuits** division continue to lag the comparative period, driven by production transitioning to the newly-installed, fully-automated manufacturing line in the second quarter of the current period under review. Market uptake of both the "Iris" and "Gloria" biscuit offerings is positive, and efforts will be focused on scaling up capacity utilisation and recovering volumes into the second half of the current financial year.

As previously reported, the **Profeeds** Harare-based factory operation incurred a material silo collapse in November 2023, rendering one of its two production lines inoperable since the event. Outsourced manufacturing arrangements, however, limited the overall volume decline to 5% over the comparative period; this was a pleasing result in the circumstances.

The operation commissioned a state-of-the-art, USD 7.5m, production facility in Bulawayo in November 2024. This investment will significantly enhance Profeeds' ability to service the Southern region more efficiently, and complements the significant capital investment the broader Group has undertaken in Bulawayo in recent years.

In the "Profarmer" retail operation, overall current period stockfeed sales increased by 5% over the comparative period, whilst fertiliser volumes increased by 35% over the same period. A further four new outlets were opened during the six months under review to bring the total store network under management to 61. Focus continues on providing a convenient, and all-encompassing, agri-retail experience to the nation's small to medium-scale farmer base.

OPERATIONS REVIEW (continued)

MILL-BAKE

At **Nutrimaster**, aggregate current period volumes contracted by 11% against the comparative period; this was largely attributable to the late onset of the local rains, which delayed fertiliser drawdowns in the row-cropping and tobacco segments; this trend is expected to correct in the early part of the second half of the current financial year. The business successfully commissioned its new granulation plant toward the end of the period under review, and this investment is expected to reduce the reliance on imported raw materials, and enhance the overall fertiliser-blend offering to the local market.

The agrochemical business, operating under the "Optichem" brand, continued to show an excellent volume growth trajectory during the period under review.

PROTEIN

This reporting segment comprises the Colcom division, Irvine's Zimbabwe, and Associate Meat Packers Group ("AMP"), which includes the "Texas Meats" branded store network.

The **Colcom** division, comprising Colcom Foods and Triple C Pigs, saw a marginal 3% drop in volumes in the current period over the comparative period. Whilst demand in the fresh pork category remained firm, with current period volumes showing an 8% growth over the comparative period, volumes in the processed category closed 12% lower over the same period, and this was largely attributable to the intermittent trade with the formal retail channel, particularly in the first three months of the period under review.

The change in VAT status on pork products from "exempt" to "standard-rated", introduced in January 2024, continues to have a pervasive impact on formal, compliant operators, with product prices needing to be heavily discounted to compete with non-compliant operators. The Group remains heavily engaged with the authorities to ensure the regulatory dynamics are normalised to allow formal operators to achieve a sustainable business model, and to allow for the recovery of the significant expansion investment undertaken in the business over the past few years.

At **Triple C Pigs**, volumes closed 7% ahead of the comparative period, attributable to higher pig weights, continued optimisation efforts, and enhanced genetics. The production unit expansion programme, which has been ongoing for the past 18 months, is set to be fully operational by the end of the current financial year, at which point additional weekly pig deliveries to Colcom Foods will commence. A complimentary investment into a bespoke breeder unit is at an advanced stage of construction, and is expected to be populated early in the forthcoming financial year.

At **Irvine's**, Table Egg volumes closed 11% ahead of the comparative period, combined with strong volume contribution in the Frozen Poultry category, which continues to operate at full capacity. The investment focus remains on capacity extensions across the core Table Egg, Frozen and Day-Old-Chick categories.

AMP delivered overall volume growth of 4% over the comparative period. The beef category continued with its positive trajectory, recording growth of 24% against the comparative period, whilst the chicken category closed 15% behind the same period. Sales of additional protein and complementary products through the "Texas" retail chain were pleasing, with the focus directed on diversifying, and growing, the consumer basket and enhancing the overall customer experience.

BEVERAGE AND OTHER LIGHT MANUFACTURING

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

At **Prodairy**, aggregate volumes closed 20% ahead of the comparative period. The Dairy Blend and Maheu categories operating under the "Revive" brand delivered combined growth of 27% over the comparative period, supported by the expansionary investments undertaken in prior periods. The Milk category, comprising UHT milk, Steri Milk and Cultured Milk, and operating under the "Life Brand", also continued to register strong volume contributions, closing ahead of the comparative period.

The business has recently concluded a new investment which will deliver exciting, new and innovative packaging formats into the market early in the second half of the financial year under review.

Mafuro Farming registered a 14% increase in raw milk production volume over the comparative period; this was achieved on the back of the operation's maturing milking herd, as well as enhanced pasture management. Following the investment to expand its milking operations, the business is well-positioned to ensure a sustainable and efficient supply of high-quality raw milk to the downstream processing operation.

At **Probottlers**, aggregate volumes closed 4% behind the comparative period. Volumes in both the Cordial (operating under the "Bally House" brand) and CSD (operating under the "Fizzi" brand) categories were both adversely affected by the imposition of the new Sugar Tax introduced in January 2024; this tax had the effect of increasing the cost to the consumer of a considerable number of product lines, and suppressing demand.

Focused initiatives to optimise the bills of materials for each product category are underway, with the objective of ensuring an affordable on-shelf price is achieved for the consumer; encouraging progress is being made in this regard.

TBBC's sorghum beer offering, under the "Nyathi" brand, continued to record strong volume performance during the period under review. This performance has been underpinned by a pleasing acceptance of the brand in the market, improved capacity utilisation, and more efficient distribution.

At **Natpak**, overall volumes in the current period under review grew 11% over the comparative period, with all four units delivering positive growth. In the Sacks division, current period volumes recorded an 8% growth over the comparative period, being driven mainly by increased maize milling activity within the formal milling sector. The Flexibles division benefited from a pleasing demand recovery in the sugar sector following the removal of the duty holiday on imported sugar; this was complemented by a strong recovery in rice packaging volumes, and on an overall basis, this division recorded a 24% growth in its overall volumes over the comparative period. The Rigids division registered volume growth of 18% over the comparative period, reflecting the increased utilisation of recently added injection moulding capacity. In the Corrugated division, volumes closed at similar levels to the comparative period, with strong demand recorded in flour bags and commercial boxes.

Probrands delivered aggregate volume growth of 7% against the comparative period, largely driven by the Downpacking category, but pleasing progress also continues to be recorded across the Specialised and Household categories.

CORPORATE SOCIAL RESPONSIBILITY ("CSR")

As previously reported, the Group launched its "Empower Tomorrow" CSR initiative in August 2024. This is the Group's bespoke, co-ordinated, and all-encompassing social responsibility programme based on its vision of being a leading corporate citizen, and with the objective of making a positive and lasting impact on the lives of people and communities across Zimbabwe, through sustainable initiatives which also encourage, and nurture, the spirit of entrepreneurship.

The Group is currently supporting numerous CSR initiatives, with programmes covering education, inclusive business and economic development, sustainable farming, food and nutrition, sports, health and wellbeing, and animal welfare.

PROSPECTS

The Group delivered a pleasing financial performance for the period under review, this was driven largely by the strong volume growth achieved across the core of its portfolio. This volume performance translated into good operating profit growth, and excellent free cash generation.

The attainment of critical volume mass is central to the Group's ability to unlock operating efficiencies and economies of scale, and it is therefore pleasing that the acute focus directed by management towards achieving set volume targets has started to yield positive results.

Another critical aspect of overall business performance is the ability to efficiently manage both the bill of materials and operating expenditure lines; improvements have been made in both these areas, but increased emphasis will be directed towards further optimising these lines in the period ahead.

As noted above, free cash generation in the period under review was excellent, and allowed for the continuing expansion and extension of the Group's product portfolio, through the commissioning of further world-class production lines; indeed, the Group continues to play its part in bringing product value-add capabilities to Zimbabwe, onboarding new and innovative technologies, and creating further sustainable, formal employment opportunities for Zimbabweans.

The complex shifts in local monetary and fiscal policy experienced over the last twelve months have been key determinants of overall business sentiment and operating efficiency. Looking forward, the Group remains hopeful that consistent and predictable economic policies will be pursued; this will, in turn, enable meaningful investment planning to take place, and will allow for the business to focus on core operating and trading activities that deliver real economic value to all stakeholders and, critically, will ensure that the requisite returns on the significant expansion investments already undertaken, are achieved for shareholders.

INTERIM DIVIDEND

The Board is pleased to declare an interim dividend of 1.45 US cents per share (H1 F2024: 1.40 US cents per share) payable in respect of all ordinary shares of the Company. This interim dividend will be payable to all shareholders of the Company registered at the close of business on 11 April 2025.

The payment of this interim dividend will take place on or around 25 April 2025. The shares of the Company will be traded cum-dividend on the VFEX up to the market day of 8 April 2025, and ex-dividend from 9 April 2025.

The Board has also declared an interim dividend totalling USD 400,000 (H1 F2024: USD 400,000) to Innscor Africa Employee Share Trust (Private) Limited. Innscor Africa Employee Share Trust (Private) Limited supports all qualifying beneficiaries with both dividend flow and various loan schemes.

APPRECIATION

I wish to record my sincere appreciation to the Executive Directors, Management, and Staff for their considerable efforts during the period under review. I also wish to thank the Non-Executive Directors for their wise counsel and the Group's customers, suppliers, and other stakeholders for their continued support and loyalty.

A B C CHINAKE
Independent, Non-Executive Chairman
14 March 2025

Unaudited Abridged Group Statement of Profit Or Loss and Other Comprehensive Income

	Note	six months ended 31 December 2024 unaudited USD	six months ended 31 December 2023 unaudited USD
REVENUE		535 786 885	480 409 470
Operating profit before financial (loss)/income, depreciation, amortisation and fair value adjustments		58 823 138	50 770 609
financial (loss)/income	4	(62 242)	2 874 926
Operating profit before depreciation, amortisation and fair value adjustments, net of financial losses or gains		58 760 896	53 645 535
depreciation on property, plant and equipment and right-of-use assets and amortisation on intangible assets		(16 212 815)	(13 445 944)
Operating profit before interest, equity accounted earnings and fair value adjustments		42 548 081	40 199 591
fair value adjustments on livestock and listed equities		4 148 242	5 980 533
Profit before interest, equity accounted earnings and tax		46 696 323	46 180 124
net interest expense		(4 927 353)	(4 442 898)
equity accounted earnings		2 850 775	3 424 581
Profit before tax		44 619 745	45 161 807
tax expense		(11 184 267)	(11 936 871)
Profit for the period		33 435 478	33 224 936
Profit for the period attributable to:			
equity holders of the parent		23 910 777	23 846 336
non-controlling interests		9 524 701	9 378 600
		33 435 478	33 224 936
Other comprehensive income for the period that will not be reclassified subsequently to profit or loss:			
Revaluation Surplus		—	109 012
Deferred tax on revaluation surplus		—	—
Revaluation surplus, net of deferred tax		—	109 012
Revaluation surplus attributable to:			
equity holders of the parent		—	109 012
non-controlling interest		—	—
Other comprehensive income for the period that will not be reclassified subsequently to profit or loss, net of tax		—	109 012
Total comprehensive income for the period attributable to:			
equity holders of the parent		23 910 777	23 955 348
non-controlling interests		9 524 701	9 378 600
		33 435 478	33 333 948
EARNINGS PER SHARE (CENTS)			
Basic earnings per share	11	4.24	4.18
Headline earnings per share	11	4.22	4.14
Diluted basic earnings per share	11	4.24	4.18
Diluted headline earnings per share	11	4.22	4.14

Unaudited Abridged Group Financial Results

FOR THE SIX MONTHS ENDED 31 DECEMBER 2024

INNSCOR Africa Limited

Our passion for **value creation**

Unaudited Abridged Group Statement Of Financial Position

	Note	31 December 2024 unaudited USD	30 June 2024 audited USD
ASSETS			
Non-current assets			
property, plant and equipment		377 393 866	358 237 394
right-of-use assets		2 798 037	3 596 086
intangible assets		9 132 437	8 951 633
investments in associates		55 546 991	52 666 921
other assets		26 825 945	22 661 167
biological assets		6 420 240	5 673 961
		478 117 516	**451 787 162**
Current assets			
other assets		4 200 562	3 400 304
biological assets		27 492 102	27 268 306
inventories	5	126 569 572	99 303 600
trade and other receivables	6	126 107 866	111 148 910
cash and cash equivalents		47 369 635	35 687 044
		331 739 737	**276 808 164**
Total assets		**809 857 253**	**728 595 326**
EQUITY AND LIABILITIES			
Capital and reserves			
ordinary share capital		1 171 521	1 171 521
class 'A' ordinary shares		2	2
share premium		4 080 962	4 080 962
other reserves		111 673 722	113 387 339
distributable reserves		208 628 223	192 139 250
attributable to equity holders of the parent		**325 554 430**	**310 779 074**
non-controlling interests		150 703 283	140 331 980
Total shareholders' equity		**476 257 713**	**451 111 054**
Non-current liabilities			
deferred tax liabilities		43 921 318	38 537 497
lease liability	7	2 429 274	3 274 226
interest-bearing borrowings	8	15 296 824	15 859 527
		61 647 416	**57 671 250**
Current liabilities			
lease liability	7	871 296	966 283
interest-bearing borrowings	8	64 686 730	65 690 401
trade and other payables	9	192 286 038	142 229 463
provisions and other liabilities		3 406 436	3 402 417
current tax liabilities		10 701 624	7 524 458
		271 952 124	**219 813 022**
Total liabilities		**333 599 540**	**277 484 272**
Total equity and liabilities		**809 857 253**	**728 595 326**

Unaudited Abridged Group Statement Of Cash Flows

	Note	six months ended 31 December 2024 unaudited USD	six months ended 31 December 2023 unaudited USD
Cash generated from operating activities	3	69 546 253	64 995 006
interest expense		(4 927 353)	(4 442 898)
tax paid		(1 956 523)	(3 033 665)
Total cash available from operations		**62 662 377**	**57 518 443**
Investing activities	3	**(40 044 513)**	**(34 274 629)**
Net cashflows before financing activities		**22 617 864**	**23 243 814**
Financing activities	3	**(10 935 273)**	**(13 571 207)**
Net increase in cash and cash equivalents		**11 682 591**	**9 672 607**
Cash and cash equivalents at the beginning of the year		**35 687 044**	**29 173 106**
Cash and cash equivalents at the end of the period		**47 369 635**	**38 845 713**

Unaudited Group Statement Of Changes In Equity

	attributable to equity holders of the parent											
				Other Reserves								
	Ordinary Share Capital USD	Class A Ordinary Share Capital USD	Share Premium Reserve USD	Restructure Reserve USD	Revaluation Reserve USD	Foreign Currency Translation Reserve USD	Treasury Shares Reserve USD	Total Other Reserves USD	Distributable Reserves USD	Total Attributable to Equity Holders of the Parent USD	Non-Controlling Interests USD	Total Shareholders' Equity USD
Balances as at 30 June 2023	**1 171 521**	**2**	**4 080 962**	**(2 130 813)**	**89 515 824**	**29 673 031**	**(878 214)**	**116 179 828**	**169 907 567**	**291 339 880**	**126 330 986**	**417 670 866**
Profit for the period	—	—	—	—	—	—	—	—	23 846 336	23 846 336	9 378 600	33 224 936
Dividends paid	—	—	—	—	—	—	—	—	(6 299 516)	(6 299 516)	(1 118 971)	(7 418 487)
Transactions with owners in their capacity as owners	—	—	—	—	—	—	(1 999 237)	(1 999 237)	—	(1 999 237)	4 414 921	2 415 684
Revaluation surplus net of deferred tax	—	—	—	—	109 012	—	—	109 012	—	109 012	—	109 012
Balances as at 31 December 2023	**1 171 521**	**2**	**4 080 962**	**(2 130 813)**	**89 624 836**	**29 673 031**	**(2 877 451)**	**114 289 603**	**187 454 387**	**306 996 475**	**139 005 536**	**446 002 011**
Profit for the period	—	—	—	—	—	—	—	—	13 007 792	13 007 792	1 927 296	14 935 088
Dividends paid	—	—	—	—	—	—	—	—	(8 322 929)	(8 322 929)	(2 414 311)	(10 737 240)
Transactions with owners in their capacity as owners	—	—	—	—	—	—	(875 011)	(875 011)	—	(875 011)	1 813 459	938 448
Revaluation surplus net of deferred tax	—	—	—	—	(27 253)	—	—	(27 253)	—	(27 253)	—	(27 253)
Balances as at 30 June 2024	**1 171 521**	**2**	**4 080 962**	**(2 130 813)**	**89 597 583**	**29 673 031**	**(3 752 462)**	**113 387 339**	**192 139 250**	**310 779 074**	**140 331 980**	**451 111 054**
Profit for the period	—	—	—	—	—	—	—	—	23 910 777	23 910 777	9 524 701	33 435 478
Dividends paid	—	—	—	—	—	—	—	—	(7 421 804)	(7 421 804)	(2 684 900)	(10 106 704)
Transactions with owners in their capacity as owners	—	—	—	(1 215 099)	—	—	(498 518)	(1 713 617)	—	(1 713 617)	3 531 502	1 817 885
Balances as at 31 December 2024	**1 171 521**	**2**	**4 080 962**	**(3 345 912)**	**89 597 583**	**29 673 031**	**(4 250 980)**	**111 673 722**	**208 628 223**	**325 554 430**	**150 703 283**	**476 257 713**

Supplementary Information

1 Corporate Information

The Company is incorporated and domiciled in Zimbabwe.

2 Basis of Preparation

The Group's unaudited abridged consolidated interim financial statements for the six months ended 31 December 2024 have been prepared in accordance with the Listing requirements of the Victoria Falls Stock Exchange ("VFEX") and in a manner required by the Zimbabwe Companies and Other Business Entities Act (Chapter 24.31).The Listing Requirements require interim financial statements to be prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and as a minimum, contain the information required by International Accounting Standards ("IAS") 34 (Interim Financial Reporting). The Group's unaudited abridged consolidated interim financial statements have been prepared based on statutory records that are maintained under the historical cost basis, except for Property Plant and Equipment, equity investments and some biological assets that have been measured at fair value.

The financial statements are presented in United States Dollars ("USD"); all values are rounded to the nearest dollar, except where otherwise indicated.

The principal accounting policies applied in the preparation of the Group's unaudited abridged consolidated financial statements are except where stated, in terms of IFRS and applicable amendments to IFRS, and the accounting policies have been applied consistently in all material respects with those of the previous Group audited consolidated financial statements.

3 Operating Segments

The Group's operations comprise of the Mill-Bake, Protein, Beverage and Other Light Manufacturing and Head Office and Other Services Segments explained as follows:

Mill-Bake Segment - the segment reports the results of the Group's interests in National Foods Holdings Limited, the Bakery Division, Superlinx (Private) Limited t/a Baker's Inn Sales & Distribution, Baker's Inn Logistics (Private) Limited, Nutrimaster (Private) Limited and the Group's non-controlling interest in Profeeds (Private) Limited.

Protein Segment - this segment reports the results of the Group's interests in the Colcom Division, Irvine's Zimbabwe (Private) Limited, Associated Meat Packers (Private) Limited (AMP) and Intercane Investments (Private) Limited.

Beverage and Other Light Manufacturing Segment - this segment reports the results of the Group's interests in Prodairy (Private) Limited, Probottlers (Private) Limited,The Buffalo Brewing Company (Private) Limited, Prodistribution (Private) Limited, Natpak (Private) Limited, Saxin Enterprises (Private) Limited, Sabithorn (Private) Limited, and the Group's non-controlling interests in Probrands (Private) Limited.

Head Office Services & Other Services Segment - this segment reports the Group's shared services functions namely treasury, internal audit, legal, company secretarial services, Providence Human Capital (Private) Limited, Syntegra Solutions (Private) Limited, MyCash Financial Services (Private) Limited and the Group's non-controlling interests' in Paperhole Investments (Private) Limited and Afrigrain Trading Limited.

	Mill-Bake USD	Protein USD	Beverage and Other Light Manufacturing USD	Head Office and Other Services USD	Inter-Segment Adjustments USD	Total USD
Revenue						
31 December 2024	311 702 898	132 326 271	139 220 997	7 038 762	(54 502 043)	535 786 885
31 December 2023	259 681 736	129 853 917	116 467 172	5 304 844	(30 898 199)	480 409 470
Operating profit before financial (loss)/income, depreciation, amortisation and fair value adjustments						
31 December 2024	34 491 385	5 221 949	16 776 243	2 333 561	—	58 823 138
31 December 2023	25 550 652	11 963 317	10 420 047	2 836 593	—	50 770 609
Depreciation and amortisation						
31 December 2024	6 580 481	4 087 928	5 049 627	494 779	—	16 212 815
31 December 2023	5 191 608	3 999 206	3 777 480	477 650	—	13 445 944
Equity accounted earnings						
31 December 2024	60 991	—	90 008	2 699 776	—	2 850 775
31 December 2023	849 510	—	29 391	2 545 680	—	3 424 581
Profit before tax						
31 December 2024	25 698 956	2 949 712	9 819 951	6 151 126	—	44 619 745
31 December 2023	20 674 302	11 348 266	5 306 521	7 832 718	—	45 161 807
Segment assets						
31 December 2024	373 964 447	161 379 085	173 247 959	223 292 176	(122 026 414)	809 857 253
30 June 2024	321 604 577	148 827 574	159 087 302	212 563 916	(113 488 043)	728 595 326
Segment liabilities						
31 December 2024	175 367 672	72 248 807	93 313 895	11 068 705	(18 399 539)	333 599 540
30 June 2024	138 332 418	59 699 267	99 098 789	1 899 437	(21 545 639)	277 484 272
Cash flow from operating activities						
31 December 2024	40 250 206	7 946 895	19 599 707	(81 455)	1 830 900	69 546 253
31 December 2023	33 714 116	15 503 234	12 025 775	3 899 688	(147 807)	64 995 006
Investing activities						
31 December 2024	(18 025 431)	(8 598 620)	(11 669 971)	(10 389 026)	8 638 535	(40 044 513)
31 December 2023	(15 531 359)	(9 430 977)	(13 589 856)	(4 448 491)	8 726 054	(34 274 629)
Capital expenditure						
31 December 2024	16 903 530	8 263 253	10 480 290	202 150	—	35 849 223
31 December 2023	16 695 682	8 727 858	9 499 019	931 951	—	35 854 510
Financing activities						
31 December 2024	(6 539 547)	5 162 450	(343 827)	8 763 180	(17 977 529)	(10 935 273)
31 December 2023	(6 805 806)	(4 179 562)	6 108 139	(984 327)	(7 709 651)	(13 571 207)

Supplementary Information (continued)

	Note	six months ended 31 December 2024 unaudited USD	six months ended 31 December 2023 unaudited USD
4 Financial (loss)/income			
Exchange rate losses		(812 700)	1 722 493
(Loss)/Profit on disposal of plant and equipment		(27 437)	437 038
Dividend income		777 895	715 395
		(62 242)	**2 874 926**

	31 December 2024 unaudited USD	30 June 2024 audited USD
5 Inventories		
Consumable stores	44 793 140	30 173 057
Finished products, net of allowance for obsolescence	18 802 755	20 287 313
Raw materials and packaging	61 554 054	47 653 408
Work in progress	1 419 623	1 189 822
	126 569 572	**99 303 600**
6 Trade and other receivables		
Trade receivables	91 597 235	78 130 352
Prepayments	13 383 908	17 873 341
VAT receivable	5 584 926	3 578 734
Other receivables	17 425 748	13 534 640
	127 991 817	**113 117 067**
Allowance for credit losses	(1 883 951)	(1 968 157)
	126 107 866	**111 148 910**
7 Lease liability		
Analysis		
Non-current	2 429 274	3 274 226
Current	871 296	966 283
	3 300 570	**4 240 509**

8 Interest-Bearing Borrowings

Interest-bearing borrowings constitute bank loans from various local financial institutions which accrued interest at an average rate of 12% during the period.

These facilities expire at different dates and will be reviewed and renewed when they mature.

	31 December 2024 unaudited USD	30 June 2024 audited USD
9 Trade and other payables		
Trade payables	152 535 002	106 189 951
Accruals	10 922 338	7 846 134
Other payables	28 834 096	28 193 178
	192 291 436	**142 229 263**
10 Commitments for capital expenditure		
Contracts and orders placed	18 616 333	39 068 806
Authorised by Directors but not contracted	7 637 471	16 438 666
	26 253 804	**55 507 472**

The capital expenditure is to be financed out of the Group's own resources and existing borrowing facilities.

11 Earnings per share

Basic earnings basis

The calculation of basic earnings per share is based on the profit attributable to equity holders of the parent and the weighted average number of ordinary shares in issue for the period.

Diluted earnings basis

The calculation of diluted earnings per share is based on the profit attributable to equity holders of the parent and the weighted average number of ordinary shares in issue after adjusting for potential conversion of share options. The potential conversion is possible when the average market price of ordinary shares during the period exceeds the exercise price of such options.

Headline earnings basis

Headline earnings comprise of basic earnings attributable to equity holders of the parent adjusted for profits, losses and items of a capital nature that do not form part of the ordinary activities of the Group, net of their related tax effects and share of non-controlling interests as applicable.

The following reflects the income data used in the basic, headline and diluted earnings per share computations:

	six months ended 31 December 2024 unaudited USD	six months ended 31 December 2023 unaudited USD
a Net profit attributable to equity holders of the parent	23 910 777	23 846 336
b Reconciliation of basic earnings to headline earnings		
Profit for the period attributable to equity holders of the parent	23 910 777	23 846 336
Adjustment for non-headline items (gross of tax):		
Profit on disposal of property, plant and equipment	27 437	(437 038)
Tax effect on adjustments	(7 065)	108 036
Non-controlling interests' share of adjustments	(115 905)	107 232
Headline earnings attributable to ordinary shareholders	23 815 244	23 624 566

c Reconciliation of weighted average number of ordinary shares

	No. of shares issued	No. of shares issued
Number of shares in issue at the beginning of the year	575 926 450	575 926 450
Less: Weighted Average number of Treasury Shares acquired in the curent period	(106 327)	(168 853)
Less: Weighted Average number of Treasury Shares from prior years	(11 381 855)	(5 020 201)
Weighted Average Number of Shares	**564 438 268**	**570 737 396**
Weighted average number of ordinary shares before effect of dilution	**564 438 268**	**570 737 396**
Effect of dilution from share options:	—	—
Weighted average number of ordinary shares adjusted for the effect of dilution	**564 438 268**	**570 737 396**
Basic earnings per share (cents)	**4.24**	**4.18**
Headline earnings per share (cents)	**4.22**	**4.14**
Diluted basic earnings per share (cents)	**4.24**	**4.18**
Diluted headline earnings per share (cents)	**4.22**	**4.14**

12 Going Concern

The Directors have assessed the ability of the Group to continue as a going concern and have satisfied themselves that the Group is in a sound financial position and has adequate resources to continue in existence for the foreseeable future. Accordingly, they believe that the preparation of these consolidated interim financial statements on a going concern basis is appropriate.