



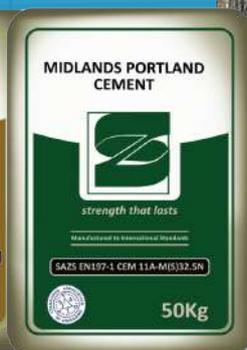
INDUSTRIAL
DEVELOPMENT
CORPORATION

OF ZIMBABWE LIMITED

2024 ANNUAL REPORT

No. 61 FOR THE TWELVE MONTHS ENDED 31 DECEMBER 2024

Constituted as a body Corporate under the Industrial Development Corporation Act (Chapter 14:10). Tabled in Parliament in terms of Section 19 (2) of the Industrial Development Corporation Act (Chapter 14:10) and Regulations.



2024 PERFORMANCE OVERVIEW



2%
Estimated
economic
growth



ZWG563
to
ZWG597
million
Gross Profit

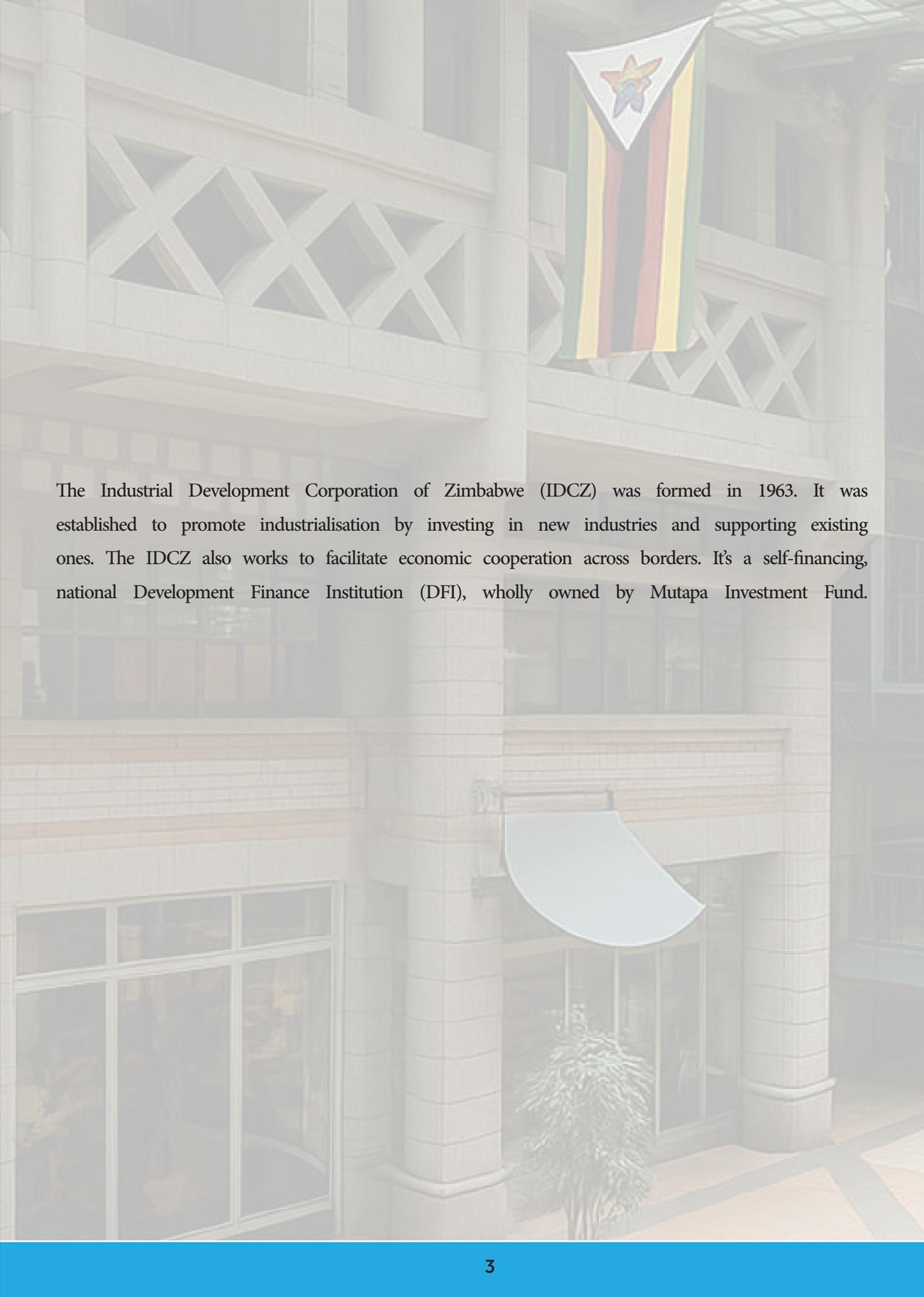


ZWG1.4
to ZWG1.3
billion
Revenue Decrease

9.5%
Net Asset
Value Decline

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A photograph of a modern building facade. The building features a balcony with a decorative lattice railing. A flag with a white top section containing a colorful star and a rainbow-colored bottom section is flying from the balcony. The building has large windows and a light-colored stone or concrete finish. A small potted plant is visible in the foreground near the entrance.

The Industrial Development Corporation of Zimbabwe (IDCZ) was formed in 1963. It was established to promote industrialisation by investing in new industries and supporting existing ones. The IDCZ also works to facilitate economic cooperation across borders. It's a self-financing, national Development Finance Institution (DFI), wholly owned by Mutapa Investment Fund.

About This Report

Industrial Development Corporation of Zimbabwe Limited (IDCZ/ Corporation), is pleased to present its 61st Annual Report for the year ended 31 December 2024.

This report outlines the Corporation's financial, operational, and strategic performance, illustrating how value has been created and preserved for stakeholders throughout the reporting period. Our journey of continuous improvement reflects agility in adapting to complex economic conditions and changing stakeholder expectations. This annual report can be viewed at www.idc.co.zw.

Boundary and Scope

This annual report covers the performance of the IDCZ, for the year ended 31 December 2024. The reporting boundary includes IDCZ and its group of subsidiaries operating within Zimbabwe. The report covers both consolidated financial and non-financial performance.

Reporting Framework

This report is compiled and presented taking into consideration the requirements of the generally accepted corporate practices prescribed by the Public Entities Corporate Governance Act (Chapter 10:31), Public Finance Management Act (Chapter 22:19), Industrial Development Corporation Act (Chapter 14:10), International Financial Reporting Standards (IFRSs) and all relevant legislation and regulations.

Financial Data and Assurance

The IDCZ receives independent assurance from its independent auditor, PKF Chartered Accountants (Zimbabwe), on the fair presentation of the Annual Financial Statements. The independent auditor has issued a report, not only for the purpose of expressing an opinion, but to also report on compliance with laws and regulations and internal controls. The findings are included in the Independent Auditor's Report.

Feedback

We are committed to improving this report and would appreciate your constructive feedback. Comments can be sent to pr@idc.co.zw, or submitted to the IDCZ Offices at 93 Park Lane, Harare, Zimbabwe.

Company Overview



Our Purpose

The Industrial Development Corporation of Zimbabwe Limited (IDCZ) is a state-owned enterprise established through the Industrial Development Corporation Act [Chapter 14:10] in 1963, with a mandate to promote both domestic and cross-border industrial investment and economic co-operation. The Corporation identifies and develops industrial project opportunities into commercially viable ventures in partnership with local, regional, and international investors, and technology and market access partners. The Corporation is wholly owned by the Mutapa Investment Fund (MIF), Zimbabwe's sovereign wealth fund.



Our Vision

To be an innovative and responsive development finance institution for the sustainable provision of competitive, value-added goods and services for both local and export markets.

Our Mission

1. Identify, facilitate, and develop bankable industrial projects
2. Provide medium to long-term financing to greenfield and brownfield value-adding ventures
3. Promote the decentralisation of industrial development
4. Create equitable employment and empowerment opportunities for Zimbabweans

Our Values

IDCZ upholds the following values in its day-to-day operations:

1. **Transparency:** open to public scrutiny.
2. **Professionalism:** adherence to all professional standards.
3. **Innovation:** exploring new possibilities and “burning the box”.
4. **Dynamism:** Responsive and adaptive to a changing environment.
5. **Gender Equality:** equal employment and empowerment opportunities.
6. **Environmental Protection:** promoting environmentally sustainable growth.

Strategic Pillars

Our strategy resides on four pillars:

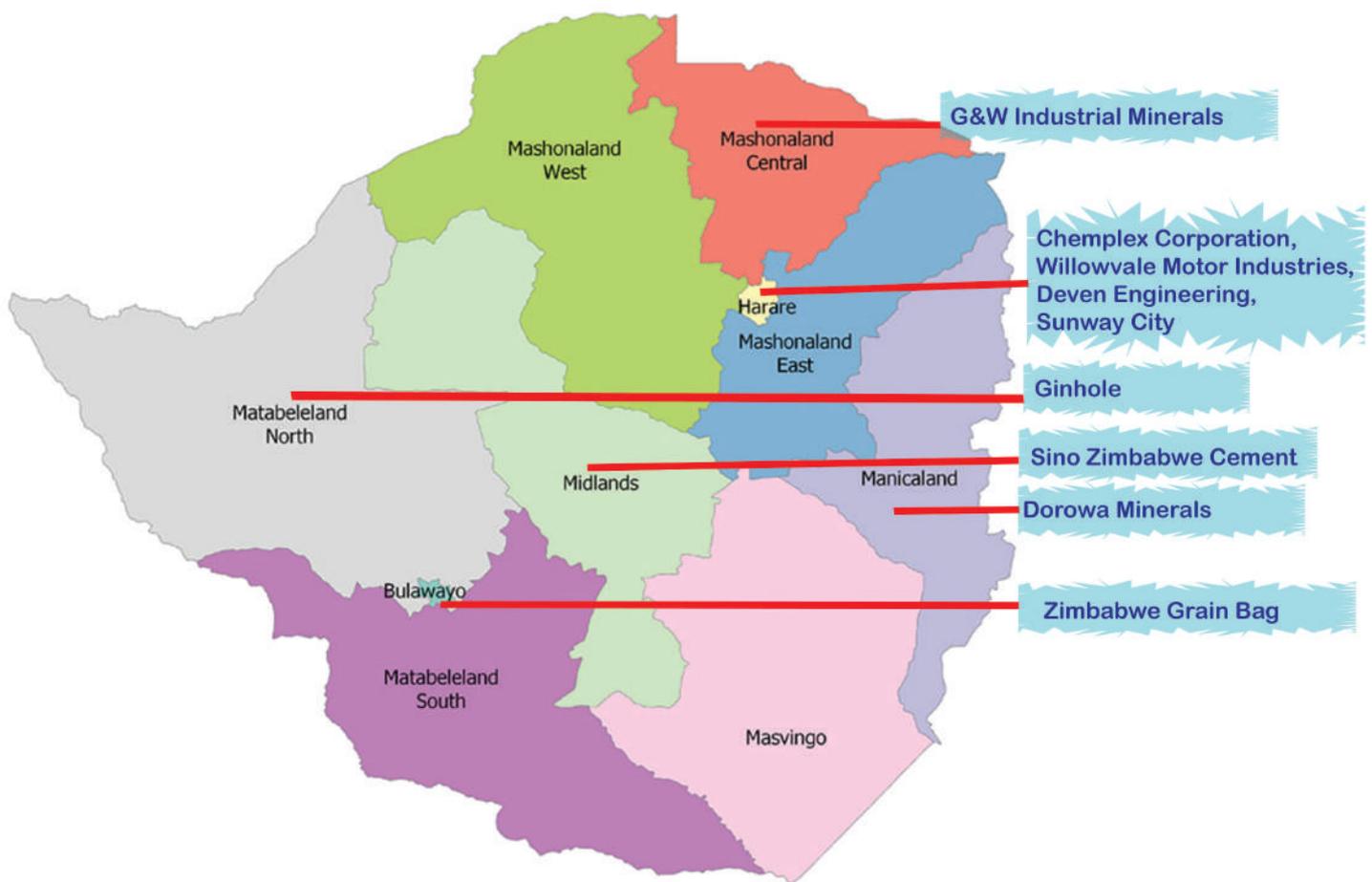
1	Project identification, development and Implementation.
2	Industrial project financing (along with prioritized value chains).
3	Joint venture partnerships.
4	Innovation and technology for efficiency, value addition and beneficiation.

Our National Footprint

We maintain an operational presence across Zimbabwe's provinces. Our projects and partnerships span:

1. Mashonaland Central: G & W Industrial Minerals
2. Manicaland: Dorowa Minerals
3. Midlands: Sino Zimbabwe Cement Company
4. Bulawayo: Zimbabwe Grain Bag
5. Harare: Chemplex Corporation, Willowvale Motor Industries, Deven Engineering, Sunway City, (A detailed national footprint map is provided below)
6. Mashonaland West and East : G & W Industrial Minerals
7. Matabeleland North: Last Hope Estates t/a Trading Ginhole (Private) Limited

IDCZ Projects and Partnerships Map Location across Zimbabwe Provinces



General Information

Board of Directors

Mr. Winston Makamure..... Chairperson
Mrs. Joyce Aqualine Malaba.....Vice Chairperson
Dr. Linos Mapfumo
Ms. Marjorie Fadziso Mutemererwa
Ms. Spiwe Nyamatore
Ms. Victoria Kudzai Sigauke
Mr. Edward Nhamoinesu Tome.....Group Chief Executive
Officer

Registered Office

93 Park Lane Street
P.O. Box CY1431
Causeway, Harare

Bankers

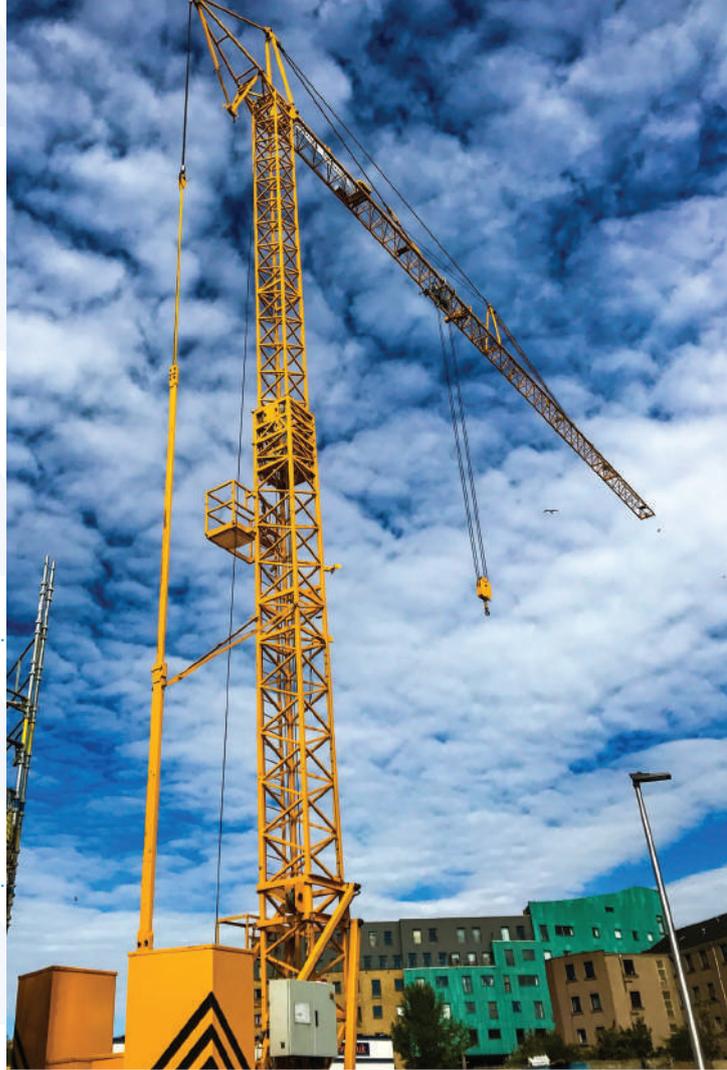
AFC Commercial Bank Limited
ZB Bank Limited
Stanbic Bank Zimbabwe Limited

Attorneys

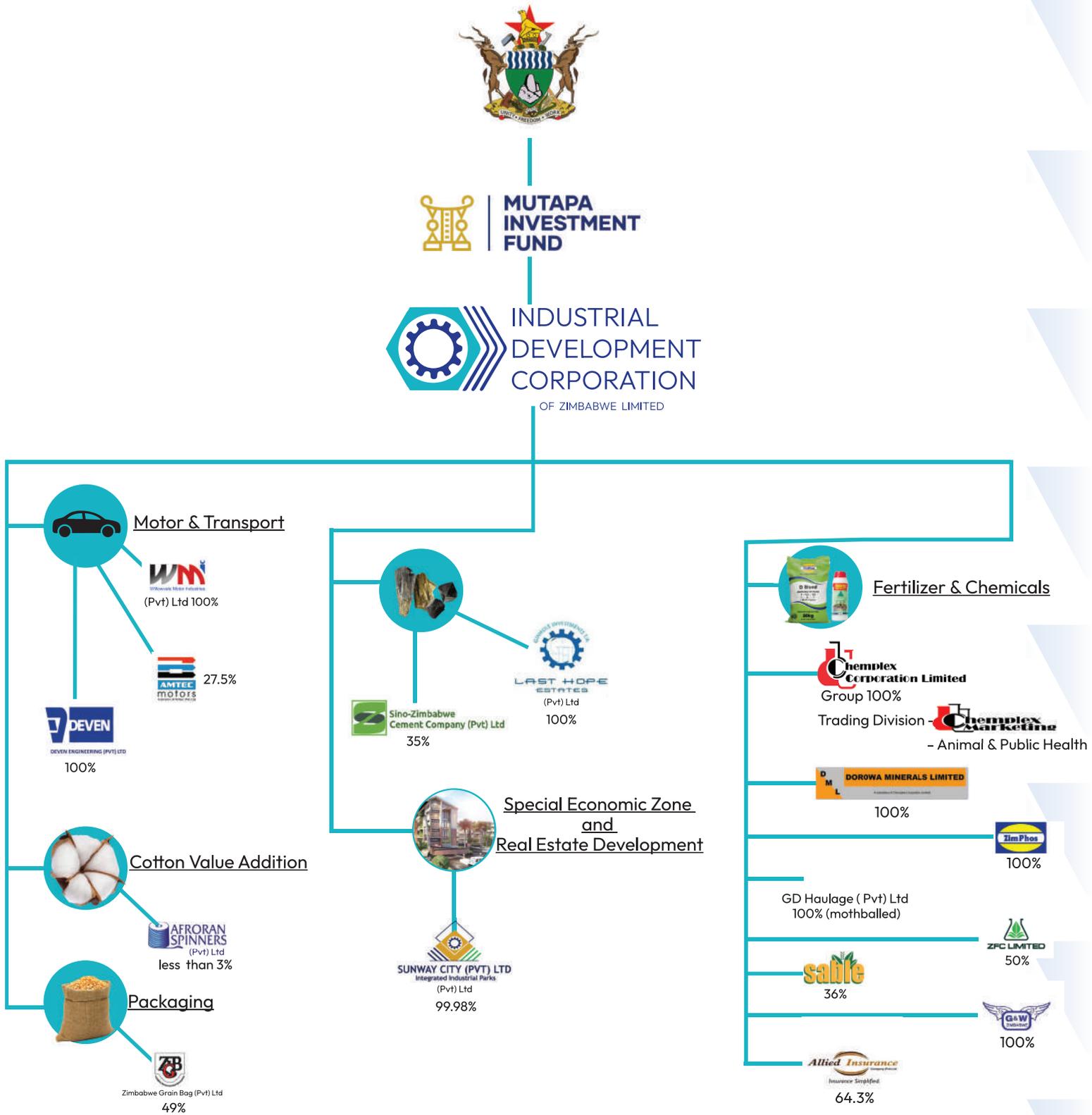
Dube, Manikai & Hwacha Legal Practice
Chikwengo Law Chambers
Mhishi Nkomo Legal Practice

Auditors

PKF Chartered Accountants (Zimbabwe)



GROUP SUBSIDIARY & ASSOCIATED COMPANIES



Letter to Mutapa Investment Fund



The Chief Executive Officer
Mutapa Investment Fund
49 Kew Drive
Highlands
Harare

Dear Dr. J. P. Mangudya

Industrial Development Corporation of Zimbabwe Limited Annual Report No. 61

I have the honour, on behalf of the Industrial Development Corporation of Zimbabwe Limited, to submit the Corporation's Annual Report and Financial Statements for the twelve months ended 31 December 2024 in terms of Section 19(1) of the Industrial Development Corporation Act (Chapter 14:10).

Yours faithfully,

W. Makamure
Chairperson

3 July 2025

Notice to the Shareholder

Notice is hereby given that the **61st Annual General Meeting of the Shareholder** will be held in the **IDCZ Boardroom 93 Park Lane Street, Harare, on 3rd July 2025 at 14:30 hours** to transact the following business:

1. Tabling of Proxies, Quorum and Constitution of the meeting.
2. To receive, consider and adopt the financial statements and the reports of the directors and auditors for the financial year ended 31 December 2024.
3. To approve the remuneration of the auditors for the year ended 31 December 2024.
4. To approve the remuneration of directors for the year ended 31 December 2024.
5. To consider and confirm the appointment of PKF Chartered Accountants (Zimbabwe) for the ensuing year.
6. To consider the non-declaration of dividend.
7. To transact all such other business as may be transacted at an Annual General Meeting.

Proxies: The member is entitled to appoint one or more proxies to act on their behalf and to attend, vote and speak in their place. A proxy need not be a member of the Corporation.

By the Order of the Board



L. Mhundirwa
Group Corporate Secretary and Legal Services Director
3 July 2025



INDUSTRIAL
DEVELOPMENT
CORPORATION
OF ZIMBABWE LIMITED

Chairperson's Statement



Mr W. Makamure

CHAIRPERSON

Despite this challenging environment, IDCZ remained resolute in its commitment to driving inclusive and sustainable industrialisation. Guided by our mandate, we focused on keeping afloat our investments in critical sectors such as fertilisers, agro-chemicals, engineering and motor sectors.

Dear Shareholder

Operating Environment

The year 2024 was defined by a complex and challenging operating environment. The economy grew modestly by an estimated 2%, primarily constrained by the El Niño-induced drought, which severely impacted the agricultural sector. The introduction of the Zimbabwe Gold (ZWG) currency in April 2024 helped contain ZWG inflation. However, the 43% devaluation in September 2024 triggered short-term inflation spikes before subsequent policy tightening restored partial stability.



Commitment to Inclusive and Sustainable Industrialisation

Despite this challenging environment, IDCZ remained resolute in its commitment to driving inclusive and sustainable industrialisation. Guided by our mandate, we focused on keeping afloat our investments in critical sectors such as fertilisers, agro-chemicals, engineering and motor sectors.



Financial Performance and Balance Sheet Resilience

The Group's financial performance for 2024 reflects the continued impact of a volatile operating environment. On an inflation-adjusted basis, the Corporation experienced a decline in both profitability and net asset value, underscoring the structural and operational headwinds facing the business. Inflation-adjusted revenue stood at ZWG1.33 billion, slightly down from ZWG1.39 billion in 2023. Although gross profit improved marginally to ZWG597 million (2023: ZWG563 million), the Group recorded an inflation-adjusted net loss of ZWG116 million, and the net asset value fell by 9.5% to ZWG3.63 billion (2023: ZWG4.01 billion). This was largely driven by impairments on underperforming investments and fair value losses.



Strategy and Turnaround Plan

To safeguard long-term viability, the Board, in consultation with the Shareholder, approved a five-year strategic plan (2025–2030) anchored on inclusive growth and sustainability. This strategy includes robust turnaround initiatives in key subsidiaries, enhanced governance frameworks, and a stronger focus on developmental impact.

Corporate Governance

Throughout 2024, the Board upheld its fiduciary duty, ensuring adherence to the highest standards of ethics, transparency, and corporate governance. These values remain at the core of our leadership and oversight functions.

Outlook

Looking ahead, the outlook for 2025 is cautiously optimistic. With anticipated recovery in the agricultural sector and improved global commodity prices, Zimbabwe's GDP is forecast to grow by approximately 6%. IDCZ will continue to align its efforts with this growth trajectory by accelerating investment in value-adding industrial projects.

Appreciation

On behalf of the Board, I extend our deepest appreciation to all stakeholders across Zimbabwe and beyond for their enduring financial and non-financial support. We acknowledge the resilience and commitment of our management and staff, who continue to advance our mission under challenging circumstances. We also express sincere gratitude to our shareholder, the Mutapa Investment Fund, for its unwavering confidence and strategic guidance.

Dividend Declaration

No dividend is proposed for the year under review, in line with our capital preservation stance and future growth plans.

For and on behalf of the Board



Mr W. Makamure
Chairperson
3 July 2025

CORPORATE GOVERNANCE REPORT



INDUSTRIAL
DEVELOPMENT
CORPORATION
OF ZIMBABWE LIMITED

Corporate Governance Report

The Industrial Development Corporation of Zimbabwe Limited is a registered limited liability entity, subject to the provisions of the Industrial Development Corporation Act (Chapter 14:10) of 1963 as amended.

None of the provisions of the Companies and Other Business Entities Act (Chapter 24:31), or any other law relating to companies shall apply to the Corporation except in respect of specific provisions as may be enacted by Presidential Proclamation.

For its role in catalysing industrialization, the IDCZ is classified as a Development Finance Institution (DFI) and shall not be wound up except by or under the authority of an Act of Parliament.

Board of Directors

The Board is committed to the principles of openness, integrity, and accountability. It recognises the developing nature of corporate governance and assesses its compliance with the Public Entities Corporate Governance Act (Chapter 10:31), all relevant legislation and other best international practices on an ongoing basis through its various committees. Guidelines issued by the Government from time to time are strictly adhered to and compliance check lists are continuously reviewed.

The Board of Directors is appointed by the Mutapa Investment Fund. The IDC Act determines the constitution, rights, powers, and obligations of the board. The Board's composition is seven (7) Directors. Of the seven (7) Directors led by a Non-Executive Chairperson, four (4) are from the private sector, two (2) from Government and all are non-executive with the Group Chief Executive Officer being the only Executive Director.

The Board is responsible to the shareholder for setting the policy direction of the Group through the establishment of strategies, objectives, and key policies. The Board meets at least quarterly. Meeting agenda and Board materials are sent to all Directors prior to all Board and Committee meetings. These

are sent sufficiently in advance to enable the directors to obtain further details and explanations where necessary. The Board takes independent professional advice as and when necessary to enable it to discharge its responsibilities effectively.

The six Board Committees meet ahead of the normal Board meetings. All Board Committees are chaired by Non-Executive Directors. The Board has reserved certain items for its review including approval of performance results; greenfield and expansion projects development (i.e., structuring joint ventures and appropriate financing thereof) and related material agreements; disposals of investments; budgets and long-range plans, and senior executive appointments and remuneration.

The Board thus retains full control by approving a strategic plan, key result areas (KRAs) and monitoring performance through key performance indicators at least quarterly.

The Board's assessment of the IDCZ's financial position is presented in its Annual Report, which addresses matters of concern and interest to stakeholders, including non-financial matters, and reports on both positive and negative aspects of its activities.

The Annual Report and the independent auditor's opinion is adopted at the Annual General Meeting (AGM) before being tabled in Parliament by the Mutapa Investment Fund and is available to the public.

Board Committees

To assist the Board in the discharge of its oversight role, six (6) Board Committees have been constituted with clear terms of reference, which are reviewed periodically. These are Business Development, Finance, Audit, Human Resources, Nominations, Ethics and Strategy, Risk, Compliance and Legal and Credit and Investments Committees. All Board Committees are chaired by a Non-Executive Director. These six (6) Board Committees meet ahead of the normal scheduled Board Meetings.

Board Committees Summary

Committee	Members (Chairman*)	Key Responsibility
Business Development	<ol style="list-style-type: none"> J. Malaba (Mrs) * L. Mapfumo (Dr), M.F. Mutemererwa (Ms), V.K. Sigauke (Ms), E.N. Tome (Mr) 	<ul style="list-style-type: none"> Oversee identification of greenfield and expansion investment opportunities Ensure project returns exceed cost of capital Use existing or special purpose vehicles for implementation
Finance	<ol style="list-style-type: none"> L. Mapfumo (Dr)*, J.A. Malaba (Mrs), M.F. Mutemererwa (Ms), E.N. Tome (Mr) 	<ul style="list-style-type: none"> Oversee budgeting, accounting, and reporting Monitor internal controls and policy updates Review changes in financial policies and reporting standards
Audit	<ol style="list-style-type: none"> S. Nyamatore (Ms)*, L. Mapfumo (Dr), V.K. Sigauke (Ms), 	<ul style="list-style-type: none"> Review internal and external audit plans Ensure audit findings are reported to the Board Require quarterly audit coverage across investments
HR, Nominations, Ethics & Strategy	<ol style="list-style-type: none"> V.K. Sigauke (Ms)*, W. Makamure (Mr), J.A. Malaba (Mrs), E.N. Tome (Mr) 	<ul style="list-style-type: none"> Review and implement executive remuneration policy Align with IDCZ Act Sections 12 & 23 Recommend corporate strategy aligned to NDS1 and Mutapa Investment Fund
Risk, Compliance & Legal	<ol style="list-style-type: none"> M.F. Mutemererwa (Ms)*, L. Mapfumo (Dr), S. Nyamatore (Ms), V.K. Sigauke (Ms), E.N. Tome (Mr) 	<ul style="list-style-type: none"> Oversee Group risk management frameworks Monitor compliance and recommend risk limits Focus on credit, market, liquidity, reputational, strategic, and operational risks
Credit & Investments	<ol style="list-style-type: none"> L. Mapfumo (Dr)*, J.A. Malaba (Mrs), S. Nyamatore (Ms), E.N. Tome (Mr) 	<ul style="list-style-type: none"> Review credit strategy and risk management Monitor portfolio quality and credit loss provisions Recommend lending priorities in line with Government policy

IDCZ Board and Committee Attendance for the Year 2024

BOARD AND COMMITTEE MEMBERS	BOARD	RISK	AUDIT	BUSINESS DEVELOPMENT	CREDIT & INVESTMENTS	FINANCE	HUMAN RESOURCES, NOMINATIONS, ETHICS & STRATEGY
Mr. W. Makamure (NE)	6/7	NM	NM	NM	NM	NM	4/4
Mrs. J. Malaba (NE)	7/7	NM	NM	7/7	NM	5/5	4/4
Dr. L. Mapfumo (NE)	7/7	4/4	NM	7/7	4/4	5/5	NM
Ms. M. Mutemererwa (NE)	7/7	4/4	5/5	7/7	NM	NM	NM

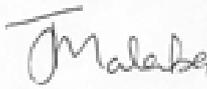
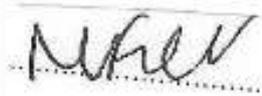
BOARD AND COMMITTEE MEMBERS	BOARD	RISK	AUDIT	BUSINESS DEVELOPMENT	CREDIT & INVESTMENTS	FINANCE	HUMAN RESOURCES, NOMINATIONS, ETHICS & STRATEGY
Ms. S. Nyamatore (NE)	6/7	NM	5/5	6/7	4/4	NM	NM
Ms. V. Sigauke (NE)	7/7	3/4	NM	NM	NM	5/5	4/4
Mr. E. Tome (E)	7/7	4/4	5/5	7/7	4/4	5/5	4/4

Key

NM	Not Member of Committee
E	Executive
NE	Non-Executive

Code of Conduct and Business Ethics Charter

The IDCZ Code of Conduct and Business Ethics Charter forms an integral component of the contracts of service of employees and provides guidance regarding the behaviour expected from employees.

L. Mapfumo (Dr)	J.A. Malaba (Mrs)	M. F. Mutemererwa (Ms)
Finance Committee Chairperson	Business Development Committee Chairperson	Risk, Compliance and Legal Committee Chairperson
		
L. Mapfumo (Dr)	V. K. Sigauke (Ms)	S. Nyamatore (Ms)
Credit and Investments Committee Chairperson	Human Resources, Nominations, Ethics and Strategy Committee Chairperson	Audit Committee Chairperson
		

Board of Directors



Winston Makamure (61)
(Appointed May 2020)

NON-EXECUTIVE BOARD CHAIRPERSON

Mr Winston Makamure holds a Bsc Information Technology, Masters in Business Administration from the University of Hertfordshire, Masters in Defence and Security (ZNDU) and a Bachelor of Law (LLB) University of Essex. He is an established professional in the ICT industry spanning over 30 years, having started as an infantry, logistics army officer, rising through the profession to an established ICT Consultant. The professional journey has taken him through the banking and financial services, telecommunication, transport, security and public sectors. He has attained experience in business management, software application development, project and change management, business systems analysis and re-engineering and finally ICT operations management in industries spanning from military, government, financial, security, telecommunication and various industry sectors.



Joyce Malaba (63)
(Appointed May 2020)

NON-EXECUTIVE VICE CHAIRPERSON

Mrs Joyce Malaba holds an MSc Economics and a BSc Economics, both from the University of Zimbabwe. She is an established Consultant in Development Economics and Statistics. She has worked on several global, regional, and national economic development and statistics assignments as a researcher /statistician for over 30 years. Joyce has authored and co-authored several books, research papers, and statistics articles in development economics and statistics.



Linos Mapfumo (PhD) (42)
(Appointed July 2022)

Dr. Linos Mapfumo holds a PhD in Administration (Public Administration) with the University of KwaZulu-Natal in South Africa. He also acquired a Master's Degree in War and Strategic Studies, BA Special Hons Degree in Economic History as well as a Bachelor of Arts General Degree, all from the University of Zimbabwe. He is an established professional in the public governance sector spanning a period of over 20 years and a career diplomat, entrepreneur, academic, researcher and consultant.



Marjorie Fadziso Mutemererwa (57)
(Appointed May 2020)

Ms. Marjorie Fadziso Mutemererwa holds a Bachelor Arts in English and Communication and a Masters in Leadership and Management from the African Leadership Management Academy affiliated with the University of Zimbabwe. She has a distinguished career in public relations with over 30 years of working experience having worked with various Multinational Corporations and NGOs managing public relations, marketing, fundraising and sales management portfolios.



Spiwe Nyamatore (55)
(Appointed May 2020)

Spiwe Nyamatore holds an Honours Degree in Economics and a Master Honours Degree in Economics from the University of Zimbabwe and a Masters Degree in Public Sector Management from Africa University. She is a Chief Director - Economic Affairs and Investment, Office of the President and Cabinet, Harare Metropolitan Province. She has been with the Ministry of Industry and Commerce where she has held different portfolios and was involved in the crafting and implementation of industrialisation policies and strategies for Zimbabwe and the region.



Victoria Kudzai Sigauke (31)
(Appointed October 2021)

Ms. Victoria Kudzai Sigauke holds a Bachelor of Laws Honours Degree and Masters in Corporate Finance Law both from the University of Zimbabwe. She has practiced law both in the private and public sectors. She has served the Government of Zimbabwe in different capacities, from working with the Judiciary, the Ministry of Public Service, Labour and Social Welfare and the Ministry of Industry and Commerce refining her corporate governance expertise in the process particularly in State Owned Entities.

Executive Management



Edward Nhamoinesu Tome (51)
(Appointed February 2024 as CEO)

GROUP CHIEF EXECUTIVE OFFICER

Edward Tome holds a Masters in Banking and Finance among other qualifications. He is a seasoned banker and financial expert par excellence with over 28 years of professional experience. He has a wealth of knowledge in development finance, international banking, structured trade finance, structured project finance, structured infrastructure finance, and structured sovereign finance. He has worked with various multinational corporations and sovereigns across Africa and beyond. He has held directorship for various corporates in several economic sectors across the continent such as banking, mining, agriculture, infrastructure, pharmaceuticals, fertilisers, chemical manufacturing, power, food processing, packaging, real estate, mineral processing, textiles, motor, bus, and truck.



Harold Kuvenga (45)

GROUP CHIEF FINANCE OFFICER

Harold is a Chartered Accountant [CA(Z)] and holds an MBA from University of East London and a Bachelor of Accountancy (Honours) from the University of Zimbabwe. He is a seasoned finance professional with over 20 years of experience in finance, strategy, and project management across insurance, private sector, and state-owned enterprises.



Kumbirayi Kutiwa (43)

**GROUP RESOURCE MOBILISATION AND
TREASURY DIRECTOR.**

Kumbirai holds a Bachelor of Accounting Degree, an Executive MBA both from the Africa University and a Certificate in Banking (IOBZ). He is an Associate of the Institute of Bankers in South Africa (AIBSA). Kumbirai has over 20 years of progressive experience in the banking and financial services sector, spanning Zimbabwe, Kenya, and the broader Sub-Saharan region.



Ms Loveness Mhundurwa (42)

**GROUP CORPORATE SECRETARY AND
LEGAL SERVICES DIRECTOR**

Loveness holds a Bachelor of Laws Honours Degree and an MBA both from the University of Zimbabwe. She is a registered legal practitioner and Conveyancer and a member of the Law Society of Zimbabwe with 20 years' experience. She has extensive experience in corporate services, regulatory and statutory compliance, commercial law, general legal advisory and corporate governance.

Sustainability: Carbon Footprint Management

In line with our commitment to sustainable industrialisation and responsible corporate citizenship, IDCZ continues to monitor and improve its environmental performance across the Group. A key focus area is the management and reduction of our carbon footprint, which is essential for mitigating climate change risks and aligning with global sustainability goals, including Zimbabwe's National Development Strategy 1 (NDS1) and the United Nations Sustainable Development Goals (SDGs), particularly SDG 13 on Climate Action.



Sustainable Development Goal 13	Goal 13 Targets
Climate Action 	<p>13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries</p> <p>13.2 Integrate climate change measures into national policies, strategies and planning</p> <p>13.3 Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning</p> <p>13.A Implement the commitment undertaken by developed-country parties to the United Nations Framework Convention on Climate Change to a goal of mobilizing jointly \$100 billion annually by 2020 from all sources to address the needs of developing countries in the context of meaningful mitigation actions and transparency on implementation and fully operationalize the Green Climate Fund through its capitalization as soon as possible</p> <p>13.B Promote mechanisms for raising capacity for effective climate change-related planning and management in least developed countries and small island developing States, including focusing on women, youth and local and marginalized communities</p>

Sustainable Development Goals (SDGs)



2024 Carbon Footprint Overview (Unverified)

During the year under review, IDCZ undertook a preliminary assessment of its carbon emissions across Scope 1, Scope 2, and Scope 3 categories:

Emission Scope	Source	Emissions (Tonnes CO ₂ e)	Verification
Scope 1	Fuel combustion (e.g. diesel, petrol)	232.94	Unverified
Scope 2	Purchased electricity	16.62	Unverified
Scope 3	Water usage and related activities	92.56	Unverified

These figures reflect operational emissions across our facilities and subsidiaries. While the current data is unverified, it provides a baseline for future carbon accounting and reporting enhancements.

Key Sustainability Priorities

- 1. Reduction Initiatives:** Efforts are underway to optimise fuel consumption through energy-efficient fleet management and reduce electricity demand via LED lighting, energy audits, and increased use of off-grid solar systems at selected sites.
- 2. Water Management:** We are integrating water-saving technologies and practices across industrial operations to reduce Scope 3 emissions.
- 3. Capacity Building:** The Group has initiated staff awareness programmes to promote energy conservation and environmental responsibility.

Group Chief Executive Officer Report on Operations





Mr E. N. Tome
Group Chief Executive Officer

1.0 Overview

It is with great pride that I present the Group Chief Executive Officer's Statement for the year ended 31 December 2024. The past year tested the resilience of our organisation and the robustness of our investment portfolio amid a persistently challenging operating environment. Currency instability, inflationary pressure, and liquidity constraints were compounded by an El Niño-induced drought, which severely impacted aggregate demand across multiple sectors.

Despite these challenges, the Industrial Development Corporation of Zimbabwe (IDCZ) remained steadfast in delivering on its developmental mandate. We continued to support the transformation of Zimbabwe's industrial base by actively engaging and stabilising our investee companies, advancing targeted capital mobilisation, and maintaining strong alignment with national economic goals under Vision 2030 and the National Development Strategy 1 (NDS1).

2.0 Operational Performance and Strategic Execution (2024)

During the year under review, IDCZ focused on stabilising the operations of key subsidiaries and optimising its investment portfolio. Notable highlights include:

2.1 Chemplex Corporation



As the Group's flagship subsidiary in fertilizer and chemicals, Chemplex remained profitable in historical cost terms despite operational setbacks. Limited working capital, ageing plant infrastructure, and drought-induced demand decline led to low production volumes and a fall in capacity utilisation to under 20%. IDCZ continued supporting Chemplex through stakeholder engagement, cost containment strategies, and capital mobilisation initiatives. The US\$20 million refurbishment of Dorowa Mine, currently under planning, remains a cornerstone project to secure Zimbabwe's fertilizer self-sufficiency.

2.2 Automotive Sector



Willowvale Motor Industries (WMI) was unable to resume vehicle assembly due to lack of SKD kits financing. Currency depreciation in third quarter of 2024 severely impacted affordability for local buyers. However, IDCZ worked closely with Government to improve policy alignment and support future revival.

2.3 Deven Engineering



Deven Engineering faced an uneven competitive landscape, with duty exemptions on imported buses and penalties on SKD inputs undermining local assembly economics. Despite these constraints, the company achieved modest growth in truck trailer and body refurbishments. IDCZ actively engaged policymakers to advocate for fairer industrial policies. With the recent removal of import duty on SKD kits and the introduction of duties on Completely Built Units (CBUs), Deven is now well-positioned to resume bus assembly operations and reclaim market competitiveness.

2.4. Real Estate and Special Economic Zones Sunway City (Private) Limited



Real Estate and Special Economic Zones Sunway City (Private) Limited sustained profitability and continued attracting industrial and residential investment due to its SEZ status and strategic location. A subdivision permit for 254 medium-density stands was obtained in December 2024. The feasibility studies being done for a dry port and new retail infrastructure, are positioning Sunway City as a growth anchor in 2025.

3.0 Portfolio Restructuring and Impairments

As part of ongoing portfolio performance reviews, the Ginhole Investments (Private) Limited was subjected to impairment testing. Given that all entities under Ginhole Investments were non-operational by the end of 2024, the Corporation resolved to impair the full value of the investment in line with applicable financial reporting standards. This decision ensures the integrity of IDCZ's financial reporting and enables the Group to reallocate capital more effectively in future growth areas.

4.0 Legal Affairs

IDCZ remained proactive in defending its commercial interests:

- In the Romsit Arbitration Case, IDCZ is owed US\$62 million by the Government of Romania in damages and US\$13.39 million by Romsit S.A., including interest. As at 31 December 2024, both amounts remain unpaid. Efforts to secure enforcement through Government diplomatic support are ongoing but have yet to yield results.
- In the matter between G&W Industrial Minerals and Seldo Mining, IDCZ contested the unlawful eviction of its subsidiary from the Rushinga limestone site. The High Court ordered a boundary inspection by the Provincial Mining Director, whose report favoured G&W. The matter is now pending judgment, with IDCZ confident

of a favourable outcome.

5.0 Financial Performance and Resilience

The Group's 2024 financial performance reflected a challenging economic environment marked by inflation, currency volatility, and reduced demand. On an inflation-adjusted basis, the Group posted a net loss of ZWG116 million, and net asset value declined by 9.5% to ZWG3.63 billion, mainly due to impairments on underperforming assets, including the Ginhole Investments portfolio, whose entities are no longer operational. Fair value losses and working capital constraints also contributed to the decline.

However, under the historical cost basis, the Group recorded a profit after tax of ZWG736 million, a significant rise from ZWG55 million in 2023. Revenue grew to ZWG842 million, and gross profit rose to ZWG 369 million, reflecting underlying operational strength despite broader economic pressures. Though inflation-adjusted results highlight macroeconomic impacts, historical cost results underscore the Group's operational resilience and long-term potential.

6.0 Funding Initiatives

During the year under review, the Group extended funding support amounting to ZWG8,677,500 to its subsidiaries to support critical operational and strategic interventions. This internal financing reflects the Group's continued commitment to stabilising and capacitating its business units. In parallel, the Head Office engaged in active discussions with a range of local and international lenders and financiers to mobilise additional resources required to fund key projects and working capital needs across the Group. These efforts are expected to unlock the financial flexibility necessary to drive sustainable growth and improved service delivery.

7.0 2025–2030 Strategy: “Inclusive Growth and Sustainability”

While the current report reflects operations for 2024, I am pleased to confirm that the Corporation finalised its 2025–2030 Strategic Plan in fourth quarter of 2024. This forward-looking strategy will be implemented from the first quarter of 2025 and is anchored on six key pillars:

- Capital mobilisation through diversified instruments and partnerships.
- Sustainable investment in strategic sectors that promote local value addition.
- Workforce productivity through skills transformation and internal efficiency.
- Strategic stakeholder relations, particularly with Government, OEMs, and financial institutions.
- ESG integration, embedding sustainability and compliance in our operations.
- Industrialisation leadership, positioning IDCZ as Zimbabwe’s key enabler of structural transformation.

This strategy reflects our ambition to scale impact, deepen economic inclusion, and accelerate Zimbabwe’s re-industrialisation.

8.0 Outlook for 2025

- The outlook for 2025 is cautiously optimistic. Macroeconomic indicators show signs of stabilisation, aided by the introduction of the gold-backed Zimbabwe Gold (ZWG) currency. The anticipated rebound in agriculture and supportive Government policies under the Zimbabwe Industrial Reconstruction and Growth Plan (ZIRGP) offer a conducive backdrop for IDCZ’s growth trajectory.

Key focus areas for 2025 will include:

- Driving operational turnaround in the automotive and chemical sectors.
- Mobilising capital for stalled and priority projects.
- Advancing digital systems for investment tracking and reporting.

- Supporting Government’s local procurement and import substitution agenda.

9.0 Acknowledgements

I extend my heartfelt appreciation to our partners, clients, and stakeholders for their continued trust and collaboration throughout a challenging year. I also commend the dedication and resilience of our staff across the Group, as well as the guidance provided by our Board of Directors. Lastly, I thank our shareholder, the Mutapa Investment Fund, and the Government of Zimbabwe for their steadfast support.

Together, we remain committed to driving inclusive industrialisation and building a sustainable future for Zimbabwe.



Mr E. N. Tome
Group Chief Executive Officer



GROUP ANNUAL FINANCIAL STATEMENTS

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RESPONSIBILITY OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE

The Directors of the Corporation are required by the Industrial Development Corporation Act (Chapter 14:10) and the Public Finance Management Act (Chapter 22:19) to maintain adequate accounting records and are responsible for the content and integrity of the consolidated financial statements and related financial information included in this report. It is the Directors' responsibility to ensure that the consolidated financial statements fairly present the state of affairs of the Group as at the end of the financial year and the results of its operations and cash flows for the year then ended in conformity with International Financial Reporting Standards (IFRSs).

The external auditors are responsible for independent review and reporting on the financial statements. The Directors have assessed the ability of the Group to

continue to operate as a going concern and believe that the preparation of these financial statements on a going concern is still appropriate. However, the Directors believe that under the current economic environment, a continuous assessment of the ability of the Group to continue to operate as a going concern will need to be performed to determine the continued appropriateness of the going concern assumption that has been applied in the preparation of these financial statements.

The consolidated financial statements set out in this report are prepared with the aim of complying fully with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB), which includes standards and interpretations approved by the IASB and Standing

Interpretations Committee (SIC) interpretations issued under previous constitutions.

The Group's accounting and internal control systems are designed to provide reasonable assurance as to the integrity and ability of the financial statements and to adequately safeguard, verify and maintain accountability of its assets. Such controls are based on established written policies and procedures and all employees are required to maintain the highest ethical standards in ensuring that the Group's business practices are conducted in a manner which in all reasonable circumstances, is above reproach. Issues that came to the attention of the Directors have been addressed and the Directors confirm that the system of internal control and accounting control is operating in a satisfactory manner.

Preparer of Financial Statements

The Annual Financial Statements have been prepared under the supervision of the Chief Finance Officer, Mr Harold Kuvenga (CA (Z), PAAB Number 03467).

Directors' approval of the financial statements

The Financial Statements and related notes for the year ended 31 December 2024, which appear on pages 36 to 149, have been approved by the Board of Directors and were signed on its behalf by:



Mr E. N. Tome
Group Chief Executive Officer



Mr W. Makamure
Chairperson

REPORT OF THE DIRECTORS

The directors have pleasure in submitting their report, together with the audited financial statements of Industrial Development Corporation of Zimbabwe Limited, for the year ended 31 December 2024.

SHARE CAPITAL

The authorised share capital remained at 2 500 000 000 shares of ZWG0.0008 each, with a value of ZWG2 000 000 as per section 13(1) of the Industrial Development Corporation Act (Chapter 14:10).

Directorate

The Board is comprised of Mr. W. Makamure, Mrs. J. A. Malaba, Dr. L. Mapfumo, Ms. M. F. Mutemererwa, Ms. S. Nyamatore, Ms. V.K. Sigauke, and Mr. E. N. Tome.

Dividend

No dividend has been declared for the year ended 31 December 2024.

Auditors

At the 61st Annual General Meeting scheduled on 3 July 2025, the directors will fix the remuneration of the auditors for the past audit and appoint auditors for the ensuing year.

For and on behalf of the Board



L. Mhundirwa
Group Corporate Secretary & Legal Services Director

3 July 2025



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HARARE

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Independent Auditor's Report

To the Members of Industrial Development Corporation of Zimbabwe Limited and its subsidiaries

Report on the Audit of the Inflation Adjusted Consolidated Financial Statements

Opinion

We have audited the inflation adjusted consolidated financial statements of Industrial Development Corporation of Zimbabwe Limited and its subsidiaries ("the Group"), which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity, and the consolidated statement of cash flows for the year then ended, and notes to the inflation adjusted consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the inflation adjusted consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2024, and its consolidated financial performance and consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) and the requirements of Industrial Development Corporation Act (Chapter 14:10).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the inflation adjusted consolidated financial statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B) (IESBA Code) and other independence requirements applicable to performing audits of inflation adjusted consolidated financial statements in Zimbabwe. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and in accordance with other ethical requirements applicable to performing audits in Zimbabwe. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the inflation adjusted consolidated financial statements of the current period. These matters were addressed in the context of our audit of the inflation adjusted consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How our audit addressed the key audit matter
<p>Change in functional currency</p> <p>On 5 April 2024, the Government of Zimbabwe issued Statutory Instrument (S.I) 75 of 2024 as an amendment to the Reserve Bank of Zimbabwe Act. It introduced a new currency called the Zimbabwe Gold (ZWG) and specified that for accounting and other purposes, all assets and liabilities valued in Zimbabwe Dollar (ZWL) shall, on and after the effective date, be deemed to be valued in ZWG.</p> <p>While the Government of Zimbabwe published the translation rate being ZWL2,498.43: ZWG1 and USD1: ZWG13.5, significant management judgement and estimation remained necessary in the restatement of prior period comparatives and the consistent application of published rates from the effective date.</p> <p>The change in functional currency can impact key financial ratios and trends, requiring careful analysis and disclosure therefore considered as a key audit matter.</p>	<p>Our principal audit procedures in this area involved:</p> <ul style="list-style-type: none"> • Evaluating the design and implementation of the management's process for determining the functional currency and translating transactions and balances, which included reviewing the accounting policies and procedures related to the change; • Testing the appropriateness of the exchange rates used for translating ZWL balances to ZWG; • Performing independent recalculations of the translations to confirm the accuracy of management's calculations; and • Reviewing the disclosure made in the financial report relating to the judgements involved in the change of currency reporting assessments. <p>We satisfied ourselves that the translation of monetary and non-monetary balances was accurately done.</p>
<p>Valuation of property, plant and equipment</p> <p>The Group has property, plant and equipment valued using revaluation model.</p> <p>The Group has revalued its assets using an independent expert. Valuations by their nature involve the use of judgement and estimates, which involve significant unobservable inputs such as risk yields.</p> <p>The complexity and subjectivity of these estimates may result in a material misstatement. The current economic environment is extremely volatile, given the valuation intricacies impacting the Zimbabwean market hence considered as a key audit matter.</p>	<p>We assessed the competence, capabilities, and objectivity of the independent experts and assessed their qualifications.</p> <p>We made enquiries to obtain an understanding of the valuation techniques and judgements adopted.</p> <p>We assessed the work performed by the independent expert in valuing non-monetary assets by performing the following.</p> <ul style="list-style-type: none"> • Reviewed the valuation methods used and assessed whether they are appropriate and consistent with the reporting requirements; • We performed physical verification of a sample of assets to determine whether the conclusion reached by the independent expert was consistent with the actual physical condition; and • Evaluated the inflation adjusted financial statement disclosures for appropriateness and adequacy. <p>Based on the audit evidence obtained, we concluded that the valuation of property, plant and equipment was disclosed and calculated according to IAS16 (property, plant and equipment).</p>

Key Audit Matter	How our audit addressed the key audit matter
<p>Insurance revenue</p> <p>Insurance revenue recognition is a significant area of focus due to the complexities involved in accounting for premium income and policy adjustments. The process involves a high degree of management judgment, especially in areas such as estimating unearned premium reserves, recognizing revenue from long-term policies, and accounting for reinsurance arrangements.</p> <p>Furthermore, the risk of material misstatement is increased by the reliance on Information Technology systems (Footprint) and internal controls to process and record premium revenue accurately from the underwriting system to the finance system.</p> <p>Given the material nature of insurance revenue in the financial statements and the complexities in the underlying processes, this matter was considered significant to the audit.</p>	<p>Our procedures included a combination of tests of controls and substantive procedures. Our procedures included but were not limited to the following:</p> <ul style="list-style-type: none"> • Evaluated the design and implementation of controls over the insurance revenue process, including premium recognition, reinsurance transactions, and adjustments for unearned premiums. • Tested the operating effectiveness of key controls, including those related to Information Technology systems that process premium income. • Performed substantive testing on a sample of premium revenue transactions to ensure they were recorded in accordance with the applicable accounting framework. • Verified that premium income was recognized in the appropriate reporting period by tracing to underlying policy agreements and cash receipts. • Tested Information Technology-dependent controls over revenue recognition, including system integrations between policy administration systems and the general ledger. • Reviewed a sample of reinsurance contracts to ensure proper revenue recognition and accounted for any ceded premiums appropriately. • Assessed the impact of reinsurance arrangements on revenue and verified related disclosures. • Evaluated the adequacy and accuracy of disclosures related to insurance revenue in the financial statements to ensure compliance with the applicable financial reporting standards. <p>We obtained satisfaction that insurance revenue was appropriately recognised.</p>

Other Information

The Directors are responsible for the other information. The other information does not include the inflation adjusted consolidated financial statements and our auditors' report thereon.

Our opinion on the inflation adjusted consolidated financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the inflation adjusted consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the inflation adjusted consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there

is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Inflation Adjusted Consolidated Financial Statements

The Directors are responsible for the preparation and fair presentation of the inflation adjusted consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as the Directors determine is necessary to enable the preparation of inflation adjusted consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the inflation adjusted consolidated financial statements, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the organization or to cease operations, or have no realistic alternative but to do so.

Responsibilities of the Auditors for the Audit of the Inflation Adjusted Consolidated Financial Statements

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

statements

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the inflation adjusted consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the inflation adjusted consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the inflation adjusted consolidated financial statements, including

the disclosures, and whether the inflation adjusted consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



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

PKF Chartered Accountants (Zimbabwe)
Registered Public Auditors (Zimbabwe)
Harare

A handwritten signature in black ink, appearing to read 'Clemence Muzondo', is written over a yellow horizontal line that spans across the page.

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

Per: Clemence Muzondo
Engagement Partner
Registered Public Auditor (Zimbabwe)
PAAB Practicing Number 0469

Date: 03 July 2025

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

Report on legal and regulatory requirements

In our opinion, the consolidated financial statements of IDCZ have, in all material respects, been prepared in accordance with the disclosure requirements of the Public Finance Management Act (Chapter 22:19), Companies and Other Business Entities Act (Chapter 24:31) and other relevant Statutory Instruments

The engagement partner on the audit resulting in this independent auditor's report is Clemence Muzondo.

Statement of Profit or Loss and Other Comprehensive Income

INDUSTRIAL DEVELOPMENT CORPORATION OF ZIMBABWE LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	GROUP				CORPORATION			
		Inflation Adjusted		Historical Cost		Inflation Adjusted		Historical Cost	
		2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
Continuing operations									
Revenue from contracts with customers	5.1	1,327,139,557	1,389,384,499	842,466,004	74,071,516	39,109,134	27,838,144	26,837,814	1,473,389
Cost of sales		(729,800,509)	(826,808,236)	(473,437,700)	(45,176,068)	-	-	-	-
Gross profit		597,339,048	562,576,263	369,028,304	28,895,448	39,109,134	27,838,144	26,837,814	1,473,389
Other income	5.2	56,356,969	100,993,222	36,606,960	5,444,886	30,940,209	26,940,801	20,551,656	1,469,576
Selling and distribution expenses		(25,694,344)	(18,727,584)	(20,168,856)	(969,239)	-	-	-	-
Administration expenses	5.3	(556,585,600)	(566,586,510)	(354,478,181)	(32,254,678)	(71,728,678)	(86,607,565)	(53,110,308)	(4,954,400)
Net finance income	5.4	4,884,191	2,434,778	1,830,889	345,509	7,079,758	18,925,047	4,825,386	695,928
Fair value adjustments		20,970,337	100,371,375	553,466,378	14,048,887	-	-	-	-
Share of profit of equity-accounted investees net of tax	10.3	45,756,151	46,283,343	49,619,657	4,029,667	-	-	-	-
Impairment of investments	10.2 & 10.3	(20,806,187)	(129,608,505)	(15,117)	(1,691,719)	(20,806,187)	-	(15,117)	-
Monetary loss		(444,236,124)	(289,383,009)	-	-	(64,823,973)	(101,189,532)	-	-
Exchange gain	5.2a	234,041,921	463,717,640	127,073,897	19,777,986	85,631,760	91,436,897	58,996,249	3,760,626
(Loss)/profit before tax		(87,973,638)	272,071,013	762,963,931	37,626,747	5,402,023	(22,656,208)	58,085,680	2,445,119
Tax (expense) / credit	6	(28,267,919)	49,976,165	(27,185,425)	17,818,802	(2,825,725)	47,929,276	(2,620,618)	(137,922)
(Loss)/profit after tax from continuing operations		(116,241,557)	322,047,178	735,778,506	55,445,549	2,576,298	25,273,068	55,465,062	2,307,197
(Loss)/profit after tax		(116,241,557)	322,047,178	735,778,506	55,445,549	2,576,298	25,273,068	55,465,062	2,307,197
Attributable to:									
Equity holders' of the parent		(86,221,917)	324,306,183	723,374,986	50,460,361	2,576,298	25,273,068	55,465,062	2,307,197
Non controlling interest		(30,019,640)	(2,259,005)	12,403,520	4,985,188	-	-	-	-
		(116,241,557)	322,047,178	735,778,506	55,445,549	2,576,298	25,273,068	55,465,062	2,307,197

Statement of Profit or Loss and Other Comprehensive Income

INDUSTRIAL DEVELOPMENT CORPORATION OF ZIMBABWE LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2024

Note	Inflation Adjusted		Historical Cost		Inflation Adjusted		Historical Cost	
	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
(Loss)/profit after tax	(116,241,557)	322,047,178	735,778,506	55,445,549	2,576,298	25,273,068	55,465,062	2,307,197
Share of other comprehensive income of an associate	(10,379,617)	342,464,512	10,589,627	39,025,798	-	-	-	-
Items that will not be reclassified to profit or loss:								
Revaluation of property, plant and equipment	(320,577,901)	1,319,500,657	2,417,885,238	220,746,219	4,026,445	-	16,884,536	-
Other comprehensive income for the year net of tax	(330,957,518)	1,661,965,169	2,428,474,865	259,772,017	4,026,445	-	16,884,536	-
Total comprehensive income for the year	(447,199,075)	1,984,012,347	3,164,253,371	315,217,566	6,602,743	25,273,068	72,349,598	2,307,197
Attributable to:								
Equity holders of the parent	(446,566,954)	1,913,880,601	3,024,222,644	297,016,183	6,602,743	25,273,068	72,349,598	2,307,197
Non controlling interests	(632,121)	70,131,746	140,030,727	18,201,383	-	-	-	-
	(447,199,075)	1,984,012,347	3,164,253,371	315,217,566	6,602,743	25,273,068	72,349,598	2,307,197

Statement of Financial Position

INDUSTRIAL DEVELOPMENT CORPORATION OF ZIMBABWE LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

CORPORATION

GROUP

EQUITY AND LIABILITIES	Note	Inflation Adjusted				Historical Cost				Inflation Adjusted				Historical Cost			
		2024		2023		2024		2023		2024		2023		2024		2023	
		ZWG	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG
Capital and reserves																	
Issued capital	15(c)	385,423,383	385,423,383	330,932,128	330,932,128	1,369,323	1,369,323	624,519	624,519	385,423,383	385,423,383	385,423,383	385,423,383	1,369,323	1,369,323	1,369,323	1,369,323
Capital waiting allotment	15(c)(i)	-	-	43,813,879	43,813,879	-	-	540,277	540,277	-	-	-	-	-	-	-	-
Revaluation reserve	15(d)(iii)	2,098,261,365	2,476,763,545	887,189,127	887,189,127	2,574,284,635	273,832,631	27,276,809	27,276,809	5,222,263	5,222,263	1,195,818	1,195,818	16,968,821	16,968,821	84,284	84,284
Mark to market reserve	15(d)(i)	144,233	144,233	144,233	144,233	2,763	2,763	2,763	2,763	144,233	144,233	144,233	144,233	2,763	2,763	2,763	2,763
Accumulated profits		912,450,244	1,000,970,964	677,969,114	677,969,114	778,808,923	55,599,995	5,259,695	5,259,695	806,848,795	806,848,795	804,494,581	804,494,581	57,961,939	57,961,939	2,718,962	2,718,962
Equity attributable to owners of the parent		3,396,279,225	3,863,302,125	1,940,048,481	1,940,048,481	3,354,465,644	330,804,712	33,704,063	33,704,063	1,197,638,674	1,197,638,674	1,191,258,015	1,191,258,015	76,302,846	76,302,846	4,175,332	4,175,332
Non controlling interests	10.6	237,194,557	237,834,380	206,081,033	206,081,033	160,813,587	20,787,393	3,321,635	3,321,635	-	-	-	-	-	-	-	-
Total equity		3,633,473,782	4,101,136,505	2,146,129,514	2,146,129,514	3,515,279,231	351,592,105	37,025,698	37,025,698	1,197,638,674	1,197,638,674	1,191,258,015	1,191,258,015	76,302,846	76,302,846	4,175,332	4,175,332
Non-current liabilities																	
Loans and borrowings	16.1	846,572	1,400,475	5,122,091	5,122,091	846,572	128,911	98,114	98,114	-	-	-	-	-	-	-	-
Finance lease liability	16.1	11,644,262	2,869,487	-	-	11,644,262	264,131	-	-	11,644,262	11,644,262	2,869,487	2,869,487	11,644,262	11,644,262	264,131	264,131
Deferred tax liability	7	365,097,604	385,442,158	211,949,177	211,949,177	340,449,240	36,098,488	3,437,909	3,437,909	7,615,179	7,615,179	5,100,483	5,100,483	3,518,734	3,518,734	-	-
Current liabilities		377,588,438	389,712,120	217,071,268	217,071,268	352,940,074	36,491,530	3,536,023	3,536,023	19,259,441	19,259,441	7,969,970	7,969,970	15,162,996	15,162,996	264,131	264,131
Trade and other payables	17	478,626,701	524,359,516	307,885,976	307,885,976	473,088,100	48,256,966	5,093,876	5,093,876	30,036,895	30,036,895	45,276,534	45,276,534	30,036,895	30,036,895	4,167,620	4,167,620
Insurance contracts liabilities	23	17,996,130	22,387,180	4,052,520	4,052,520	17,996,130	2,065,276	77,799	77,799	-	-	-	-	-	-	-	-
Reinsurance contracts liabilities	23	2,565,708	5,112,459	1,886,237	1,886,237	2,565,708	471,638	36,212	36,212	-	-	-	-	-	-	-	-
Loans and borrowings	16.2	11,419,521	5,385,272	17,757,799	17,757,799	11,419,521	495,707	337,451	337,451	-	-	-	-	-	-	-	-
Bank overdrafts	14	16,865,919	4,719,731	39,724	39,724	16,865,919	434,443	761	761	-	-	-	-	-	-	-	-
Finance lease liability		420,917	228,109	-	-	420,917	20,997	-	-	420,917	420,917	228,109	228,109	420,917	420,917	20,996	20,996
Current tax liability		31,834,197	56,948,198	24,857,930	24,857,930	31,624,788	5,242,127	476,158	476,158	1,633,208	1,633,208	-	-	1,428,104	1,428,104	-	-
Total liabilities		559,729,093	619,140,465	356,480,186	356,480,186	553,981,083	56,987,154	6,022,257	6,022,257	32,091,020	32,091,020	45,504,643	45,504,643	31,885,916	31,885,916	4,188,616	4,188,616
TOTAL EQUITY AND LIABILITIES		937,317,531	1,008,852,585	573,551,454	573,551,454	906,921,157	93,478,684	9,558,280	9,558,280	51,350,461	51,350,461	53,474,613	53,474,613	47,048,912	47,048,912	4,452,747	4,452,747
		4,570,791,313	5,109,989,090	2,719,680,968	2,719,680,968	4,422,200,388	445,070,789	46,583,978	46,583,978	1,248,989,135	1,248,989,135	1,244,732,628	1,244,732,628	123,351,758	123,351,758	8,628,079	8,628,079



Mr E. Tome
Group Chief Executive Officer
Date: 03 July 2025



Mr W. Makamure
Chairman
Date: 03 July 2025

Statement of Changes in Equity

INDUSTRIAL DEVELOPMENT CORPORATION OF ZIMBABWE LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2024

GROUP-Inflation Adjusted

For the year ended 31 December 2024

	-----Attributable to the equity holders of the parent-----						
	Issued capital ZWG	Capital waiting allotment ZWG	Revaluation reserve ZWG	Mark to market reserve ZWG	Accumulated profit ZWG	Non controlling interests ZWG	Total ZWG
Balance at 1 January 2024	385,423,383	-	2,476,763,545	144,233	1,000,970,964	237,834,380	4,101,136,505
Loss for the year	-	-	-	-	(86,221,915)	(30,019,641)	(116,241,557)
Other comprehensive income	-	-	(360,345,036)	-	(360,345,036)	29,387,519	(330,957,518)
Dividends paid	-	-	-	-	(222,084)	(7,701)	(229,783)
Impairment Ginhole Investments	-	-	(18,157,144)	-	(2,076,721)	-	(20,233,865)
Balance at 31 December 2024	385,423,383	-	2,098,261,365	144,233	912,450,244	237,194,557	3,633,473,782

For the year ended 31 December 2023

Balance at 1 January 2023	330,932,128	43,813,879	887,189,127	144,233	688,871,456	207,482,386	2,158,433,208
Effects of IFRS 17	-	-	-	-	(10,902,342)	(1,401,353)	(12,303,695)
Restated at 1 January 2023	330,932,128	43,813,879	887,189,127	144,233	677,969,114	206,081,033	2,146,129,513
(Loss)/profit for the year	-	-	-	-	324,306,183	(2,259,005)	322,047,178
Other comprehensive income	-	-	1,589,574,418	-	1,589,574,418	72,390,751	1,661,965,169
Receipt of capital	54,491,255	(43,813,879)	-	-	-	-	10,677,376
Dividend paid	-	-	-	-	(1,304,333)	(38,378,399)	(39,682,732)
Balance at 31 December 2023	385,423,383	-	2,476,763,545	144,233	1,000,970,964	237,834,380	4,101,136,505

Statement of Changes in Equity

INDUSTRIAL DEVELOPMENT CORPORATION OF ZIMBABWE LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2024

GROUP-Historical Cost

For the year ended 31 December 2024

-----Attributable to the equity holders of the parent-----

	Issued capital		waiting Allotment		Capital		Revaluation reserve		Mark to market reserve		Accumulated profit		Non controlling interests		Total	
	ZWG		ZWG		ZWG		ZWG		ZWG		ZWG		ZWG		ZWG	
Balance at 1 January 2024	1,369,323	-	-	-	273,832,631	2,763	2,763	55,599,995	330,804,712	20,787,393	351,592,105					
Profit for the year	-	-	-	-	-	-	723,374,986	723,374,986	723,374,986	12,403,520	735,778,506					
Other comprehensive income	-	-	-	-	2,300,847,658	-	-	-	2,300,847,658	127,627,207	2,428,474,865					
Dividends paid	-	-	-	-	-	-	(222,084)	(222,084)	(222,084)	(4,533)	(226,617)					
Impairment Ginhole Investments	-	-	-	-	(395,654)	-	56,026	56,026	(39,628)	-	(39,628)					
Balance at 31 December 2024	1,369,323	-	-	-	2,574,284,635	2,763	778,808,923	3,354,465,644	160,813,587	3,515,279,231						

For the year ended 31 December 2023

Balance at 1 January 2023	624,519	540,277	27,276,809	2,763	5,234,602	33,678,970	3,324,628	37,003,598
Effects of IFRS 17	-	-	-	-	25,093	25,093	(2,993)	22,100
Restated at 1 January 2023	624,519	540,277	27,276,809	2,763	5,259,695	33,704,063	3,321,635	37,025,698
Profit for the year	-	-	-	-	50,460,361	50,460,361	4,985,188	55,445,549
Other comprehensive income	-	-	246,555,822	-	-	246,555,822	13,216,195	259,772,017
Dividends paid	-	-	-	-	(120,061)	(120,061)	(735,625)	(855,686)
Receipt of capital	744,804	(540,277)	-	-	-	204,527	-	204,527
Balance at 31 December 2023	1,369,323	-	273,832,631	2,763	55,599,995	330,804,712	20,787,393	351,592,105

Statement of Changes in Equity

INDUSTRIAL DEVELOPMENT CORPORATION OF ZIMBABWE LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2024

CORPORATION - Inflation Adjusted

	Issued capital ZWG	Capital waiting allotment ZWG	Asset revaluation ZWG	Mark to market reserve ZWG	Accumulated profit ZWG	Total ZWG
Balance at 1 January 2024	385,423,383	-	1,195,818	144,233	804,494,581	1,191,258,015
Profit for the year	-	-	-	-	2,576,298	2,576,298
Other comprehensive income	-	-	4,026,445	-	-	4,026,445
Issue of new shares	-	-	-	-	-	-
Dividend paid	-	-	-	-	(222,084)	(222,084)
Balance at 31 December 2024	385,423,383	-	5,222,263	144,233	806,848,795	1,197,638,674

For the year ended 31 December 2023

	Issued capital ZWG	Capital Waiting Allotment ZWG	Asset Revaluation ZWG	Mark to Market reserve ZWG	Accumulated profit ZWG	Total ZWG
Balance at 1 January 2023	330,932,128	43,813,879	1,195,818	144,233	780,525,846	1,156,611,904
Profit for the year	-	-	-	-	25,273,068	25,273,068
Other comprehensive income	-	-	-	-	-	-
Issue of new shares	54,491,255	(43,813,879)	-	-	-	10,677,376
Dividend paid	-	-	-	-	(1,304,333)	(1,304,333)
Balance at 31 December 2023	385,423,383	-	1,195,818	144,233	804,494,581	1,191,258,015

Statement of Changes in Equity

INDUSTRIAL DEVELOPMENT CORPORATION OF ZIMBABWE LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2024

CORPORATION- Historical Cost

	Issued capital	Capital	Asset revaluation	Accumulated	Mark to market	Total
	ZWG	waiting Allotment ZWG		loss ZWG	reserve ZWG	
Balance at 1 January 2024	1,369,323	-	84,284	2,718,962	2,763	4,175,332
Profit for the year	-	-	-	55,465,062	-	55,465,062
Other comprehensive income	-	-	16,884,536	-	-	16,884,536
Dividend paid	-	-	-	(222,084)	-	(222,084)
Balance at 31 December 2024	1,369,323	-	16,968,820	57,961,940	2,763	76,302,846

For the year ended 31 December 2023

	Issued capital	Capital	Asset revaluation	Accumulated	Mark to market	Total
	ZWG	waiting Allotment ZWG		loss ZWG	reserve ZWG	
Balance at 1 January 2023	624,519	540,277	84,284	531,826	2,763	1,783,669
Profit for the year	-	-	-	2,307,197	-	2,307,197
Dividend paid	-	-	-	(120,061)	-	(120,061)
Receipt on capital	744,804	(540,277)	-	-	-	204,527
Balance at 31 December 2023	1,369,323	-	84,284	2,718,962	2,763	4,175,332

Statement of Cash Flows

INDUSTRIAL DEVELOPMENT CORPORATION OF ZIMBABWE LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	Group				Corporation			
		Inflation Adjusted		Historical Cost		Inflation Adjusted		Historical Cost	
		2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
CASH FLOWS FROM OPERATING ACTIVITIES									
(Loss)/profit before tax		(87,973,638)	272,071,013	762,963,931	37,626,747	5,402,023	(22,656,208)	58,085,680	2,445,119
-from continuing operations		(87,973,638)	272,071,013	762,963,931	37,626,747	5,402,023	(22,656,208)	58,085,680	2,445,119
Adjustments for:									
-Exchange (gain)/loss	5.2a	16,723,694	(82,829,288)	30,202,955	(778,075)	263,228	917,353	181,355	37,730
-(Profit)/loss on derecognition of ROU assets & lease liabilities		696,725	123,125	808,516	11,333	694,400	17,140	807,521	11,333
-Depreciation on property, plant and equipment	8	23,022,208	39,300,303	11,869,540	1,364,818	665,943	1,250,325	469,415	36,774
-Impairment losses/other expenses		20,806,187	129,608,505	15,117	1,691,719	20,806,187	-	15,117	-
-Amortisation of intangible assets		1,696	5,688	1,225	68	-	-	-	-
-Dividend receivable		-	-	-	-	(28,718,886)	(19,610,693)	(18,551,447)	(1,058,608)
-Net finance (income)		(4,884,191)	(2,434,778)	(1,830,889)	(345,509)	(7,079,758)	(18,925,047)	(4,825,386)	(695,928)
-(Profit)/loss on disposal of plant and equipment	5.2&5.3	(1,867,020)	(45,288,426)	(1,255,208)	(2,292,203)	(1,563)	(92,238)	233	(7,028)
-Provision for credit losses	13	5,455,642	6,734,500	5,315,002	619,898	-	-	-	-
-Monetary losses		444,236,124	289,383,009	-	-	64,823,973	101,189,532	-	-
-Effects of inflation		(470,323,922)	(262,661,748)	-	-	(60,929,815)	(100,788,806)	-	-
- Share of (profit)/loss of associates		(45,756,151)	(46,283,343)	(49,619,657)	(4,029,667)	-	-	-	-
-Fair value adjustment on investment property		(20,970,337)	(100,371,375)	(553,466,378)	(14,048,887)	-	-	-	-
Operating (deficit)/gain before working capital changes		(120,832,983)	197,357,185	205,004,154	19,820,242	(4,074,268)	(58,698,642)	36,182,488	769,392
Working capital adjustments									
Decrease/(increase) in inventories		38,200,791	(57,163,445)	(112,312,018)	(15,483,891)	-	-	-	-
Decrease/(increase) in trade and other receivables		107,830,008	(366,487,106)	(484,003,132)	(43,891,832)	(6,656,778)	(12,188,819)	(28,201,949)	(1,876,393)
Decrease/(increase) in insurance contract assets		768,591	(4,470,477)	(5,906,006)	(622,990)	-	-	-	-
Decrease/(increase) in reinsurance contract assets		2,691,118	(4,073,293)	(1,825,256)	(441,673)	-	-	-	-
Decrease (increase) in loan receivables		1,252,776	8,049,233	(72,515)	47,786	(15,400,775)	5,057,693	(55,634,091)	(3,133,166)
Decrease/(increase) in insurance contract liabilities		(4,391,050)	18,334,660	15,930,854	1,987,477	-	-	-	-
Decrease/(increase) in reinsurance contract liabilities		(2,546,751)	3,226,222	2,094,070	435,426	-	-	-	-
Increase/(decrease) in trade and other payables		(45,732,815)	216,473,540	424,831,134	43,163,090	(15,239,639)	3,760,248	25,869,275	3,175,988
Cash from operating activities		(22,760,315)	11,246,519	43,741,285	5,013,635	(41,371,460)	(62,069,520)	(21,784,277)	(1,064,179)
Taxation paid		(16,927,087)	(45,159,143)	(12,823,847)	(1,063,213)	(4,377,150)	(2,940,774)	(402,908)	(263,718)
Net cash flows (used)/generated in operating activities		(39,687,402)	(33,912,624)	30,917,438	3,950,422	(45,748,610)	(65,010,294)	(22,187,185)	(1,327,897)

Statement of Cash Flows

INDUSTRIAL DEVELOPMENT CORPORATION OF ZIMBABWE LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024

	Group				Corporation			
	Inflation Adjusted		Historical Cost		Inflation Adjusted		Historical Cost	
	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
INVESTING ACTIVITIES								
Purchases of property, plant and equipment	(9,432,609)	(16,833,521)	(8,164,222)	(1,213,977)	(1,592,221)	(136,817)	(1,033,352)	(5,927)
Disposal of land held for sale	-	-	-	-	-	-	-	-
Purchase of intangible assets	(78,401)	-	(76,310)	-	-	-	-	-
Proceeds on disposal of property, plant and equipment	3,352,325	46,374,442	2,130,894	2,314,918	5,412	116,908	2,846	8,062
Dividend received	-	-	-	-	28,718,886	19,610,693	18,551,447	1,058,608
Decrease/(increase) in other investments	129,953	(478,149)	(2,218,550)	(122,178)	-	-	-	-
	(124,151)	(1,065,051)	(31,961)	(98,036)	-	-	-	-
Net interest receive	4,884,191	2,434,778	1,830,889	345,509	7,079,758	18,925,047	4,825,386	695,928
Net cash inflows/(outflows) from investing activities	(1,268,692)	30,432,499	(6,529,260)	1,226,236	34,211,835	38,515,831	22,346,327	1,756,671
Net cash (outflows)/inflows before financing	(40,956,094)	(3,480,125)	24,388,178	5,176,658	(11,536,775)	(26,494,463)	159,142	428,774
FINANCING ACTIVITIES								
Interest bearing borrowings:								
-(Repayments)/receipts	5,480,346	(16,094,143)	11,641,475	189,053	-	(431,852)	-	(5,570)
Share of capital receipts	-	10,677,376	-	204,527	-	10,677,377	-	204,527
Net cash (outflow)/inflows from financing activities	5,480,346	(5,416,767)	11,641,475	393,580	-	10,245,525	-	198,957
Net (decrease)/increase in cash and cash equivalents	(35,475,748)	(8,896,892)	36,029,653	5,570,238	(11,536,775)	(16,248,938)	159,142	627,731
Cash and cash equivalents at beginning of the year	78,754,617	87,651,509	7,249,216	1,678,978	12,881,649	29,130,587	1,185,732	558,001
Cash and cash equivalents at end of year	43,278,869	78,754,617	43,278,869	7,249,216	1,344,874	12,881,649	1,344,874	1,185,732
Made up of the following								
-Bank overdrafts	(16,865,919)	(4,719,731)	(16,865,919)	(434,443)	-	-	-	-
-Cash at bank	60,144,788	83,474,348	60,144,788	7,683,659	1,344,874	12,881,649	1,344,874	1,185,732
Cash and cash equivalents	43,278,869	78,754,617	43,278,869	7,249,216	1,344,874	12,881,649	1,344,874	1,185,732

Notes to the Financial Statements

1.0 Corporate information

Industrial Development Corporation of Zimbabwe Limited is a statutory Corporation incorporated and domiciled in Zimbabwe. It has investments in the following sectors: motor and transport, fertiliser and chemicals, base mineral processing, and real estate. The Corporation also has investments in textiles, packaging, cement manufacturing and food processing.

The consolidated and separate financial statements for the year ended 31 December 2024 were authorised for issue in accordance with a resolution of the Directors on 3 July 2025.

1.1 Going concern

The Directors have satisfied themselves that, based on the assessments fully explained per note 24, the Group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they are satisfied that it is appropriate to adopt the going concern basis in preparing the consolidated inflation adjusted financial statements.

1.2 Significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below.

2.0 Basis of preparation

The consolidated and separate financial statements have been prepared on the going concern basis in accordance with, and in compliance with, International Financial Reporting Standards (“IFRS”) and International Financial Reporting Interpretations Committee (“IFRIC”) interpretations issued and effective at the time of preparing these financial statements and the Industrial Development Corporation Act (Chapter 14:10), the Public Finance Management Act (Chapter 22:19) as well as the requirements of the Mutapa Investment Fund as promulgated by Statutory Instrument 156 of 2023. The consolidated and separate financial statements have been prepared from statutory records that are maintained on the historic cost basis, except for certain financial instruments which are measured at fair value.

The financial statements are showing both inflation adjusted and historical cost financial information, with the inflation adjusted being the primary set, the historical cost financial statements have been provided as supplementary information and as a result, the auditors have not expressed an opinion on them. The financial statements have been prepared under the current cost basis as per the provisions of IAS 29. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in note 3.

Notes to the Financial Statements

2.1. Functional and presentation currency

2.1.1. Change in functional currency

Following the enactment of Statutory Instrument (“SI”) 185 of 2020 on 24 July 2020, the Group witnessed an increase in the use of foreign currency across its operations and its investments. The government, in June 2022, established the multicurrency system into law until 31 December 2025 through Statutory Instrument 118A of 2022. In addition, on 27 October 2023, Statutory Instrument 218 of 2023 (SI 218/23) extended the settlement of transactions in foreign currency until 31 December 2030, assuring businesses regarding the continuity of the multi-currency system. This has since been confirmed through the Finance Act No.13 of 2023.

As a result of these developments, the Group re-evaluated its functional currency in accordance with IAS 21 (“The Effects of Changes in Foreign Exchange Rates”).

In assessing functional currency for the businesses, the following factors were considered:

- (i) The currency that mainly influences sales prices for goods and services (the currency in which sales prices for goods and services are denominated and settled);
- (ii) The currency which influences labour, material and other costs of providing goods and services;
- (iii) The currency in which funds from financing activities are generated; and
- (iv) The currency in which receipts from operating activities are usually retained.

2.1.2 Change in presentation currency

The Group and the Corporation elected to present these audited financial statements in the Zimbabwe Gold (ZWG). The Group and Corporation presentation currency (ZWG) is a currency of a hyperinflationary economy.

In prior years, the Group and the Corporation’s presentation currency was the Zimbabwe Dollar (ZWL), which was also the Group and Corporation’s functional currency. The ZWL was a currency of a hyperinflationary environment, as a result, in prior year, financial statements were prepared based on the requirements of International Accounting Standard (IAS) 29 - Financial Reporting in Hyperinflationary Economies. IAS 29 requires financial statements prepared in the currency of a hyperinflationary economy to be stated in terms of the measuring unit current at the statement of financial position, and that corresponding figures for previous years be restated in the same terms. The ZWL currency was discontinued on 5 April 2024. Statement of financial position line items for the 2024 reporting period were translated using the closing rate at 31 December 2024, while the income statement lines were translated using the rate applicable at the time of the transaction.

All resulting exchange differences were recognized in the statement of comprehensive income and taken to the equity section of the statement of financial position.

Equity components of Share Capital and Share Premium have been translated using historical exchange rates. For this purpose, historical exchange rates are defined as the exchange rates prevailing as at 1 January 2024 (Being the earliest available ZWG exchange rate of 5 April 2024).

Notes to the Financial Statements

2.1.3 Conversion of Comparative numbers to the presentation currency

Following the adoption of the ZWG as the Group and Corporation's presentation currency, the Group and Corporation converted their comparative financial statements as follows:

Conversion Methodology Given that ZWG did not exist as a currency in the prior reporting period (2023), a two-step conversion process was employed for all amounts in the financial statements. First, the inflation adjusted ZWG balances as of 31 December 2023 were restated using an adjusting factor of 6.5327 to 5 April 2024 and then converted to ZWG using the rate of ZWG1 to ZWG2498.72. The resultant numbers were hyperinflated to 31 December 2024 by 1.6630. The decision to use direct ZWG to ZWG conversion method was necessitated by the significance and volumes of ZWG transactions for the year.

2.1.4 Foreign currency transactions and balances

In preparing the financial statements of the Group and Corporation, transactions in currencies other than the ZWG were recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the exchange rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are re-translated at the exchange rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not re-translated. Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

The indices and conversion factors used to restate these financial statements are given below.

Date	Index	Conversion factor
CPI as at 31 December 2023	38.334	0.0043
CPI as at 31 December 2024	166	1.0000

2.2. Segmental reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision-maker. The Chief Operating Decisionmaker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Group Chief Executive Officer who makes strategic decisions.

The Group has four reportable segments; Chemicals and Fertilisers, Engineering, Motor and Transport, Real Estate and Corporate and other, which offer different products and services and are managed separately.

Notes to the Financial Statements

2.3. Foreign currency translation

Transactions incurred in currencies other than the functional currency were recognised at the prevailing auction rate from 1 October 2021 to 9 May 2022 and subsequently at the prevailing interbank rate at the date of the transaction. At the end of each reporting period, monetary assets and liabilities denominated in foreign currencies are retranslated at the rates prevailing at that date. Gains and losses arising on exchange are recognised in the statement of profit or loss and other comprehensive income.

2.4 Property, plant and equipment

Property, plant and equipment are tangible assets which the Group holds for use and are expected to be used for more than one year.

An item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the Group, and the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost. Cost includes all of the expenditure which is directly attributable to the acquisition or construction of the asset, including the capitalisation of borrowing costs on qualifying assets and adjustments in respect of hedge accounting, where appropriate.

Subsequent to initial recognition, the Group measures its property, plant and equipment at revalued amounts, with changes in fair value being recognised in other comprehensive income. A revaluation surplus is recorded in OCI and credited to the asset revaluation reserve in equity. However, to the extent that it reverses a revaluation deficit of the same asset previously recognised in profit or loss, the increase is recognised in profit or loss. A revaluation deficit is recognised in the statement of profit or loss, except to the extent that it offsets an existing surplus on the same asset recognised in the asset revaluation reserve. The Group engaged independent valuation specialists to determine fair value of all items of property, plant and equipment as at 31 December 2024. An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised. The revaluation reserve is realized upon disposal of the assets.

The assets' residual values, useful lives and methods of depreciation are reviewed at the end of each financial year and adjusted prospectively, if appropriate.

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the Group. Leased assets are depreciated in a consistent manner over the shorter of their expected useful lives and the lease term. Depreciation is not charged to an asset if its estimated residual value exceeds or is equal to its carrying amount. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale or derecognised.

Notes to the Financial Statements

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Useful life
Freehold land	Not depreciated
Freehold buildings	40 years
Plant and equipment	10 - 15 years
Motor vehicle	5 years
Office equipment	3- 5 years
Office furniture	10 years

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation charge for each year is recognised in profit or loss unless it is included in the carrying amount of another asset.

Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in profit or loss to bring the carrying amount in line with the recoverable amount.

The Group policy is to perform revaluations every three years to ensure that fair value of a revalued asset does not differ materially from its carrying amount.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of property, plant and equipment, determined as the difference between the net disposal proceeds and the carrying amount of the item, is included in profit or loss.

2.4.1 Leasehold property

When the Group holds property under a long-term prepaid lease agreement, the lease is classified as a finance lease or an operating lease in accordance with the provisions of IFRS 16 Leases. When these leases are classified as finance leases, the property is classified as Right-of-use Asset and is depreciated over the lease term.

2.4.2 Site restoration and dismantling cost

The Group has an obligation to dismantle, remove and restore items of property, plant and equipment. Such obligations are referred to as 'decommissioning, restoration and similar liabilities'. The cost of an item of property, plant and equipment includes the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Notes to the Financial Statements

If the related asset is measured using the cost model:

- subject to (b), changes in the liability are added to, or deducted from, the cost of the related asset in the current period.
- if a decrease in the liability exceeds the carrying amount of the asset; the excess is recognised immediately in profit or loss.
- if the adjustment results in an addition to the cost of an asset, the entity considers whether this is an indication that the new carrying amount of the asset may not be fully recoverable. If it is such an indication, the asset is tested for impairment by estimating its recoverable amount, and any impairment loss is recognised in profit or loss.

If the related asset is measured using the revaluation model:

- changes in the liability alter the revaluation surplus or deficit previously recognised on that asset, so that;
- a decrease in the liability is credited in other comprehensive income and accumulated in the revaluation reserve in equity, except that it is recognised in profit or loss to the extent that it reverses a revaluation deficit on the asset that was previously recognised in profit or loss;
- an increase in the liability is recognised in profit or loss, except that it is debited to other comprehensive income as a decrease to the revaluation surplus to the extent of any credit balance existing in the revaluation surplus in respect of that asset in the event that a decrease in the liability exceeds the carrying amount that would have been recognised had the asset been carried under the cost model, the excess is recognised immediately in profit or loss;
- a change in the liability is an indication that the asset may have to be revalued in order to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period. Any such revaluation is taken into account in determining the amounts to be taken to profit or loss and to other comprehensive income.

2.4.3. Exploration and evaluation assets

Exploration and evaluation assets are measured at cost. These include acquisition of rights to explore, topographical, geological, geochemical and geophysical studies, exploratory drilling, trenching, sampling and activities in relation to evaluating the technical feasibility and commercial viability of extracting a mineral resource. After recognition, the mine is carried at cost. However, the group resolved that all exploration and evaluation expenditure when incurred shall be written off over 15 years.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that their carrying amount exceed its recoverable amount.

2.5 Intangible assets

An intangible asset is recognised when:

- it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and
 - the cost of the asset can be measured reliably.
- Intangible assets are initially recognised at cost.

Notes to the Financial Statements

2.5.1. Internally generated intangible assets - Research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred. An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- i. the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- ii. the intention to complete the intangible asset and use or sell it;
- iii. the ability to use or sell the intangible asset;
- iv. how the intangible asset will generate probable future economic benefits;
- v. the availability of adequate technical, financial and other complete the development and to use or sell the intangible asset; and
- vi. the ability to measure reliably the expenditure attributable to the asset during its development

The amount initially recognised for internally-generated intangible assets is the sum of expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred. Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated impairment losses.

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows. Amortisation is not provided for these intangible assets, but they are tested for impairment annually and whenever there is an indication that the asset may be impaired. For all other intangible assets, amortisation is provided on a straight-line basis over their useful life.

The amortisation period and the amortisation method for intangible assets are reviewed every period end.

Reassessing the useful life of an intangible asset with a finite useful life after it was classified as indefinite is an indicator that the asset may be impaired. As a result, the asset is tested for impairment and the remaining carrying amount is amortised over its useful life.

Internally generated brands, mastheads, publishing titles, customer lists and items similar in substance are not recognised as intangible assets.

Amortisation is provided to write down the intangible assets, on a straight-line basis, to their residual values as follows:

Item	Useful life
Automate License	10 years
Dimension X3D software	5 years

Notes to the Financial Statements

2.6. Financial Instruments

2.6.1. Initial recognition

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments.

Recognised financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss (FVTPL) are recognised immediately in profit or loss.

If the transaction price differs from fair value at initial recognition, the Group will account for such difference as follows:

- If fair value is evidenced by a quoted price in an active market for an identical asset or liability or based on a valuation technique that uses only data from observable markets, then the difference is recognised in profit or loss on initial recognition (i.e. day 1 profit or loss);
- In all other cases, the fair value will be adjusted to bring it in line with the transaction price (i.e. day 1 profit or loss will be deferred by including it in the initial carrying amount of the asset or liability).

After initial recognition, the deferred gain or loss will be released to profit or loss on a rational basis, only to the extent that it arises from a change in a factor (including time) that market participants would consider when pricing the asset or liability.

2.6.2. Classification of financial assets and financial liabilities

The Group classifies its financial instruments in the following categories:

- i. At fair value through profit and loss (“FVTPL”),
- ii. At fair value through other comprehensive income (“FVTOCI”)
- iii. At amortized cost.

The Group and Corporation determine the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Group’s business model for managing the financial assets and their contractual cash flow characteristics.

Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, the Group can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI.

Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Group has opted to measure them at FVTPL.

Notes to the Financial Statements

2.6.3.Measurement

Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value and subsequently carried at amortized cost less any impairment.

Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statement of comprehensive income. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at

FVTPL are included in the statement of comprehensive income in the period in which they arise. Where management has opted to recognize a financial liability at FVTPL, any changes associated with the structured equity derivative (SED)'s own credit risk will be recognized in other comprehensive income /(loss).

The Group recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Group measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses.

The Group assesses all information available, including, on a forward-looking basis, the expected credit losses associated with its assets carried at amortized cost.

For trade receivables, the Group applies the simplified approach as permitted by IFRS 9 which requires expected lifetime losses to be recognized from initial recognition of receivables. Impairment losses on financial assets carried at amortized cost are reversed in subsequent periods if the amount of the loss decreases and the decrease can be objectively related to an event occurring after the impairment was recognized.

Definition of default

Critical to the determination of Expected Credit Loss (ECL) is the definition of default. The definition of default is used in measuring the amount of the lifetime ECL. ECL, as default, is a component of the probability of default (PD) which affects both the measurement of ECLs and the identification of a significant increase in credit risk.

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

- The financial asset that is at least 120 days past due on any material credit obligation to the Group and Corporation; or
- The financial asset is unlikely to pay its credit obligations to the Group in full.

The definition of default is appropriately tailored to reflect different characteristics of different types of assets. When assessing if the borrower is unlikely to pay its credit obligation, the Group considers both qualitative and quantitative indicators. The information assessed depends on the type of the asset and sources of information to assess default which are either developed internally or obtained from external sources.

Notes to the Financial Statements

Write-off

Financial assets are written off when the Group has no reasonable expectations of recovering the financial asset (either in its entirety or a portion of it). This is the case when the Group determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. A write-off constitutes a derecognition event.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for ECL are presented in the statement of financial position for financial assets measured at amortised cost, as a deduction from the gross carrying amount of the assets.

2.6.4. Derecognition

Financial assets

The Group derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in the statement of comprehensive income. However, gains and losses on derecognition of financial assets classified as FVTOCI remain within the accumulated other comprehensive (loss) income.

Financial liabilities

The Group derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in the statements of comprehensive income.

2.7. Inventories

Inventories are stated at the lower of cost or net realisable value. The cost of the finished goods and work in progress comprises raw materials, direct labour, and other direct costs related production overheads.

Net realisable value is the estimated selling price in the ordinary course of business, less selling expenses. The methods of valuation are as follows:

Finished goods

The cost in relation to finished goods for resale includes the cost of raw materials, packaging materials, direct labour and an appropriate portion of factory overheads. The finished goods are accounted for on a first-in-first-out basis (FIFO).

Other inventories

All other inventories are valued at the lower of cost, taken on a weighted average basis, and net realisable value.

Notes to the Financial Statements

2.8. Revenue recognition

The Group recognises revenue by following the principles of the five-step model in terms of the IFRS 15 – Revenue from contracts with customers and the model is illustrated below:

- Step 1- Identification of the contract (s) with customers
- Step 2- Identification of separate performance obligations in the contract
- Step 3- Determination of the transaction price
- Step 4- Allocation of the transaction price to separate performance obligation in the contract
- Step 5- Recognition of the revenue when (or as) the Group satisfies a performance obligation

Revenue comprises of revenue from consignment arrangements, bill and hold arrangements, delivery sales, customer collection sales, tolling fees and other income. The Group recognises revenue when it transfers control over a good or service to a customer.

The Group recognises revenue from the following major sources:

- Sales of fertiliser and Chemicals
- Sales of animal and health products
- Sales of motor vehicles, trucks and automotive parts
- Provision of general engineering services and coach building
- Development and sale of residential stands
- Provision of management services

Revenue comprises the fair value of the consideration received or receivable for the sale of goods, in the ordinary course of the Group's activities.

Revenue is shown in net value added tax, rebates and discounts. The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefit will flow to the entity and specific criteria have been met for each of the Group's activities as described below:

2.8.1. Sale of goods

Sales of goods are recognised when the Group has delivered products to the customer, the customer has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the customer's acceptance of these products.

Delivery does not occur until the products have been shipped to the specified location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the product in accordance with sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied.

The Group recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when the revenue has met the criteria specified within IFRS 15 with specific reference to the five-step model for each of the Group's activities.

Notes to the Financial Statements

2.8.2. Land development and resale

The Group develops and sells residential and commercial stands. Revenue is recognised when control over the property has been transferred to the customer. The properties generally have no alternative use for the Group due to contractual restrictions. However, an enforceable right to payment does not arise until legal title has passed to the customer. Therefore, revenue is recognised at a point in time when the legal title has passed to the customer.

The revenue is measured at the transaction price agreed under the contract. In most cases, the consideration is due when legal title has been transferred. While deferred payment terms may be agreed in rare circumstances, the deferral never exceeds twelve months. The transaction price is therefore not adjusted for the effects of a significant financing component.

2.8.3. Provision of management services

The Corporation generates revenue from rendering management services through promoting investments and economic co-operation across borders. Revenue is recognised progressively based on the cost-to-cost method. Payment terms of the contract with fellow subsidiaries are usually based on equal instalments over the duration of the contract, based on the percentage of turnover. If the Group has recognised revenue and not issued a bill, then entitlement to the consideration is recognised as a contract asset.

The contract assets are then transferred to receivables when the entitlement to payment becomes unconditional.

2.8.4. Sale of motor vehicles, trucks and automotive parts

The Group operates a motor vehicle and truck dealership and sells automotive parts. The Group recognises revenue when the customer takes possession of the products. Customers pay in full at point of sale.

Sales related warranties associated with sport goods cannot be purchased separately and they serve as an assurance that the products sold comply with agreed upon specifications. Accordingly, the Group accounts for warranties in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets.

2.8.5. Sale of fertiliser and chemicals

For sales of fertiliser and chemicals, revenue is recognised when control of the goods has transferred, being when the customer takes possession of the product. This usually occurs when the customer signs the contract which stipulates the terms and conditions, including the performance obligations and contract prices. Delivery occurs when the products have been transported to the specific location and the risks of obsolescence and loss have been transferred to the customer. Therefore, revenue is recognised when control is passed to the customer at a point in time. For fertilisers, the customer pays in full at the point of sale. For chemicals, customers pay monthly in equal instalments over a period of 24 months. A receivable is recognised when the performance obligations have been fulfilled, as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

Notes to the Financial Statements

2.8.6. Right of return

Revenue from expected returns is not recognised until it is certain that no returns will be made. IFRS 15 requires that revenue for expected returns only be recognised when the period ends and no returns are made. Thus, this qualifies as a sale with a right of return, as the customer has the right to return the goods and, in return, receives a full refund of the consideration paid. This only applies to domestic sales, as export sales do not have any returns.

The Group updates the measurement of the refund liability at the end of each reporting period for changes in expectations about the amount of refunds and recognises corresponding adjustments as revenue or reductions of revenue. The asset is presented separately from the liability. An asset recognised for an entity's right to recover products from a customer on settling a refund liability is initially measured by reference to the former carrying amount of the product less any expected costs to recover those products.

At year end the entity recognises a refund liability by creating a provision of returns based on the expected rate of return based on history relating to the year-end sales.

2.8.7. Interest income

Interest income is recognised on a time apportionment basis using the effective interest method. When a receivable is impaired, the Group 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.

2.8.8. Dividend income

Dividend income is recognised when the group's right to receive payment is established, which is generally when the shareholders approve the dividend.

2.8.9. Rental income

Rental income is recognised on a straight-line basis over the lease term.

2.8.10. Premiums

Revenue is recognised on the date on which the policy is effective.

2.9. Employee benefits

2.9.1. Pension obligations

The Group operates a self-administered defined contribution plan with Old Mutual. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The contributions are recognised as employee benefit expense when due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available. The Group has no legal or constructive obligation to pay further contributions if the fund does not hold sufficient amounts to pay all employees the benefits relating to employee service in the current and prior periods.

Notes to the Financial Statements

2.9.2. National Social Security Authority Pension Fund

The Group and its employees also contribute to the National Social Security Authority Scheme. This is a defined benefit social security scheme which was promulgated under the National Social Security statutory instrument. The Group's obligations under the scheme are limited to specific contributions as legislated from time to time.

The Group's contributions to the pension plans are charged to the statement of comprehensive income.

2.9.3. Termination benefits

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

The Group's senior executives analyse, on a regular basis, currency and interest rate exposures and re-evaluate financial risk management strategies against regularly revised economic forecasts. Compliance with exposure limits is reviewed at the Board of Directors' meetings.

2.10. Leases

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases which are defined as leases with a lease term of 12 months or less. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the Corporation's incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease liability is presented as a separate line in the Group and Corporation's statement of financial position. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

Notes to the Financial Statements

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).

When a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

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

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the right-of-use asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease. The right-of-use assets are presented as a separate line in the Group's statement of financial position.

The Group applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, Plant and Equipment' policy.

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

Notes to the Financial Statements

2.11. Taxation

2.11.1. Current and deferred income tax

The tax expense comprises current and deferred tax. Tax is recognised in the statement of 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.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the statement of financial position date. 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. Deferred income tax is recognised, 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, the deferred income tax is not accounted for if it arises from 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 nor loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the statement of financial position date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities, where there is an intention to settle the balances on a net basis.

2.11.2. Value Added Tax (VAT)

Revenues, expenses and assets are recognised net of the amount of value added tax except:

- where the value added tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the value added tax is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- Receivables and payables are stated with the amount of value added tax included.

The net amount of Value Added Tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position. The standard VAT rate for the year 2024 was 15%.

Notes to the Financial Statements

2.12 Consolidation

2.12.1 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Group and all subsidiaries. Subsidiaries are entities (including structured entities) which are controlled by the Group. The Group has control of an entity when it is exposed to or has rights to variable returns from involvement with the entity and is able to affect those returns through use of its power over the entity.

The Group re-assesses whether it controls a subsidiary if facts and circumstances indicate that there are changes to the elements of control.

The results of subsidiaries are included in the consolidated financial statements from the effective date of acquisition to the effective date of disposal.

Adjustments are made when necessary to the financial statements of subsidiaries to bring their accounting policies in line with those of the group.

All inter Corporation transactions, balances, and unrealised gains and dividends from transactions between group companies are eliminated in full on consolidation.

Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Non controlling interests in the net assets of consolidated subsidiaries are identified and recognised separately from the Group's interest therein and are recognised within equity. Losses of subsidiaries attributable to non controlling interests are allocated to the non controlling interest even if this results in a debit balance being recognised for non controlling interest.

Transactions with non controlling interests that do not result in loss of control are accounted for as equity transactions and are recognised directly in the Statement of Changes in Equity. The difference between the fair value of consideration paid or received and the movement in non controlling interest for such transactions is recognised in equity attributable to the owners of the Group.

Where a subsidiary is disposed of and a non controlling shareholding is retained, the remaining investment is measured at fair value with the adjustment to fair value recognised in profit or loss as part of the gain or loss on disposal of the controlling interest. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

2.12.2. Investments in subsidiaries in the separate financial statements

In the Group's separate financial statements, investments in subsidiaries are carried at cost less any accumulated impairment losses. This excludes investments which are held for sale and are consequently accounted for in accordance with IFRS 5 Non current Assets Held for Sale and Discontinued Operations.

Notes to the Financial Statements

2.12.3. Business combinations

The group accounts for business combinations using the acquisition method of accounting. The cost of the business combination is measured as the aggregate of the fair values of assets given, liabilities incurred or assumed, and equity instruments issued. Costs directly attributable to the business combination are expensed as incurred, except the costs to issue debt which are amortised as part of the effective interest and costs to issue equity which are included in equity.

Any contingent consideration is included in the cost of the business combination at fair value as at the date of acquisition. Subsequent changes to the assets, liability or equity which arise as a result of the contingent consideration are not effected against goodwill, unless they are valid measurement period adjustments. Otherwise, all subsequent changes to the fair value of contingent consideration that is deemed to be an asset or liability is recognised in either profit or loss or in other comprehensive income, in accordance with relevant IFRS's. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

The acquiree's identifiable assets, liabilities and contingent liabilities which meet the recognition conditions of IFRS 3 Business Combinations are recognised at their fair values at acquisition date, except for non current assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5, Non current assets Held for Sale and Discontinued Operations, which are recognised at fair value less costs to sell.

Contingent liabilities are only included in the identifiable assets and liabilities of the acquiree where there is a present obligation at acquisition date.

On acquisition, the acquiree's assets and liabilities are reassessed in terms of classification and designation in accordance with contractual terms, economic circumstances, and pertinent conditions, and are reclassified where the classification is inappropriate for group purposes. This excludes lease agreements and insurance contracts, whose classification remains as per their inception date.

Non controlling interests in the acquiree are measured on an acquisition-by-acquisition basis either at fair value or at the non controlling interests' proportionate share in the recognised amounts of the acquiree's identifiable net assets. This treatment applies to non controlling interests which are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation. All other components of non controlling interests are measured at their acquisition date fair values unless another measurement basis is required by IFRS's.

In cases where the group held a non controlling shareholding in the acquiree prior to obtaining control, that interest is measured at fair value as at acquisition date. The measurement to fair value is included in profit or loss for the year. Where the existing shareholding was classified as an available for sale financial asset, the cumulative fair value adjustments recognised previously to other comprehensive income and accumulated in equity are recognised in profit or loss as a reclassification adjustment.

Notes to the Financial Statements

Goodwill is determined as the consideration paid, plus the fair value of any shareholding held prior to obtaining control, plus non controlling interest and less the fair value of the identifiable assets and liabilities of the acquiree. If, in the case of a bargain purchase, the result of this formula is negative, then the difference is recognised directly in profit or loss.

Goodwill is not amortised but is tested on an annual basis for impairment. If goodwill is assessed to be impaired, that impairment is not subsequently reversed.

Goodwill arising on acquisition of foreign entities is considered an asset of the foreign entity. In such cases, the goodwill is translated to the functional currency of the Group at the end of each reporting period with the adjustment recognised in equity through other comprehensive income.

2.12.4 Investments in associates

An associate is an entity over which the Group has significant influence, and which is neither a subsidiary nor a joint arrangement. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies. It generally accompanies a shareholding of between 20% and 50% of the voting rights.

Investments in associates are accounted for using the equity method, except when the investment is classified as held for sale in accordance with IFRS 5 Non current Assets Held for Sale and Discontinued Operations. Under the equity method, investments in associates are carried in the Statement of Financial Position at cost adjusted for post acquisition changes in the group's share of net assets of the associate, less any impairment losses.

The Group's share of post acquisition profit or loss is recognised in profit or loss, and its share of movements in other comprehensive income is recognised in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. Losses in an associate in excess of the Group's interest in that associate, including any other unsecured receivables, are recognised only to the extent that the Group has incurred a legal or constructive obligation to make payments on behalf of the associate.

Any goodwill on acquisition of an associate is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment. However, a gain on acquisition is recognised immediately in profit or loss.

Profits or losses on transactions between the Group and an associate are eliminated to the extent of the Group's interest therein. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

When the group reduces its level of significant influence or loses significant influence, the Group proportionately reclassifies the related items which were previously accumulated in equity through other comprehensive income to profit or loss as a reclassification adjustment.

Notes to the Financial Statements

In such cases, if an investment remains, that investment is measured to fair value, with the fair value adjustment being recognised in profit or loss as part of the gain or loss on disposal.

2.12.5. Investments in associates in the separate financial statements

In the Group's separate financial statements, investments in associates are accounted for using the cost method. This excludes investments which are held for sale and are consequently accounted for in accordance with IFRS 5, Non current Assets Held for Sale and Discontinued Operations.

2.13. Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost and any difference between the proceeds and the redemption value is recognised in the Statement of profit or loss and other comprehensive income over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fees are deferred until the draw-down occurs.

To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

2.14. Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

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

2.15. Bank and cash balances

Bank and cash balances include cash on hand, deposits held with financial institutions, short-term highly liquid investments with short-term maturities of three months or less and bank overdrafts.

2.16. Share capital

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

Notes to the Financial Statements

2.17 Investment property

Investment property is recognised as an asset when, and only when, it is probable that the future economic benefits that are associated with the investment property will flow to the enterprise, and the cost of the investment property can be measured reliably.

Investment property is initially recognised at cost. Transaction costs are included in the initial measurement.

Costs include costs incurred initially and costs incurred subsequently to add to, or to replace a part of, or service a property. If a replacement part is recognised in the carrying amount of the investment property, the carrying amount of the replaced part is derecognised.

Fair value

Subsequent to initial measurement investment property is measured at fair value. A gain or loss arising from a change in fair value is included in net profit or loss for the period in which it arises.

2.18 Government grants

Government grants are recognised when there is reasonable assurance that:

- the Group will comply with the conditions attaching to them; and
- the grants will be received.

Government grants are recognised as income over the periods necessary to match them with the related costs that they are intended to compensate.

A government grant that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs is recognised as income of the period in which it becomes receivable.

Government grants related to assets, including non monetary grants at fair value, are presented in the statement of financial position by setting up the grant as deferred income or by deducting the grant in arriving at the carrying amount of the asset.

Grants related to expenses are recognised as income on a systematic basis over the periods that the related costs, for which it is to compensate, are expensed.

Loans or similar assistance provided by the government or related institution, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant.

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Repayment of a grant related to income is applied first against any unamortised deferred credit set up in respect of the grant. To the extent that the repayment exceeds any such deferred credit, or where no deferred credit exists, the repayment is recognised immediately as an expense. Repayment of a grant related to an asset is recorded by increasing the carrying amount of the asset or reducing the deferred income balance by the amount repayable. The cumulative additional depreciation that would have been recognised to date as an expense in the absence of the grant is recognised immediately as an expense.

2.19 Non-current assets (disposal groups) held for sale or distribution to owners

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets and disposal groups are classified as held for distribution to owners when the entity is committed to distribute the asset or disposal group to the owners. This condition is regarded as met only when the distribution is highly probable and the asset (or disposal group) is available for immediate distribution in its present condition, provided the distribution is expected to be completed within one year from the classification date.

Non-current assets (or disposal groups) held for sale (distribution to owners) are measured at the lower of their carrying amount and fair value less costs to sell (distribute).

A non-current asset is not depreciated (or amortised) while it is classified as held for sale (held for distribution to owners), or while it is part of a disposal Group classified as such.

Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale (distribution to owners) are recognised in profit or loss.

The group assesses at each end of the reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset.

- Irrespective of whether there is any indication of impairment, the Group also:
- tests intangible assets with an indefinite useful life or intangible assets not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed during the annual period and at the same time every period.
- tests goodwill acquired in a business combination for impairment annually.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash generating unit to which the asset belongs is determined.

Notes to the Financial Statements

The recoverable amount of an asset or a cash generating unit is the higher of its fair value less costs to sell and its value in use.

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

2.19.1 Impairment of assets

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in profit or loss. Any impairment loss of a revalued asset is treated as a revaluation decrease.

An entity assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets other than goodwill may no longer exist or may have decreased. If any such indication exists, the recoverable amounts of those assets are estimated.

The increased carrying amount of an asset other than goodwill attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation other than goodwill is recognised immediately in profit or loss. Any reversal of an impairment loss of a revalued asset is treated as a revaluation increase.

2.20 Segment information

The Group's operating businesses are organised and managed separately according to the nature of the products provided, with each segment representing a strategic business unit that offers different products and serves different markets. The basis of segment reporting is representative of the internal structure used for management reporting purposes.

2.21 Provisions

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, considering the risks and uncertainties surrounding the obligation.

Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows when the effect of the time value of money is material. When some or all the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Notes to the Financial Statements

Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

Restructuring

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

2.22. IFRS 17 Insurance Contracts

The Group applied IFRS 17, which replaced IFRS 4 from 1 January 2023. The standard brought significant changes to the accounting for insurance and reinsurance contracts. As a result, the Group restated comparative amounts linked to the insurance contracts and presented a third statement of financial position as at 1 January 2024. Except for the changes below, the Group consistently applied the accounting policies as set out in the notes to financial statements to all periods presented in the financial statements.

IFRS 17 establishes principles for the recognition, measurement, presentation and disclosure of both insurance contracts and reinsurance contracts. It introduced a model that measures groups of contracts based on the Corporation's estimates of the present value of future cash flows that are expected to arise as the Group fulfils the contracts, an explicit risk adjustment for non-financial risk and a Contractual Service Margin (CSM).

Under IFRS 17, insurance revenue in each reporting period represents the changes in the liabilities for remaining coverage that relate to services for which the Group expects to receive consideration and an allocation of premiums that relate to recovering insurance cash flows. In addition, investment components are no longer included in insurance revenue and insurance service expenses.

The Group applied the Premium Allocation Approach (PAA) measurement model to its groups of contracts. This is a simplified approach that allows recognition of revenue and expenses over the coverage period, using a straightforward method. Contracts accounted for using the PAA model had to meet the eligibility test. The Group applied significant judgement in concluding the PAA approach for the insurance and reinsurance contracts. These portfolios have contracts that have a duration of 12 months, however annually renewable.

Notes to the Financial Statements

Significant judgement was applied in determining whether the renewal period cash flows fall within the contract boundary for these portfolios. Full consideration was given to facts and conditions at point of renewal, including the factoring of insurance risk in the renewal price. The conclusion on this judgement has been to exclude the renewal period in the coverage period as it constitutes a new contract. This has an implication of the portfolios qualifying in the PAA measurement approach.

The PAA is similar to the Group's previous accounting treatment when measuring liabilities for remaining coverage and includes an explicit risk adjustment for non-financial risk.

Using the premium allocation approach, an entity measures the liability for remaining coverage as follows:

a) On initial recognition, the carrying amount of the liability is:

- i. the premiums received at initial recognition;
- ii. insurance acquisition cash flows were not subtracted because the entity chooses to recognise the payments as an expense, and
- iii. plus, or minus any amount arising from the derecognition at that date of:
 1. any asset for insurance acquisition cash flows; and
 2. any other asset or liability previously recognised for cash flows related to the group of contracts as specified.

b) At the end of each subsequent reporting period, the carrying amount of the liability is the carrying amount at the start of the reporting period:

- i. plus, the premiums received in the period;
- ii. insurance acquisition cash flows was not subtracted as the entity chose to recognise the payments as an expense;
- iii. plus any amounts relating to the amortisation of insurance acquisition cash flows recognised as an expense in the reporting period; unless the entity chooses to recognise insurance acquisition cash flows as an expense;
- iv. plus any adjustment to a financing component, applying paragraph 56 of the standard;
- v. minus the amount recognised as insurance revenue for services provided in that period;

In applying the premium allocation approach, the Group recognised any insurance acquisition cash flows as expenses when it incurred those costs, as the coverage period of each contract in the group at initial recognition is not more than one year.

The Group measured the liability for incurred claims for the Group of insurance contracts at the fulfillment of cash flows relating to incurred claims. However, the Group is not required to adjust future cash flows for the time value of money and the effect of financial risk, as those cash flows are expected to be paid or received in one year or less from the date the claims are incurred.

Notes to the Financial Statements

Previously, all acquisition costs were recognised and presented as separate assets from the related insurance contracts (deferred acquisition costs) until those costs were included in profit or loss and OCI. Under IFRS 17, only insurance acquisition cash flows that arise before the recognition of the related insurance contracts are recognised as separate assets and are tested for recoverability. These assets are presented in the carrying amount of the related portfolio of contracts and are derecognised once the related contracts have been recognised. Income and expenses from reinsurance contracts other than insurance finance income and expenses are now presented as a single net amount in profit or loss. Previously, amounts recovered from reinsurers and reinsurance expenses were presented separately.

There has been an allocation of fixed and variable overheads (such as the costs of accounting, human resources, information technology and support, building depreciation, rent, and maintenance and utilities) directly attributable to fulfilling insurance contracts. Such overheads are allocated to groups of contracts using methods that are systematic and rational, and are consistently applied to all costs that have similar characteristics.

Transition

Changes in accounting policies resulting from the adoption of IFRS 17 have been applied using a full retrospective approach to the extent practicable. Under the full retrospective approach at 1 January 2024, the Group:

- i. identified recognised and measured each group of insurance and reinsurance contracts as if IFRS 17 had always been applied;
- ii. identified recognised and measured any assets for insurance acquisition cash flows as if IFRS 17 had always been applied;
- iii. derecognised previously reported balances that would not have existed if IFRS 17 had always been applied. These included some deferred acquisition costs for insurance contracts, insurance receivables and payables, and provisions for levies that are attributable to existing insurance contracts. Under IFRS 17, they are included in the measurement of the insurance contracts; and
- iv. recognised any resulting net difference in equity.

Reinsurance contracts held — expected recovery of losses on underlying onerous contracts

Gains on reinsurance contracts have been recognised when a gain on that contract when the entity recognises a loss on initial recognition of an onerous group of insurance contracts covered by the reinsurance contract (referred to as 'underlying contracts'), or on the addition of further onerous contracts to that group. In recognising this gain, the cedant adjusts the CSM of the group of reinsurance contracts held. This is only applicable when the reinsurance contract held is recognised before, or at the same time as, the loss on the underlying contracts is recognised.

Simplified presentation of insurance contracts in the statement of financial position

The carrying amounts of portfolios of insurance contracts issued are assets and those that are liabilities have been presented separately in the statement of financial position. This presentation also applies to reinsurance contracts held.

Notes to the Financial Statements

A. Key types of insurance contracts issued, and reinsurance contracts held

The Group issues the following types of contracts that are accounted for in accordance with IFRS 17 Insurance Contracts.

Type of contact	Insurance Cover
Motor	Comprehensive
	Third Party
Non-Motor	Fire
	Miscellaneous Accident
	Personal Accident
	Public Liability
	Farm Combined
	Engineering
	Bonds And Guarantees

Reinsurance contracts held — expected recovery of losses on underlying onerous contracts

Type of contact	Insurance Cover
Motor	Comprehensive
Non-Motor	Fire
	Miscellaneous Accident
	Personal Accident
	Public Liability
	Farm Combined
	Engineering
	Bonds And Guarantees

The Group also holds the following types of reinsurance contracts to mitigate risk exposure.

For motor, fire, engineering, agriculture and miscellaneous accidents, the Group holds proportional treaties, namely surplus and quota share reinsurance treaties. The Group accounts for these treaties applying the PAA since their coverage period is at most two years and the LRC is comparable for both GMM and PAA.

For motor, fire, engineering, agriculture and miscellaneous accidents, the Group holds non-proportional treaties namely per risk and aggregate excess of loss reinsurance treaties. The Group accounts for these treaties applying the PAA since their coverage period is one year long. For all types of insurance contracts, the Group holds facultative reinsurance contracts accounted for applying the PAA.

Notes to the Financial Statements

B. Definitions and classifications

Products sold by the Group are classified as insurance contracts when the Group accepts significant insurance risk from an insured by agreeing to compensate the policyholder if a specified uncertain future event adversely affects the policyholder.

This assessment is made on a contract-by-contract basis at the contract issue date. In making this assessment, the Group considers all its substantive rights and obligations, whether they arise from contract, law, or regulation.

The Group determines whether a contract contains significant insurance risk by assessing if an insured event could cause the Group to pay to the policyholder additional amounts that are significant in any single scenario with commercial substance even if the insured event is extremely unlikely or the expected present value of the contingent cash flows is a small proportion of the expected present value of the remaining cash flows from the insurance contract.

C. Level of aggregation

The Group identifies portfolios by aggregating insurance contracts that are subject to similar risks and managed together. In grouping insurance contracts into portfolios, the Group considers the similarity of risks rather than the specific labelling of product lines. The Group has determined that all contracts within each product line, as defined for management purposes, have similar risks. Therefore, when contracts are managed together, they represent a portfolio of contracts. Each portfolio is subdivided into groups of contracts to which the recognition and measurement requirements of IFRS 17 are applied.

At initial recognition, the Group segregates contracts based on when they were issued. A cohort contains all contracts that were issued within a 12-month period. Each cohort is then further disaggregated into two groups of contracts:

- Contracts that are onerous on initial recognition (loss-making contracts), and
- Contracts that, on initial recognition, have no significant possibility of becoming onerous subsequently (profitable contracts).

The determination of whether a contract or a group of contracts is onerous is based on the expectations as at the date of initial recognition, with fulfilment cash flow expectations determined on a probability-weighted basis. The Group determines the appropriate level at which reasonable and supportable information is available to assess whether the contracts are onerous at initial recognition and whether the contracts are not onerous at initial recognition have a significant possibility of becoming onerous subsequently. Significant judgement is applied in determining at what level of granularity the Group has sufficient information to conclude that all contracts within a set will be in the same group. In the absence of such information, each contract is assessed individually.

The composition of groups established at initial recognition is not subsequently reassessed. All insurance contracts accounted for applying the PAA, the Group determines that contracts are not onerous on initial recognition, unless there are facts and circumstances indicating otherwise. The Group assesses the likelihood of changes in applicable facts and circumstances to determine whether contracts not onerous on initial recognition belong to a group with no significant possibility of becoming onerous in the future.

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If facts and circumstances indicate that some contracts may be onerous at initial recognition or have become onerous, the Group performs a quantitative assessment to assess whether the carrying amount of the liability for remaining coverage determined applying the PAA is less than the fulfilment cash flows related to remaining coverage determined applying the General Model. If the fulfilment cash flows related to remaining coverage determined applying the General Model exceed the PAA carrying amount of the liability for remaining coverage, the difference is recognized in profit or loss as a loss component and the liability for remaining coverage is increased by the same amount.

D. Contract boundary

The Group reached the following conclusion regarding the requirements of IFRS 17 relating to the contract boundary assessment and the initial recognition requirements for its insurance contracts.

Initial recognition:

The contract boundary distinguishes the expected cash flows that relate to existing insurance contracts from those that relate to future insurance contracts. Included within the measurement of a group of contracts will be all the future cash flows within the boundary of each contract in the group.

- i. As per IFRS 17, the contract boundary includes all cash flows that arise from substantive rights and obligations that exist during a period of time that:
- ii. The entity can compel the policyholder to pay premiums; or
- iii. The entity has a substantive obligation to provide the policyholder with services.
- iv. The Group has a substantive obligation to provide services for the coverage during the contractual term (i.e., up to 12 months from the start of the coverage period), as long as the policyholders continue to pay their premiums.

Contracts will be recognized at the earliest of:

- i. The beginning of the coverage period of the group of contracts;
- ii. The date when the first payment from a policyholder in the group becomes due; and
- iii. For a group of onerous contracts, when the group becomes onerous. For the Group, onerous contracts “become onerous” on the “start date”, with “Start date” being defined as the date when the Group assumes insurance risk and therefore, becomes obligated to provide coverage to the underlying policyholder at this date.

The contract boundary for each insurance contract issued by the Group is up to 12 months and includes:

- i. total expected premiums;
- ii. total expected claims; and
- iii. total expected expenses, including insurance acquisition cash flows.

Notes to the Financial Statements

E. Initial and subsequent measurement

Initial measurement

IFRS 17 states that an entity shall recognise an asset or liability for any insurance acquisition cash flows relating to a group of issued insurance contracts that the entity pays or receives before the group is recognised, unless it chooses to recognise them as expenses or income. An entity shall derecognise the asset or liability resulting from such insurance acquisition cash flows when the group of insurance contracts to which the cash flows are allocated is recognised.

Using the premium allocation approach, an entity shall measure the liability for remaining coverage as follows:

a. On initial recognition, the carrying amount of the liability is:

- i. the premiums, if any, received at initial recognition;
- ii. minus any insurance acquisition cash flows at that date, unless the entity chooses to recognise the payments as an expense; and
- iii. plus or minus any amount arising from the derecognition at that date of the asset or liability recognised for insurance acquisition cash flows.

If insurance contracts in the group have a significant financing component, an entity shall adjust the carrying amount of the liability for remaining coverage to reflect the time value of money and the effect of financial risk using the discount rates specified, as determined on initial recognition. The entity is not required to adjust the carrying amount of the liability for remaining coverage to reflect the time value of money and the effect of financial risk if, at initial recognition, the entity expects that the time between providing each part of the services and the related premium due date is no more than a year.

i. The measurement of the LRC is impacted by premiums received, both at initial recognition and subsequently. In general, premiums received means premiums actually received. However, a question arises with respect to how to treat premiums due under an insurance contract to an intermediary – when the intermediary has not yet remitted premiums to the insurer.

ii. In these cases, if the intermediary is acting on behalf of the:

b. Policyholder (i.e., in the event of default by the intermediary, the insurer can either enforce payment of the premium by the policyholder or cancel the insurance contract), the premium receivable has arisen from an insurance contract, so it should be accounted for in accordance with IFRS 17.

c. Insurer (i.e., in the event of default by the intermediary, the insurer is still obliged to fulfil its obligations to the policyholder under the contract), the premium receivable is a separate right not arising under an insurance contract, so it should be accounted for in accordance with IFRS

Insurance acquisition cash flows (if they exist) will be directly expensed as the Group chooses to recognise the payments as an expense.

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While significant financing components do not impact measurement at initial recognition, an assessment is required to be performed as to whether a significant financing component exists. IFRS 17 is not clear when a significant financing component exists, but per IFRS 17. An entity does not need to reflect the time value of money and effect of financial risk when the time between providing insurance contract services and the related premium due date is less than a year.

For the Group, cover is issued on a direct basis or through an intermediary. The intermediary will be acting on behalf of the Group, so premiums collected by brokers from policyholders, regardless of whether they have been remitted to the Group, are considered “received” for purposes of IFRS 17. Premiums due from the policyholder to the brokers do not impact the measurement of the LRC under IFRS 17.

Any cost designated as “insurance acquisition costs” incurred by the Servicing Carrier will be taken into consideration when calculating the carrying amount of the liability for remaining coverage at initial recognition.

The carrying amount of the LRC is expected to be calculated as the premiums received by brokers/Servicing Carriers (regardless of whether they have been remitted to the Group) less any acquisition cash flows.

The liability for incurred claims (LIC) is expected to be adjusted for the time value of money if expected cash flows are expected to be more than one year otherwise, no time value adjustments are made and the effect of financial risks is adjusted through risk adjustment.

Following the guidance set out above, IFRS 17 indicates that at the end of each reporting period, the carrying amount of the LRC consists of the carrying amount at the start of the reporting period:

- i. plus premiums received in the period;
- ii. minus insurance acquisition cash flows unless the entity chooses to recognize the payments as an expense;
- iii. plus any amounts relating to the amortization of insurance acquisition cash flows recognized as an expense in the reporting period; unless the entity chooses to recognize insurance acquisition cash flows as an expense;
- iv. plus any adjustment to a financing component, minus the amount recognized as insurance revenue for services provided in that period; and minus any investment component paid or transferred to the liability for claims incurred.

IFRS 17 indicates that insurance contract revenue for the period is the amount of expected premium receipts allocated to the period. The allocation to each period of insurance contract services is based on the passage of time. However, if the pattern of the release of risk during the coverage period differs significantly from the passage of time, then the expected premium receipts are allocated to periods of coverage on the basis of the expected timing of incurred insurance service expenses. The basis of allocation will be modified if facts and circumstances change over the coverage period.

The liability for incurred claims (LIC) is required to be adjusted for the time value of money and the effect of financial risk if the future cash flows are expected to be paid in more than one year's time from the date the claims are incurred.

Notes to the Financial Statements

For the Group's policies, the settlement of claims is expected to occur in less than one year's time from the date the claims are incurred based on the historical settlement of claims. Therefore, the liability for incurred claims is not expected to be adjusted for the time value of money, however, they will be adjusted for the effect of financial risks.

For policies issued by the Group, the loss component will be subsequently measured by:

- i. Performing the calculations noted above in the subsequent measurement section associated with IFRS 17 to determine the loss component at the end of each reporting period;
- ii. Calculating the difference between the loss component balance from the beginning of the reporting period and the loss component calculated, and
- iii. The difference calculated above will be the subsequent measurement adjustment (i.e, reversal) to the loss component in each reporting period.

Insurance Acquisition cash flows

Insurance acquisition cash flows are cash flows arising from the cost of selling, underwriting and starting a group of insurance contracts that are both directly and indirectly attributable to the portfolio of insurance contracts to which the group belongs.

As stated in IFRS 17, under the PAA, an entity may choose to recognize any insurance acquisition cash flows as expenses when it incurs those costs, provided that the coverage period of each contract in the group at initial recognition is no more than one year.

This option is available to the Group as the coverage period of each contract (individual policy) is 12 months. However, the Group has decided to defer the insurance acquisition cash flows and to amortize them in a pattern consistent with insurance revenue – being in accordance with the passage of time. Insurance acquisition cash flows will be deferred and amortised in a pattern consistent with insurance revenue (in accordance with the passage of time).

Basis of accounting for revenue

Underwriting results are determined on an annual basis, whereby the cost of claims incurred, commission and related expenses are charged against the earned proportion of premiums.

Insurance contracts

Contracts under which the Group accepts significant insurance risk from another party (the "policyholder") by agreeing to compensate the policyholder, or other beneficiary, if a specified uncertain future event (the "insured event") adversely affecting the policyholder, are classified as insurance contracts. Insurance risk is risk other than financial risk.

Notes to the Financial Statements

Financial risk is the risk of a possible future change in one or more of a specified interest rate, security price, commodity price, foreign exchange rate, index of prices or rates, a credit rating or credit index or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract.

Insurance risk is significant if, and only if, an insured event could cause an insurer to pay significant additional benefits in any scenario, excluding scenarios that lack commercial substance. If significant additional benefits would be payable in scenarios that have commercial substance, significant insurance risk exists even if the insured event is extremely unlikely or even if the expected present value of contingent cash flows is a small proportion of the expected present value of all the remaining contractual cash flows. A contract that is classified as an insurance contract remains an insurance contract until all rights and obligations are extinguished or expire.

Short-term insurance contracts

Short-term insurance provides benefits under short-term policies. These contracts are casualty and property insurance contracts. Casualty insurance contracts protect customers against the risk of causing harm to third parties as a result of their legitimate activities. Damages covered include both contractual and non contractual events. The typical protection offered is designed for employers who become legally liable to pay compensation to injured employees ("employers' liability") and for individual and business customers who become liable to pay compensation to a third party for bodily harm or property ("public liability"). Property insurance contracts mainly compensate customers for damage suffered to their property or for the value of property lost. Customers who undertake commercial activities on their premises could also receive compensation for the loss of earnings caused by the inability to use the insured property in their business activities ("business interruption cover").

3. Critical accounting estimates and judgements

The following are the critical judgements, apart from those involving estimations, that the Directors and management have made in the process of applying the entity's accounting policies, and that have the most significant effect on the amounts recognized in the financial statements.

3.1.1. Key sources of uncertainty

3.1.2. Functional currency

The financial statements are presented in Zimbabwe Gold (ZWG) which is the functional currency of the Group. Adoption of the ZWG as a functional currency was effective on the 5th of April 2024, following the promulgation of Statutory Instrument 60 of 2024 (S.I.60).

The Directors assessed that the ZWG remained the functional currency of the entity. Historic foreign currency-based transactions have been translated using the applicable interbank rate.

Notes to the Financial Statements

3.1.3. Financial Instruments

Significant increase of credit risk

ECL is measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL assets for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. IFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased, the Group considers qualitative and quantitative reasonable and supportable forward-looking information.

Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions, as well as forward-looking estimates at the end of each reporting period. Refer to Note 2.6.

3.1.4. Useful lives and residual values of property, plant and equipment

The Group's management determines the estimated useful lives and residual values for its property, plant and equipment at the end of each reporting period. The remaining useful lives and residual values are reassessed based on business trends, technological developments, asset condition and management's plans. The useful lives and residual values so determined involved the exercise of significant levels of judgement based on data that is not readily observable. Refer to note 2.4.

3.1.5. Valuation of land and buildings

The valuation was undertaken using the appropriate valuation methodology and professional judgment of the valuers. The Group engaged professional valuers to value land and buildings at the end of the reporting period. The fair values as determined by the valuers are used for reporting purposes.

Valuations of land and buildings are based on market comparable and income methods. The market comparable approach considers comparable market evidence, i.e, the sales evidence either achieved or on the market, of similar land and buildings situated in the comparable residential suburbs and undeveloped land with that of subject land and buildings, or the sales evidence of complete transactions as well as transactions where offers had been made but the transaction had not been completed. The income approach involves the capitalization of expected rental income by an appropriate yield. The most acceptable approach in assessing the valuation of commercial properties is the income approach. Accordingly, the income approach was used for all land and buildings except for undeveloped land and residential properties, for which the comparative approach was used.

The valuers have stated that valuations rely on inputs such as market rentals per square meter, rental yields and recent prices per square meter for comparable properties. Refer to Note 2.4.

Notes to the Financial Statements

3.1.6. Foreign currency translation

In preparing the financial statements, transactions incurred in currencies other than the functional currency were recognised at the prevailing interbank rate at the date of the transaction. At the end of each reporting period, monetary assets and liabilities denominated in foreign currencies are retranslated at the rates prevailing at that date. Gains and losses arising on exchange are recognised in the statement of profit or loss and other comprehensive income.

On 8 April 2024, the Reserve Bank of Zimbabwe (RBZ), set the ZWG to USD exchange rate at a rate of ZWG13.56: USD1, and was subsequently allowed to float. On September 27, the RBZ slashed the value of the ZWG by 43 percent, taking it from ZWG13.56 to US at its launch to ZWG 4.4 to the USD1. Exchange Control circular no. 3 of 2022, dated 9 May 2022, was issued by the RBZ.

The circular highlighted that all surrender of export and domestic sales in foreign currency shall be sold to the Reserve Bank of Zimbabwe at the prevailing interbank rate as determined by the willing buyer willing seller mechanism and prior to this announcement all export receipts were being liquidated at the auction rate.

Effective February 1, 2023, the Governor of the Reserve Bank of Zimbabwe, through Exchange Control Directive Ryoo 2/2023, increased the export retention percentage from 60% to 75%.

Assessment of impairment of property, equipment and right of use asset

Determining whether property, equipment and right of use asset is impaired requires an estimation of the value in use. The value in use calculation requires the Directors to estimate the future cash flows expected and a suitable discount rate to calculate present value. The Directors believe that there is no evidence of impairment of property, equipment and the right of use asset at the end of the reporting period. The Directors determine a suitable discount rate for purposes of determining the right of use asset value in use as the Group's applicable incremental borrowing rate. The assessment does not relate to properties that are fairly valued. Refer to Note 2.4.

3.1.7. Site restoration and dismantling cost

The Group has an obligation to dismantle, remove and restore items of property, plant, and equipment. Such obligations are referred to as 'decommissioning, restoration, and similar liabilities. The cost of an item of property, plant and equipment includes the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or because of having used the item during a particular period for purposes other than to produce inventories during that period.

3.1.8. Impairment of loans and trade receivables

A provision for impairment is established when there is evidence of significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial re-organisation, and default or delinquency in payments.

Notes to the Financial Statements

3.1.9. Investments in subsidiaries

Values for investments in subsidiaries are deemed costs for the investments based on the net fair value of the assets of the subsidiaries.

3.1.10. Fair value estimation

Several assets and liabilities of the Group are either measured at fair value or disclosure is made of their fair values. Observable market data is used as inputs to the extent that it is available. Qualified external valuers are consulted for the determination of appropriate valuation techniques and inputs.

3.1.11. Impairment testing

The Group reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. When such indicators exist, management determines the recoverable amount by performing value in use and fair value calculations. These calculations require the use of estimates and assumptions.

When it is not possible to determine the recoverable amount for an individual asset, management assesses the recoverable amount for the cash generating unit to which the asset belongs.

3.1.12. Allowance for slow moving, damaged and obsolete inventory

Management assesses whether inventory is impaired by comparing its cost to its estimated net realisable value. Where an impairment is necessary, inventory items are written down to net realisable value. The write down is included in cost of sales.

3.1.13. Provisions

The Group records a provision for rehabilitation of its mines at Dorowa Minerals Limited and G&W Industrial Minerals Limited. The Group records the present value of estimated costs of legal and constructive obligations required to restore operating locations in the period in which the obligation is incurred. The nature of these restoration activities includes dismantling and removing structures, rehabilitating mines and tailings dams, dismantling operating facilities, closure of plant and waste sites, and restoration, reclamation and re-vegetation of affected areas. The obligation generally arises when the asset is installed, or the ground/ environment is disturbed at the production location.

When the liability is initially recognised, the present value of the estimated costs is capitalised by increasing the carrying amount of the related mining assets to the extent that it was incurred by the development/construction of the mine. Over time, the discounted liability is increased for the change in present value based on the discount rates that reflect current market assessments and the risks specific to the liability. Refer to Note 2.24.

Notes to the Financial Statements

3.1.14. Ore reserve and resource estimates

Ore reserves are estimates of the amount of ore that can be economically and legally extracted from the Group's mining properties. Qualified external valuers are consulted for the determination of appropriate valuation techniques and inputs for the estimates of the ore reserves and mineral resources.

Changes in the reserve or resource estimates may impact upon the carrying value of exploration and evaluation assets, mine properties, property, plant and equipment, goodwill, provision of rehabilitation, recognition of deferred tax assets and depreciation and amortisation charges.

3.1.15. Bulk raw material measurement

Bulk raw materials and manufactured goods are measured using the tachometric and the tape methods. The tape method is used when the density of raw materials and manufactured goods is low. The acceptable rate of error for the tachometric is +/-0.5% whilst for the tape method is +/-10%.

3.2.1. Financial Instruments

Establishing Group assets with similar credit risk characteristics

When ECLs are measured on a collective basis, the financial instruments are grouped based on shared risk characteristics. The Group monitors the appropriateness of the credit risk characteristics on an ongoing basis to assess whether they continue to be similar. This is required to ensure that, should credit risk characteristics change, there is appropriate re-segmentation of the assets. This may result in new portfolios being created or assets moving to an existing portfolio that better reflects the similar credit risk characteristics of the Group assets.

Re-segmentation of portfolios and movement between portfolios is more common when there is a significant increase in credit risk (or when that significant increase reverses) and so assets move from 12-month to lifetime ECLs, or vice versa, but it can also occur within portfolios that continue to be measured on the same basis of 12-month or lifetime ECLs but the amount of ECL changes because the credit risk of the portfolios differ.

Models and assumptions used

The Group uses various models and assumptions in measuring fair value of financial assets as well as in estimating ECL. Judgement is applied 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. Refer to Note 2.6.

Notes to the Financial Statements

3.2.2. Income tax

The Group is subject to income taxes in Zimbabwe. Significant judgment is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of the business. The Group recognizes liabilities based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. During the current year, the entity applied a tax rate of 25.75% (December 2023:24.72%). Refer to Note 2.11.

3.2.3. Hyperinflation accounting

The financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board (“IASB”), and in the manner required by the Companies and other Business Entities Act (Chapter 24:31). The financial statements are based on the statutory records, which are maintained under the historical cost convention, these are restated to take account of the effects of inflation in accordance with International Accounting Standard 29, IAS 29’ (Financial Reporting in Hyperinflationary Economies). Refer to note 2.1 for judgements used.

3.2.4. Determining appropriateness of use of interbank spot rate

In determining the appropriateness of use of the interbank rate of exchange to translate transactions incurred in currencies other than the functional currency, the Group considered the following factors:

- net exporter and has not accessed foreign currency from any other market except for its own generated resources;
- Twenty-five percent of export receipts are compulsorily liquidated at prevailing auction market rates;
- Imports and other operational requirements are funded from own generated funds;

The Group’s operations are considered essential services and, in the event own generated resources would have been inadequate, it would have participated on the auction market for allocation.

Determining the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option. The assessment is reviewed if a significant event or change in circumstances occurs which affects this assessment.

3.2.5. Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) because of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Judgement is required on whether a present obligation exists.

Notes to the Financial Statements

4. New Standards and Interpretations

4.1 Standards and interpretations effective and adopted in the current year

In the current year, the Group has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
<p data-bbox="105 539 555 613">IFRS 16, Leases -Lease Liability in a Sale and Leaseback)</p> <p data-bbox="105 667 555 824">The amendment requires a seller-lessee to account for variable lease payments that arise in a sale-and-leaseback transaction as follows:</p> <ul data-bbox="137 882 555 1368" style="list-style-type: none"><li data-bbox="137 882 555 1093">• On initial recognition, include variable lease payments when measuring a lease liability arising from a sale-and-leaseback transaction.<li data-bbox="137 1111 555 1368">• After initial recognition, apply the general requirements for subsequent accounting of the lease liability such that no gain or loss relating to the retained right of use is recognized. <p data-bbox="105 1379 555 1581">Seller-lessees are required to reassess and potentially restate sale-and-leaseback transactions entered into since the implementation of IFRS 16 in 2019.</p>	<p data-bbox="571 499 767 533">1 January 2024</p>	<p data-bbox="1038 499 1426 533">There was no material impact</p>

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
<p>Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures - Supplier Finance Arrangements</p> <p>The amendments add a disclosure objective to IAS 7, stating that an entity is required to disclose information about its supplier finance arrangements that enables users of financial statements to assess the effects of those arrangements on the entity's liabilities and cash flows.</p> <p>In addition, IFRS 7 was amended to add supplier finance arrangements as an example within the requirements to disclose information about an entity's exposure to concentration of liquidity risk.</p>	1 January 2024	There was material impact
<p>Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Non-current</p> <p>Executive Summary</p> <p>The amendments to IAS 1 affect only the presentation of liabilities as current or non-current in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expense, or the information disclosed about those items.</p> <p>The amendments</p> <ul style="list-style-type: none"> *clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, *specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, *explain that rights are in existence if covenants are complied with at the end of the reporting period, and *introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the documentary of cash, equity instruments, other assets or services. 	1 January 2024	There was no material impact

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
<p>Non-Current liabilities with Covenants</p> <p>Non-current liabilities with Covenants amend IAS 1, Presentation of Financial Statement. The amendments improve the information an entity provides when its right to defer settlement of a liability for at least twelve months is subject to compliance with covenants. The amendments also respond to stakeholders' concerns about the classification of such a liability as current or non-current</p>	1 January 2024	There was no material impact
<p>IFRS S1 General requirements for the disclosure of sustainability-related financial information</p> <p>IFRS S1 establishes general requirements with the objective of requiring an entity to disclose information about its sustainability-related risks and opportunities. IFRS S1 prescribes how an entity should prepare and present its sustainability-related financial information. It sets out general requirements for the content and presentation of these disclosures so that the information disclosed is useful to primary users of financial reporting in making decisions about the provision of resources to the entity.</p>	1 January 2024	There was no material impact
<p>IFRS S2 Climate-related Disclosures</p> <p>The objective of IFRS S2 is to require an entity to disclose information about its climate-related risks and opportunities that is useful to users of general purpose financial reports in making decisions relating to providing resources to the entity.</p> <p>IFRS S2 requires an entity to disclose information about climate-related risks and opportunities that could reasonably be expected to affect the entity's cash flows, its access to finance or cost of capital over the short, medium or long term.</p>	1 January 2024	There was material impact

Notes to the Financial Statements

4.2. Standards, amendments and interpretations not yet effective

The Group has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the Group's accounting periods beginning on or after 01 January 2025 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
<p data-bbox="106 562 512 633">Amendment to IAS 21: Lack of Exchangeability</p> <p data-bbox="106 678 678 1816">On 15 August 2023, the IASB issued Lack of Exchangeability, which amended IAS 21 The Effects of Changes in Foreign Exchange Rates (the Amendments). The Amendments arose as a result of a submission received by the IFRS Interpretations Committee about the determination of the exchange rate when there is a long-term lack of exchangeability. IAS 21, prior to the Amendments, did not include explicit requirements for the determination of the exchange rate when a currency is not exchangeable into another currency, which led to diversity in practice. The Committee recommended that the IASB develop narrow scope amendments to IAS 21 to address this issue. After further deliberations, the IASB issued an exposure draft of the proposed amendments to IAS 21 in April 2021 and the final amendments were issued in August 2023. The Amendments introduce requirements to assess when a currency is exchangeable into another currency and when it is not. The Amendments require an entity to estimate the spot exchange rate when it concludes that a currency is not exchangeable into another currency.</p>	<p data-bbox="697 562 890 600">1 January 2025</p>	<p data-bbox="1147 562 1489 645">Likely there will be a material impact</p>

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
<p>Amendments to IFRS 9 and IFRS 7: Amendments to the Classification and Measurement of Financial Instruments</p> <p>In response to matters that had been raised to the IFRS Interpretations Committee as well as matters that arose during the post-implementation review of classification and measurement requirements of IFRS 9 Financial Instruments, in May 2024, the IASB issued Amendments to the Classification and Measurement of Financial Instruments. The Amendments modify the following requirements in IFRS 9 and IFRS 7:</p> <p>Derecognition of financial liabilities</p> <ul style="list-style-type: none"> • Derecognition of financial liabilities settled through electronic transfers <p>Classification of financial assets</p> <ul style="list-style-type: none"> • Elements of interest in a basic lending arrangement (the solely payments of principle and interest assessment – ‘SPPI test’) • Contractual terms that change the timing or amount of contractual cash flows • Financial assets with non-recourse features <p>Disclosures</p> <ul style="list-style-type: none"> • Investments in equity instruments designated at fair value through other comprehensive income • Contractual terms that could change the timing or amount of contractual cash flows. <p>The Amendments may significantly affect how entities account for the derecognition of financial liabilities and how financial assets are classified. The Amendments permit an entity to early adopt only the amendments related to the classification of financial assets and the related disclosures and apply the remaining amendments later. This would be particularly useful to entities that wish to apply the Amendments early for financial instruments with ESG (Environmental, Social and</p>	<p>Postponed to a date to be advised (initially 1 January 2016)</p>	<p>Unlikely there will be a material impact</p>

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
<p>IFRS 18 Presentation and Disclosure in Financial Statements</p> <p>IFRS 18 Presentation and Disclosure in Financial Statements replaces IAS 1 Presentation of Financial Statements and is mandatorily effective for annual reporting periods beginning on or after 1 January 2027. IFRS 18, which was published by the IASB on 9 April 2024, sets out significant new requirements for how financial statements are presented, with particular focus on:</p> <ul style="list-style-type: none"> • The statement of profit or loss, including requirements for mandatory sub-totals to be presented. IFRS 18 introduces requirements for items of income and expense to be classified into one of five categories in the statement of profit or loss. This classification results in certain sub-totals being presented, such as the sum of all items of income and expense in the operating category comprising the new mandatory ‘operating profit or loss’ sub-total. • Aggregation and disaggregation of information, including the introduction of overall principles for how information should be aggregated and disaggregated in financial statements. • Disclosures related to management-defined performance measures (MPMs), which are measures of financial performance based on a total or sub-total required by IFRS Accounting Standards with adjustments made (e.g, ‘adjusted profit or loss’). Entities will be required to disclose MPMs in the financial statements with disclosures, including reconciliations of MPMs to the nearest total or sub-total calculated in accordance with IFRS Accounting Standard. <p>The aim of the IASB in publishing IFRS 18 is to improve comparability and transparency of companies’ performance reporting. IFRS 18 has also resulted in narrow changes to the statement of cash flows.</p>	<p>1 January 2027</p>	<p>Likely, there will be a material impact.</p>

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
<p data-bbox="105 192 775 264">IFRS 19 Subsidiaries without Public Accountability: Disclosures</p> <p data-bbox="105 300 775 421">On 9 May 2024, the International Accounting Standards Board (IASB) issued IFRS 19 Subsidiaries without Public Accountability: Disclosures.</p> <p data-bbox="105 472 775 1059">Stakeholders have asked the IASB to permit a subsidiary reporting to a parent applying IFRS Accounting Standards in its consolidated financial statements to apply IFRS Accounting Standards with reduced disclosure requirements in its own financial statements. Considering this feedback, the IASB added a project to its research pipeline to provide reduced disclosure requirements for subsidiaries without public accountability. The project has culminated in the issuance of IFRS 19, which permits eligible subsidiaries to apply reduced disclosure requirements while applying the recognition, measurement and presentation requirements in IFRS Accounting Standards.</p> <p data-bbox="105 1111 775 1615">For example, under IFRS 19, an entity that has transactions within the scope of IFRS 2 Share-based Payment would not apply the disclosure requirements in IFRS 2.44-52, which are extensive. Instead, an entity would disclose only the information contained in paragraphs 31-34 of IFRS 19, which include a description of share-based payment arrangements, the number and weighted average exercise prices of share options, how an entity measures the fair value of equity settled share-based payment transactions and other general information about transactions in the scope of IFRS 2.</p>	<p data-bbox="791 192 986 226">1 January 2027</p>	<p data-bbox="1260 192 1546 264">Likely, there will be a material impact</p>

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5 Loss before taxation is stated after accounting for the following items:

5.1 Revenue

Revenue consists of the following principal categories

	GROUP		CORPORATION	
	Inflation Adjusted	Historical Cost	Inflation Adjusted	Historical Cost
	2024	2023	2024	2023
Sale of goods and services	1,327,139,557	1,389,384,499	842,466,004	74,071,516
Management fees	-	-	39,109,134	27,838,144
	1,327,139,557	1,389,384,499	842,466,004	74,071,516

5.2 Other operating income

Profit on disposal of items of property and equipment

	GROUP		CORPORATION	
	Inflation Adjusted	Historical Cost	Inflation Adjusted	Historical Cost
	2024	2023	2024	2023
Fees and commission	2,372,992	45,302,173	1,560,971	2,292,234
Rent received	4,959,645	2,622,117	3,278,708	142,014
Sundry income	18,288,623	22,558,089	12,336,076	1,289,075
Guarantee fees	9,840,665	18,434,795	7,338,500	990,708
Directors fees	177,346	5,162,197	52,866	268,254
Scrap sales	1,910,077	314,327	396,224	2,432
Dividends	18,807,621	6,599,524	11,643,615	460,169
	-	-	-	-
	56,356,969	100,993,222	36,606,960	5,444,886

5.2a Exchange gain/(loss)

	GROUP		CORPORATION	
	Inflation Adjusted	Historical Cost	Inflation Adjusted	Historical Cost
	2024	2023	2024	2023
Realised	250,765,615	380,888,352	157,276,852	18,999,911
Unrealised	(16,723,694)	82,829,288	(30,202,955)	778,075
	234,041,921	463,717,640	127,073,897	19,777,986

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5.3 Administration expenses Included in the administration expenses are the following items:	GROUP						CORPORATION					
	Inflation Adjusted		Historical Cost		Inflation Adjusted		Historical Cost		Inflation Adjusted		Historical Cost	
	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
Loss on disposal of items of property and equipment	505,972	13,747	305,763	31	763	13,747	281	1,228	1,228	1,228	1,228	281
Audit fees	37,006,541	2,499,627	25,585,328	179,502	326,144	615,978	50,477	193,964	193,964	193,964	193,964	50,477
Depreciation	23,022,208	39,300,303	11,869,540	1,364,818	665,943	1,250,325	36,774	469,415	469,415	469,415	469,415	36,774
Amortisation of intangible assets	1,696	5,688	1,224	68	-	-	-	-	-	-	-	-
Directors' emoluments:												
- for services as directors	7,058,580	9,663,222	5,127,395	329,005	1,065,035	924,032	49,438	791,374	791,374	791,374	791,374	49,438
- for managerial services	106,308,666	135,669,886	78,017,691	7,436,311	12,438,748	6,362,127	436,486	9,122,163	9,122,163	9,122,163	9,122,163	436,486
Employee benefits expense :												
- Salaries and wages	319,519,887	316,265,909	186,323,899	19,672,284	31,572,134	47,901,995	2,688,906	24,201,149	24,201,149	24,201,149	24,201,149	2,688,906
- National Social Security Authority	8,929,212	6,971,928	7,086,830	247,701	965,589	1,117,114	70,498	696,043	696,043	696,043	696,043	70,498
- Pension costs	8,800,963	10,793,453	7,004,589	484,838	2,089,510	2,197,047	123,971	1,196,685	1,196,685	1,196,685	1,196,685	123,971
- Medical aid	23,663,582	20,336,046	17,061,326	1,095,170	2,013,343	1,158,499	52,619	1,520,515	1,520,515	1,520,515	1,520,515	52,619
Other administration expenses	21,768,293	25,066,701	16,094,596	1,444,950	20,591,469	25,066,701	1,444,950	14,917,772	14,917,772	14,917,772	14,917,772	1,444,950
Total	556,585,600	566,586,510	354,478,181	32,254,678	71,728,678	86,607,565	4,954,400	53,110,308	53,110,308	86,607,565	53,110,308	4,954,400
5.4 Net finance costs												
Finance costs:												
Interest on debts and borrowings	(12,253,781)	(26,882,697)	(8,944,139)	(713,665)	-	-	-	-	-	-	-	-
Finance income:												
Interest on accounts receivable	17,137,972	29,317,475	10,775,028	1,059,174	7,079,758	18,925,047	695,928	4,825,386	4,825,386	18,925,047	4,825,386	695,928
	4,884,191	2,434,778	1,830,889	345,509	7,079,758	18,925,047	695,928	4,825,386	4,825,386	18,925,047	4,825,386	695,928

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6	Taxation	GROUP				CORPORATION							
		Inflation Adjusted		Historical Cost		Inflation Adjusted		Historical Cost					
		2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG				
	Income tax												
	Current tax expenses												
	Current year	(42,869,959)	(102,849,272)	(43,812,232)	(5,829,331)	(1,633,209)	(2,940,774)	(1,428,102)	(263,718)	(42,869,959)	(102,849,272)	(43,812,232)	(5,829,331)
		(42,869,959)	(102,849,272)	(43,812,232)	(5,829,331)	(1,633,209)	(2,940,774)	(1,428,102)	(263,718)	(42,869,959)	(102,849,272)	(43,812,232)	(5,829,331)
	Deferred tax expense												
	Origination and reversal of temporary differences	14,602,040	152,825,437	16,626,807	23,648,133	(1,192,516)	50,870,050	(1,192,516)	125,796	14,602,040	152,825,437	16,626,807	23,648,133
	Income tax (expense)/credit reported in the income statement	(28,267,919)	49,976,165	(27,185,425)	17,818,802	(2,825,725)	47,929,276	(2,620,618)	(137,922)	(28,267,919)	49,976,165	(27,185,425)	17,818,802
	Amounts recognised in other comprehensive income												
	Revaluation of property, plant and equipment	(15,428,385)	341,064,267	304,701,069	56,196,496	1,322,180	-	2,451,180	-	(15,428,385)	341,064,267	304,701,069	56,196,496
	Income tax charged directly to other comprehensive income	(15,428,385)	341,064,267	304,701,069	56,196,496	1,322,180	-	2,451,180	-	(15,428,385)	341,064,267	304,701,069	56,196,496
	Reconciliation of effective tax charge												
	(Loss) /profit before tax	(87,973,638)	272,071,013	763,086,606	37,626,747	5,402,023	(22,656,208)	58,085,680	2,445,119	(87,973,638)	272,071,013	763,086,606	37,626,747
	Standard rates at 25.75%(2023: 24.72%)	(22,653,212)	67,255,954	196,494,801	9,301,332	1,391,021	(5,600,615)	14,957,063	604,433	(22,653,212)	67,255,954	196,494,801	9,301,332
	Interest subject to lower rates of tax	(732,629)	(365,217)	(274,633)	(51,826)	(1,061,964)	(2,838,757)	(723,808)	(104,389)	(732,629)	(365,217)	(274,633)	(51,826)
	Dividends received	-	-	-	-	28,718,886	19,610,693	18,551,447	1,058,608	-	-	-	-
	Fair value adjustments	(5,399,862)	(25,845,629)	(175,207,293)	(3,617,588)	22,050,178	22,603,201	15,191,534	929,627	(5,399,862)	(25,845,629)	(175,207,293)	(3,617,588)
	Impairment allowances	5,357,593	32,039,222	3,893	418,193	5,357,593	-	3,893	-	5,357,593	32,039,222	3,893	418,193
	Disallowable expenses	(4,839,810)	(23,108,166)	(48,202,192)	11,768,692	(59,281,440)	14,154,753	(50,600,747)	(2,626,201)	(4,839,810)	(23,108,166)	(48,202,192)	11,768,692
	Income tax (expense)/credit	(28,267,919)	49,976,165	(27,185,425)	17,818,802	(2,825,725)	47,929,276	(2,620,618)	(137,922)	(28,267,919)	49,976,165	(27,185,425)	17,818,802

Notes to the Financial Statements

INDUSTRIAL DEVELOPMENT CORPORATION OF ZIMBABWE LIMITED
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FOR THE YEAR ENDED 31 DECEMBER 2024

7	Deferred taxation	GROUP				CORPORATION							
		Inflation Adjusted		Historical Cost		Inflation Adjusted		Historical Cost					
		2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG				
	Net deferred tax analysed as follows												
	Deferred tax liabilities	385,091,813	421,716,068	364,139,173	37,508,433	(2,953,565)	(2,515,659)	(10,675,389)	425,900				
	Deferred tax asset	(19,994,209)	(36,273,910)	(23,689,933)	(1,534,906)	10,568,744	7,616,142	14,194,123	(550,861)				
		365,097,604	385,442,158	340,449,240	35,973,527	7,615,179	5,100,483	3,518,734	(124,961)				
	Deferred tax comprises of the tax effect on temporary differences arising from:												
	Property, plant and equipment	284,876,052	345,322,744	284,799,570	29,135,326	-	-	(19,284)	16,995				
	Receivables	-	9,837,464	-	905,520	-	-	-	-				
	Investments	23,686,088	22,873,237	23,686,088	2,180,485	-	-	-	-				
	Revaluations	39,292,843	43,682,624	40,445,944	4,571,902	1,322,180	-	2,475,281	-				
	Prepayments	3,488,729	1,630,113	3,488,729	306,295	-	-	-	-				
	Provisions	(9,581,537)	(11,059,764)	(9,726,227)	(1,039,579)	(4,275,745)	(2,515,659)	(4,275,745)	(231,561)				
	Assessed loss	(10,412,672)	(5,928,928)	(13,963,706)	(495,327)	(2,964,915)	(3,468,833)	(6,380,360)	(319,300)				
	Other	33,748,101	(20,915,331)	11,718,842	408,905	13,533,659	11,084,975	11,718,842	408,905				
		365,097,604	385,442,158	340,449,240	35,973,527	7,615,179	5,100,483	3,518,734	(124,961)				

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and deferred tax assets, and deferred tax liabilities relate to income taxes levied by the same authority.

The Group recognised deferred tax assets in respect of the assessed tax losses because it is probable that future taxable profits will be available against which the Group can use the benefits therefrom. The deferred tax on assessed losses amount to ZWG10 412 672 (2023 : ZWG5 928 928)

Notes to the Financial Statements

INDUSTRIAL DEVELOPMENT CORPORATION OF ZIMBABWE LIMITED

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS

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8 Property, plant and equipment Inflation Adjusted GROUP

	Land, buildings & permanent works ZWG	Plant & equipment ZWG	Motor vehicles ZWG	Office furniture & equipment ZWG	Capital work in progress ZWG	Total
Cost or valuation						
At 1 January 2023	1,549,084,323	129,101,617	29,316,917	11,026,592	11,814,787	1,730,344,236
Additions	558,312	1,317,691	4,132,478	4,298,374	6,526,666	16,833,521
Revaluation	1,569,207,565	81,473,463	8,766,512	19,100,511	(8,828,544)	1,669,719,507
Disposals	-	(773)	(1,119,767)	(58,514)	-	(1,179,054)
As 31 December 2023	3,118,850,200	211,891,998	41,096,140	34,366,963	9,512,909	3,415,718,210
Additions	-	3,904,752	1,303,637	2,705,860	1,518,360	9,432,609
Transfers	(1,289,532)	(539,439)	-	4,946	(3,576,251)	(5,400,276)
Revaluation	(285,581,548)	(42,847,119)	(15,541,437)	(17,073,289)	(5,598,810)	(366,642,203)
Disposals	-	(494)	(1,973,056)	(6,637)	-	(1,980,187)
Impairments	(26,402,865)	(389,483)	(100,429)	(256,210)	-	(27,148,987)
At 31 December 2024	2,805,576,255	172,020,215	24,784,855	19,741,633	1,856,208	3,023,979,166
Accumulated depreciation						
At 1 January 2023	4,911,269	-	-	-	-	4,911,269
Charge for the year	18,481,664	12,761,906	3,120,205	4,936,529	-	39,300,304
Revaluation	(18,384,465)	(12,739,559)	(2,406,921)	(4,312,039)	-	(37,842,984)
Disposals	-	(486)	(76,170)	(16,382)	-	(93,038)
As 31 December 2023	5,008,468	21,861	637,114	608,108	-	6,275,551
Charge for the year	10,727,732	7,765,031	2,747,456	1,781,989	-	23,022,208
Revaluation	(15,639,001)	(7,764,908)	(2,881,746)	(2,366,370)	-	(28,652,025)
Disposals	-	(123)	(491,970)	(2,789)	-	(494,882)
Impairments	(97,199)	(21,861)	(10,854)	(20,938)	-	(150,852)
At 31 December 2024	-	-	-	-	-	-
Net book value						
As 31 December 2024	2,805,576,255	172,020,215	24,784,855	19,741,633	1,856,208	3,023,979,166
As 31 December 2023	3,113,841,732	211,870,137	40,459,026	33,758,855	9,512,909	3,409,442,659

Notes to the Financial Statements

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Historical Cost

GROUP

	Land, buildings & permanent works ZWG	Plant & equipment ZWG	Motor vehicles ZWG	Office furniture & equipment ZWG	Capital work in progress ZWG	Total ZWG
Cost or valuation						
At 1 January 2023	29,461,552	2,472,984	561,570	211,244	225,915	32,933,265
Additions	19,615	56,385	175,026	166,020	796,930	1,213,976
Revaluation	254,467,347	16,963,744	2,771,767	2,465,568	-	276,668,426
Disposals	-	(15)	(22,891)	(2,035)	-	(24,941)
As 31 December 2023	283,948,514	19,493,098	3,485,472	2,840,797	1,022,845	310,790,726
Additions	-	3,659,836	1,068,881	2,348,095	1,087,410	8,164,222
Revaluation	2,523,433,257	149,195,385	21,395,282	14,558,964	-	2,708,582,888
Transfers	(1,299,765)	(320,351)	-	3,297	(254,065)	(1,870,884)
Disposals	-	(294)	(1,162,856)	(4,511)	-	(1,167,661)
Impairments	(505,751)	(7,461)	(1,923)	(5,008)	-	(520,143)
At 31 December 2024	2,805,576,255	172,020,213	24,784,856	19,741,634	1,856,190	3,023,979,148
Accumulated depreciation						
At 1 January 2023	17,937	-	-	-	-	17,937
Charge for the year	667,123	410,303	98,386	189,006	-	1,364,818
Revaluation	(663,701)	(409,548)	(79,391)	(169,819)	-	(1,322,459)
Disposals	-	(9)	(1,174)	(1,043)	-	(2,226)
As 31 December 2023	21,359	746	17,821	18,144	-	58,070
Charge for the year	5,012,232	4,502,917	1,279,745	1,074,646	-	11,869,540
Revaluation	(5,030,170)	(4,502,897)	(1,007,121)	(1,090,134)	-	(11,630,322)
Disposals	-	(20)	(290,059)	(1,896)	-	(291,975)
Impairments	(3,421)	(746)	(386)	(760)	-	(5,313)
At 31 December 2024	-	-	-	-	-	-
Net book value						
As 31 December 2024	2,805,576,255	172,020,213	24,784,856	19,741,634	1,856,190	3,023,979,148
As 31 December 2023	283,927,155	19,492,352	3,467,651	2,822,653	1,022,845	310,732,656

Notes to the Financial Statements

(a) Fair value measurement of the Group's freehold land and buildings

Corporation : During the year, land was revalued by an independent valuer. The corporation engaged Green Plan (Private) Limited, an accredited independent valuer to assess the fair value property, plant and equipment for the year ended 31 December 2024.

Sunway City : During the the year, land was revalued by an independent valuer. The company engaged G.M Property Link (Private) Limited, an accredited independent valuer to assess the fair value of investment property comprising of factory buildings to be leased out on completion in terms of an operating lease. The fair value factory buildings were revalued on the basis of observable prices on the active market as at 31 December 2024.

Chemplex Corporation

The Property, plant and equipment were revalued by Green Plan (Privated) Limited as at 31 December 2024 using market values to determine fair values.

The market values were estimated amounts for which an item of property, plant and equipment should be exchanged on the date of valuation between willing buyer and willing seller in an arm's length transaction. The depreciated replacement cost method was used.

Details of the Group's land and buildings and information about fair value hierarchy as at 31 December 2024 were as follows:

GROUP	Inflation Adjusted		Historical Cost	
	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
Balance at 1 January	3,113,841,732	1,549,084,323	283,927,155	29,443,615
Additions	-	558,312	-	19,615
Changes in fair values	(280,573,080)	1,569,207,565	2,523,433,257	254,467,347
Disposals and impairments	(27,692,397)	-	(1,784,157)	-
Depreciation	-	(5,008,468)	-	(3,422)
Balance at 31 December	2,805,576,255	3,113,841,732	2,805,576,255	283,927,155

	Level 1	Level 2	Level 3	Fair value as at 31 December 2024	
Land and buildings	-	-	2,805,576,255	2,805,576,255	Inflation Adjusted
	-	-	2,805,576,255	2,805,576,255	Historical Cost

There were no transfers between level 1, 2 and level 3

Notes to the Financial Statements

Valuation techniques and significant unobservable inputs

The following table shows the valuation technique used in measuring the fair value of land and buildings, as well as the significant observable inputs used.

Valuation techniques	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
<p>The Investment Method was applied on all income producing properties. Market capitalisation rates were derived from market sales evidence and were determined in consultation with other investors and property brokers in the market.</p> <p>The Direct Comparison Method was applied on all residential properties, after Green Plan (Private) Limited identified various properties that have been sold or which were on sale and situated in comparable areas using the Main Space Equivalent (MSE) principle. The total MSE of comparable areas was then used to determine the value per square metre utilising size, quality, location and the MSE factor.</p> <p>The Depreciation Replacement Value was used on specialised properties whose values cannot be easily observable in the market. Gross replacement cost were applied per square metre of plinth areas of a building and then a depreciation factor was effected on the total GRC to give rise to a depreciated replacement cost which would then be added to the land value to give a depreciated replacement value.</p>	<p>Average rentals per square metre - Average rentals per square meter were between USD1.2 - USD3.00 for industrial properties.</p> <p>Average investment yield - 11% to 12% Expected market rental growth was lower due to constrained economic condition.</p> <p>Offices - Average rentals per square metre were between USD5.00 - USD10.00 for offices. Average yield was 10.50%. Expected market rental growth was lower due to constrained economic condition</p> <p>Values were driven by: Location factor, Quality factor; Size factor and land values</p> <p>Specialised properties. Building costs. Depreciation factors depended on the age and functional obsolesce of the building. Land values were observed from the market and differed from location to location.</p>	<p>The estimated fair value would increase (decrease) if:</p> <ul style="list-style-type: none"> - void period were shorter (longer) - occupancy rate higher (lower) and -yields were higher <p>Market value would increase if:</p> <ul style="list-style-type: none"> - yield rates were higher (lower) -building quality was higher -land values were higher -location of the property was better -main space was higher -the building size was big and in good location -Void periods were shorter thus reducing property expenses and improving income yield -Occupancy rates were higher thus boosting net incomes. <p>Depreciated replacement value would increase if</p> <ul style="list-style-type: none"> - The buildings were new and/or were well maintained -Land values were higher -Gross replacement costs per square metre were higher

(b) Impairment loss

During the year ended 31 December 2024, due to reduction in market value for some assets, the Group tested its assets for impairment and recognised an impairment loss of nil (2023 : Nil).

(c) The following items of property, plant and equipment have been pledged as security against borrowings:

1.0 Other Borrowings

*The Group entered into long and short-term loan arrangements with other financial institutions to fund its operations as shown in note 16. The carrying value of non-current assets pledged as security at 31 December 2024 was ZWG207, 977, 747 (2023: ZWG85, 801, 380)

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CORPORATION

Cost or valuation	Land, buildings & permanent works			Inflation Adjusted			Historical Cost			Total
	ZWG	Motor vehicles	Office furniture & equipment	ZWG	Motor vehicles	Office furniture & equipment	ZWG	Motor vehicles	Office furniture & equipment	
At 1 January 2023	13,717,202	3,650,226	2,425,941	19,793,369	51,369	69,921	46,469	167,759		
Additions	-	-	136,817	136,817	-	-	5,927	5,927		
Disposals	-	(35,797)	(25,768)	(61,565)	-	(2,469)	(521)	(2,990)		
As 31 December 2023	13,717,202	3,614,429	2,536,990	19,868,621	51,369	67,452	51,875	170,696		
Additions	-	526,081	1,066,140	1,592,221	-	308,423	724,929	1,033,352		
Revaluation adjustment	(3,867,202)	2,600,725	(172,748)	(1,439,225)	9,798,631	6,365,360	2,651,450	18,815,441		
Disposals	-	-	(6,637)	(6,637)	-	-	(4,509)	(4,509)		
At 31 December 2024	9,850,000	6,741,235	3,423,745	20,014,980	9,850,000	6,741,235	3,423,745	20,014,980		
Accumulated depreciation										
At 1 January 2023	4,911,269	-	-	4,911,269	17,937	-	-	17,937		
Charge for the year	-	651,134	599,191	1,250,325	-	19,151	17,623	36,774		
Disposals	-	(24,874)	(12,021)	(36,895)	-	(1,715)	(241)	(1,956)		
As 31 December 2023	4,911,269	626,260	587,170	6,124,699	17,937	17,436	17,382	52,755		
Charge for the year	-	392,018	273,925	665,943	-	276,329	193,086	469,415		
Revaluation adjustment	(4,911,269)	(1,018,278)	(858,307)	(6,787,854)	(17,937)	(293,765)	(208,572)	(520,274)		
Disposals	-	-	(2,788)	(2,788)	-	-	(1,896)	(1,896)		
At 31 December 2024	-	-	-	-	-	-	-	-		
Net book value										
As 31 December 2024	9,850,000	6,741,235	3,423,745	20,014,980	9,850,000	6,741,235	3,423,745	20,014,980		
As 31 December 2023	8,805,933	2,988,169	1,949,820	13,743,922	33,432	50,016	34,493	117,941		

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8.1 Intangible assets

GROUP	Inflation Adjusted				Historical Cost			
	Patents and licences	QS software	Other	Total	Patents and licences	QS software	Other	Total
Cost at 1 January 2023	-	257,269	17,604	274,873	-	291	1	292
Impairment	-	(868)	-	(868)	-	-	-	-
Balance at 31 December 2023	-	256,401	17,604	274,005	-	291	1	292
Additions	-	78,401	-	78,401	-	76,310	-	76,310
Balance at 31 December 2024	-	334,802	17,604	352,406	-	76,601	1	76,602
Accumulated amortisation and impairment losses	-	71,248	-	71,248	-	147	-	147
Amortisation	-	5,688	-	5,688	-	68	-	68
Balance at 31 December 2023	-	76,936	-	76,936	-	215	-	215
Amortisation	-	1,696	-	1,696	-	1,225	-	1,225
Balance at 31 December 2024	-	78,632	-	78,632	-	1,440	-	1,440
Carrying amounts								
At 31 December 2024	-	256,170	17,604	273,774	-	75,161	1	75,162
At 31 December 2023	-	179,465	17,604	197,069	-	76	1	77

Notes to the Financial Statements

INDUSTRIAL DEVELOPMENT CORPORATION OF ZIMBABWE LIMITED
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9 Investment properties	Inflation Adjusted		Historical Cost	
	2024	2023	2024	2023
	ZWG	ZWG	ZWG	ZWG
Group				
Balance at 1 January	166,357,029	65,985,848	15,312,856	1,263,969
Reclassification from/(to) property, plant and equipment	(1,989,674)	(194)	-	-
Fair value gain	(20,528,203)	100,371,375	128,526,296	14,048,887
Balance at 31 December	143,839,152	166,357,029	143,839,152	15,312,856

Rental Income generated from investment property amounted to ZWG18 288 623 (2023 : ZWG22 558 089). There were no repairs and maintenance costs of investment property that generated investment income in 2023 and 2024.

9.1 Measurement of fair value

Investment property comprises factory buildings under construction to be leased out in terms of operating lease on completion, a vacant industrial stand, Subdivision 5, stand number 2081; two vacant commercial stands number 1183 and 1184 all in Ventersburg Eastste and an industrial property on Lot 1 of Lot 8 of Lot 6 in Willowvale. The fair value of the Group's investment properties as at 31 December 2024 was determined by an independent property valuer, G.M Property Link (Private) Limited and Intergrated Properties (Private) Limited, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. The valuation which conforms to International Valuation Standards, was in terms of the policy as set out in the accounting policies section and was derived with reference to market information close to the date of the valuation.

The Group has no restrictions on the realisability of all investment properties and no contractual obligations to purchase, construct or develop the investment properties or for repairs, maintenance and enhancements. The fair value measurement for investment property of ZWG143, 839 152 has been categorised as a level 3 fair value based on the inputs to the valuation technique used. Level 3 fair value

The following table shows a reconciliation from the opening balances to the closing balances for level 3 fair values

	ZWG
Balance at 1 January 2024	166,357,029
Acquisitions	(1,989,674)
Change in fair value	(20,528,203)
Balance at 31 December 2024	143,839,152

Valuation techniques and significant unobservable inputs

The following table shows the valuation technique used in measuring the fair value of investment property, as well as the significant observable inputs used.

Valuation techniques	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
<p>The Investment Method was applied on all income producing properties. Market capitalisation rates were derived from market sale evidence and were determined in consultation with other investors and property brokers in the market.</p> <p>The Direct Comparison Method was applied on all residential properties, after Intergrated Properties (Private) Limited identified various properties that have been sold or which were on sale and situated in comparable areas using the Main Space Equivalent (MSE) principle. The total MSE of comparable areas was then used to determine the value per square metre of MSE.</p>	<ul style="list-style-type: none"> Average rentals per square metre - USD1.20 to USD3.00 Average investment yield -11% to 12% Estimated remaining life 1 -20yrs 	<p>The estimated fair value would increase (decrease) if:</p> <ul style="list-style-type: none"> expected market rental growth were higher (lower) void period were shorter (longer) occupancy rate higher (lower) and yield rates were higher (lower) building quality was higher land values were higher location of the property was better

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INDUSTRIAL DEVELOPMENT CORPORATION OF ZIMBABWE LIMITED
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 FOR THE YEAR ENDED 31 DECEMBER 2024

10 Investments

10.1 Investment in subsidiaries

Corporation

The Corporation uses the cost model to account for its investment in subsidiaries. At 31 December 2024, the amount of the investment in subsidiaries and the percentages of shareholding are as follows:

	Inflation Adjusted		Historical Cost	
	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
Willowvale Motor Industries Private Limited	72,646,600	72,646,600	49,064	49,064
Chemplex Corporation Limited	595,611,853	595,611,853	306,431	306,431
Ginhole Investments (Private) Limited t/a Last Hope Estate	-	20,806,187	-	15,117
Deven Engineering (Private) Limited	32,308,452	32,308,452	22,270	22,269
Sunway City (Private) Limited	315,905,867	315,905,867	214,342	214,342
	1,016,472,772	1,037,278,959	592,107	607,223

10.2 Impairment of Last Hope Estates t/a Ginhole Investments (Private) Limited

The Board's discussion at its Special Board meeting of 20th of August 2024, resolved that Ginhole Investments (Private) Limited be impaired, due to non-title, yearly perennial losses, inability to meeting monthly obligations, fixed and working capital challenges, failing to raise external audit fees and other negative factors and conditions. The matter was raised whilst the Board was receiving the IDCZ draft audited financial statements for the year ended 31 December 2023. Ginhole Investments(Private) Limited is a company owned 100% by the defunct Zimbabwe Development Corporation (ZDC), a State-Owned entity under the Ministry of Finance and Investment Promotion. When ZDC was disbanded in 2005, Ginhole investments (Private) Limited was handed over to the Ministry of Industry and Commerce (MIC) to run. The MIC gave IDCZ the mandate to run the entity and the Corporation formed Ginhole Investments (Private) Limited as a 100% Special Purpose Vehicle (SPV) to run the affairs of the company. The title of Ginhole Investments(Private) Limited was never transferred to the IDCZ, despite several requests sent for same. IDCZ will however be supervising the operations of the Company but without consolidating it in the financial reports. The impairment amount the recognised was ZWG 208 06 187 and ZWG 15 117 for inflation adjusted and historical respectively.

The assets and liabilities derecognised are as follows:

Assets

	As at 31 December 2024	
	Inflation Adjusted ZWG	Historical Cost ZWG
Property, plant and equipment	26,998,135	514,853
Inventories	395,434	36,399
Trade and other receivables	2,257	208
Cash and cash equivalents	13,251	1,220
Liabilities		
Deferred tax	6,315,491	133,917
Trade and other payables	859,721	79,136

The Group has recognised a contingency liability of ZWG1 176 824 in relation to Ginhole Investments(Private) Limited.

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10.3 Investment in associates

The Group has interests in a number of associate companies. The Group holds 27.5% to 49% shareholding in four associated companies.

The following table illustrates summarised financial information of the Group's investment in all the associate entities.

Associate and percentage owned	Percentage owned	Principal place of business	Nature and activities of each Associate
Sino-Zimbabwe Cement Company (Private) Limited	35%	Zimbabwe	Cement manufacturer and distributor
Amtec Motors (Private) Limited	27.5%	Zimbabwe	Sales of brand new vehicles and servicing of vehicles
Sable Chemicals Limited	36%	Zimbabwe	Producer of ammonium nitrate fertilizer
Zimbabwe Grain Bag (Private) Limited	49%	Zimbabwe	Manufacturer of polypropylene packaging and various bags.

The carrying amounts of the investment in associate at cost net of accumulated impairment in the separate statement of financial position as at 31 December 2024 was ZWG52 159 (2023 : ZWG52 159). In the Group, the carrying amounts as at 31 December 2024 are ZWG510 868 235 (2023: ZWG475 728 460).

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10.3 Investment in associates

Carrying amounts of the associates:	Inflation Adjusted				Historical Cost				
	Sino - Zimbabwe Cement Company (Private) Limited	Amtec Motors (Private) Limited	Sable Chemicals Limited	Zimbabwe Grain Bag (Private) Limited	Sino - Zimbabwe Cement Company (Private) Limited	Amtec Motors (Private) Limited	Sable Chemicals Limited	Zimbabwe Grain Bag (Private) Limited	Total
Opening balance	370,308,410	68,325,719	-	37,094,331	ZWG 34,086,203	ZWG 5,574,255	-	ZWG 3,414,464	ZWG 43,074,922
Share of profit/(loss)	54,713,580	(7,828,181)	-	(1,129,247)	54,713,580	(3,964,676)	-	(1,129,247)	49,619,657
Share of other comprehensive income	-	(10,412,375)	-	32,758	-	10,556,869	-	32,758	10,589,627
Under/(over) statement of prior reserves and fair value adjustments	(8,794,949)	(368,269)	-	8,926,458	327,427,258	35,363,968	-	42,606,325	405,397,551
Total	416,227,041	49 716 894	-	44,924,300	416,227,041	47,530,416	-	44,924,300	508,681,757

Carrying amounts of the associates:	Inflation Adjusted				Historical Cost				
	Sino - Zimbabwe Cement Company (Private) Limited	Amtec Motors (Private) Limited	Sable Chemicals Limited	Zimbabwe Grain Bag (Private) Limited	Sino - Zimbabwe Cement Company (Private) Limited	Amtec Motors (Private) Limited	Sable Chemicals Limited	Zimbabwe Grain Bag (Private) Limited	Total
Opening balance	102,050,102	33,054,822	140,683,513	27,656,537	ZWG 683,024	ZWG 559,815	1,691,719	ZWG 529,765	ZWG 3,464,323
Share of profit/(loss)	34,218,940	2,002,496	-	10,061,907	3,141,313	(37,826)	-	926,180	4,029,667
Share of other comprehensive income	181,806,939	90,002,544	-	70,655,029	12,335,361	15,154,595	-	11,535,841	39,025,797
Under/(Over) statement of prior reserves	52,232,429	(56,734,143)	(140,683,513)	(71,279,142)	17,926,505	(10,102,329)	(1,691,719)	(9,577,322)	(3,444,865)
Total	370,308,410	68 325 719	-	37,094,331	34,086,203	5,574,255	-	3,414,464	43,074,922

Notes to the Financial Statements

INDUSTRIAL DEVELOPMENT CORPORATION OF ZIMBABWE LIMITED
 NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 DECEMBER 2024

Summarised associate's statement of financial position:

GROUP	Inflation Adjusted			Historical Cost		
	Sino - Zimbabwe Cement Company (Private) Limited	Amtec Motors (Private) Limited	Zimbabwe Grain Bag (Private) Limited	Sino - Zimbabwe Cement Company (Private) Limited	Amtec Motors (Private) Limited	Zimbabwe Grain Bag (Private) Limited
2024						
Current assets	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG
Non current assets	543,879,256	55,347,868	36,458,234	543,879,256	49,473,384	36,458,234
Current liabilities	994,183,431	213,629,165	67,587,607	994,183,431	210,823,778	67,587,607
Non current liabilities	(146,670,329)	(54,116,447)	(4,334,096)	(146,670,329)	(54,116,447)	(4,334,096)
Equity	(202,172,241)	(34,071,879)	(8,029,499)	(202,172,241)	(33,342,837)	(8,029,499)
	1,189,220,117	180,788,707	91,682,246	1,189,220,117	172,837,878	91,682,246
Additional information on associate companies						
Revenue	860,567,944	178,877,677	60,855,391	860,567,944	139,228,703	60,855,391
Cost of sales	(541,612,319)	(102,751,150)	(50,515,990)	(541,612,319)	(81,940,503)	(50,515,990)
Other income/(expenses)	8,161,227	8,373,262	(1,547,149)	8,161,227	5,787,677	(1,547,149)
Administration expenses	(99,555,760)	(98,164,024)	(14,483,749)	(99,555,760)	(75,891,033)	(14,483,749)
Net finance costs	(3,139,177)	(2,679,646)	(23,534)	(3,139,177)	(2,052,814)	(23,534)
Profit/(loss) before tax	224,421,914	(16,343,882)	(5,715,032)	224,421,914	(14,867,970)	(5,715,032)
Tax	(68,097,400)	(12,122,233)	3,410,445	(68,097,400)	450,968	3,410,445
Profit / (loss)	156,324,514	(28,466,115)	(2,304,587)	156,324,514	(14,417,002)	(2,304,587)

Notes to the Financial Statements

INDUSTRIAL DEVELOPMENT CORPORATION OF ZIMBABWE LIMITED
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GROUP	Inflation Adjusted			Historical Cost		
	Sino - Zimbabwe Cement Company (Private) Limited ZWG	Amtec Motors (Private) Limited ZWG	Zimbabwe Grain Bag (Private) Limited ZWG	Sino - Zimbabwe Cement Company (Private) Limited ZWG	Amtec Motors (Private) Limited ZWG	Zimbabwe Grain Bag (Private) Limited ZWG
Current assets	439,541,533	86,861,426	30,749,527	40,458,982	6,106,630	2,830,437
Non current assets	967,036,213	269,975,544	65,675,402	89,013,889	23,897,648	6,045,299
Current liabilities	(158,748,125)	(68,589,962)	(6,903,871)	(14,612,470)	(6,313,579)	(635,489)
Non current liabilities	(189,805,593)	(39,789,848)	(13,818,342)	(17,471,253)	(3,420,679)	(1,271,953)
Equity	1,058,024,028	248,457,160	75,702,716	97,389,148	20,270,020	6,968,294
Additional information on associate companies						
Revenue	611,009,705	309,729,197	64,775,274	56,242,310	15,245,988	5,962,445
Cost of sales	(347,801,653)	(171,827,843)	(29,857,142)	(32,014,497)	(8,457,986)	(2,748,295)
Other income	(11,233,334)	23,749,018	6,749,427	(1,034,008)	477,524	621,272
Administration expenses	(119,394,587)	(138,387,364)	(12,711,248)	(10,990,050)	(6,837,564)	(1,170,047)
Net finance costs	(400,676)	(12,981,185)	(9,653)	(36,881)	(638,981)	(889)
Profit / (loss) before tax	132,179,455	10,281,823	28,946,658	12,166,874	(211,019)	2,664,486
Tax	(40,752,404)	(3,000,020)	(8,412,154)	(3,751,183)	73,471	(774,323)
Profit/(loss)	91,427,051	7,281,803	20,534,504	8,415,691	(137,548)	1,890,163

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FOR THE YEAR ENDED 31 DECEMBER 2024

2023	Inflation Adjusted						Historical Cost					
	Sino - Zimbabwe Cement Company (Private) Limited	Amtec Motors (Private) Limited	Sable Chemicals (Private) Limited	Zimbabwe Grain Bag (Private) Limited	Zimbabwe Grain Bag (Private) Limited	TOTAL	Sino - Zimbabwe Cement Company (Private) Limited	Amtec Motors (Private) Limited	Sable Chemicals (Private) Limited	Zimbabwe Grain Bag (Private) Limited	Zimbabwe Grain Bag (Private) Limited	TOTAL
Current assets	153,839,537	23,886,892	-	15,067,268	49%	192,793,697	14,160,644	1,679,323	-	-	1,386,914	17,226,881
Non current assets	338,462,674	74,243,275	-	32,180,947	ZWG	444,886,896	31,154,861	6,571,853	-	-	2,962,196	40,688,910
Current liabilities	(55,561,844)	(18,862,239)	-	(3,382,897)	ZWG	(77,806,980)	(5,114,365)	(1,736,234)	-	-	(311,389)	(7,161,988)
Non current liabilities	(66,431,958)	(10,942,208)	-	(6,770,987)	ZWG	(84,145,153)	(6,114,937)	(940,687)	-	-	(623,257)	(7,678,881)
Net equity	370,308,409	68,325,720	-	37,094,331	475,728,460	34,086,203	5,574,255	-	-	-	3,414,464	43,074,922
Carrying amount recognised	370,308,409	68,325,720	-	37,094,331	475,728,460	34,086,203	5,574,255	-	-	-	3,414,464	43,074,922
Share of associate's revenue and loss:	Sino - Zimbabwe Cement Company (Private) Limited	Amtec Motors (Private) Limited	Sable Chemicals (Private) Limited	Zimbabwe Grain Bag Limited	TOTAL	Sino - Zimbabwe Cement Company (Private) Limited	Amtec Motors (Private) Limited	Sable Chemicals (Private) Limited	Zimbabwe Grain Bag (Private) Limited	Zimbabwe Grain Bag (Private) Limited	TOTAL	
Revenue	229,159,473	85,175,530	-	31,739,884	ZWG	346,074,886	21,093,704	4,192,647	-	2,921,597	28,207,948	
Profit/(loss) of associate	33,878,083	2,258,992	-	10,146,268	ZWG	46,283,343	3,118,414	(20,594)	-	931,847	4,029,667	
Profit/(loss) of associate recognised	33,878,083	2,258,992	-	10,146,268	46,283,343	3,118,414	(20,594)	-	-	931,847	4,029,667	

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Investments in associates

GROUP	Inflation Adjusted		Historical Cost	
	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
Opening balances	475,728,460	303,444,974	43,074,922	3,464,324
Movement in reserves-associates	35,139,775	172,283,486	465,606,835	39,610,598
Carrying amount of interests in associates	510,868,235	475,728,460	508,681,757	43,074,922
Share of:				
Movement in reserves-associates	45,756,151	46,283,343	49,619,657	4,029,667
Other comprehensive income	(10,379,617)	-	10,589,627	-
	35,376,534	46,283,343	60,209,284	4,029,667
CORPORATION				
Sino - Zimbabwe Cement Company (Private) Limited	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
Amtec Motors (Private) Limited	62,308,778	62,308,778	24,235	24,235
Zimbabwe Grain Bag (Private) Limited	16,816,937	16,816,937	12,409	12,409
	8,377,385	8,377,385	15,515	15,515
	87,503,100	87,503,100	52,159	52,159

The Corporation holds 10% and 2.5% interest in Surface Wilmar (Private) Limited and Allied Insurance (Private) Limited respectively as at 31 December 2024 classified as Other Investments.

Impairment of Sable Chemicals Limited

An asset cannot be carried in the balance sheet at more than its recoverable amount, therefore in accordance with IAS 36.8 and the Group's policy on impairment, the Group is required to assess at each balance sheet date whether there is any indication that an asset may be impaired and if the indications are there, a formal assessment or impairment test is then carried out.

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Nature of investment

	% interest held	Country of Incorporation	Inflation Adjusted		Historical Cost		Line of business
			2024	2023	2024	2023	
Sable Chemicals Limited	36%	Zimbabwe	ZWG	ZWG	ZWG	ZWG	Fertilisers
COMPANY (at cost)							
Investments in associates- Sable chemicals Limited			-	129,608,505	-	-	1,691,719
Impairment			-	(129,608,505)	-	-	(1,691,719)
Carrying amount			-	-	-	-	-

10.4 Other Investments/Available for sale

	Inflation Adjusted		Historical Cost	
	2024	2023	2024	2023
GROUP	ZWG	ZWG	ZWG	ZWG
Balance at 1 January	25,089,718	23,546,518	243,958	23,745
Additions	124,151	1,065,051	31,961	98,036
Reclassification of investment	-	-	-	-
Fair value adjustment	(248,412)	1,122,589	2,218,550	181,497
Disposals	-	(644,440)	-	(59,320)
Balance at 31 December	24,965,457	25,089,718	2,494,469	243,958
	CORPORATION			
	ZWG	ZWG	ZWG	ZWG
Balance at 1 January	22,308,939	22,308,939	3,168	3,168
Balance at 31 December	22,308,939	22,308,939	3,168	3,168

There was an appreciation in the values of available for sale investment.

The other Investments of IDCZ's 10% shareholding in Surface Wilmar Investments ZWG6 477 635 and 2.25% shareholding in Allied Insurance ZWG15 831 305

Notes to the Financial Statements

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Fair value measurement

Valuation techniques and significant unobservable inputs

The following table shows the valuation technique used in measuring the fair value of available for sale financial assets, as well as the significant observable inputs used.

Valuation techniques	Significant unobservable inputs	Inter-relationship between unobservable inputs and fair value measurement
<p>Net Assets Value : The valuation model determines the fair value of investment securities(non-listed entities) with reference to the net asset value, which was determined by the directors as a proxy valuation method derived from the market approach.</p> <p>The market approach as prescribed in IFRS 13- Fair value measurement requires the identification of a similar or identical quoted asset with a similar risk profile.</p> <p>A discounted cashflow technique or earnings may have been used to value such investments by identifying a risk-adjusted discount rate and maintainable earnings(earnings-multiple approach).</p> <p>The market and income approach may not be appropriate for valuing non-listed entities in the Zimbabwean environment considering lack of comparative quoted equity instruments as well as absence of market data relating to historical correlation of unquoted equity instruments in similar industries and market ability discounts.</p>	<p>The fair value of securities are based on net asset values which use the movements in the assets and liabilities of investee entities. The net asset values are not observable from market data, although verified by independent and experienced auditors.</p>	<p>The estimated fair value would increase(decrease) due to the following :</p> <ul style="list-style-type: none"> -Increase or (decrease) in fair value or historical cost adjustments of underlying assets and liabilities held by investees. -(Decrease) as a result of economic obsolescence of underlying assets. -Financial performance of the investee.

Notes to the Financial Statements

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10.5 Fair value measurement

The non-current assets held for sale and available for sale financial assets have been categorised as level 3.

GROUP

Inflation Adjusted

	Level 1	Level 2	Level 3	Fair value as at	
				31 December 2024	31 December 2023
	ZWG	ZWG	ZWG	ZWG	ZWG
Other investments	-	-	24,965,457	24,965,457	25,089,718
	-	-	24,965,457	24,965,457	25,089,718

Historical Cost

	Level 1	Level 2	Level 3	Fair value as at	
				31 December 2024	31 December 2023
	ZWG	ZWG	ZWG	ZWG	ZWG
Other investments	-	-	3,194	3,194	243,958
	-	-	3,194	3,194	243,958

CORPORATION

Inflation Adjusted

	Level 1	Level 2	Level 3	Fair value as at	
				31 December 2024	31 December 2023
	ZWG	ZWG	ZWG	ZWG	ZWG
Other Investments	-	-	22,308,939	22,308,939	22,308,939
	-	-	22,308,939	22,308,939	22,308,939

Historical Cost

	Level 1	Level 2	Level 3	Fair value as at	
				31 December 2024	31 December 2023
	ZWG	ZWG	ZWG	ZWG	ZWG
Other investments	-	-	3,194	3,194	23,745
	-	-	3,194	3,194	23,745

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Valuation techniques and significant unobservable inputs

The valuation technique used in measuring the non-current assets held for sale and available for sale financial assets, as well as the significant observable inputs used are highlighted in the table below.

The following table shows the valuation technique used in measuring the fair value of available for sale financial assets, as well as the significant observable inputs used.

Valuation techniques	Significant unobservable inputs	Inter-relationship between unobservable inputs and fair value measurement
<p>Net Assets Value : The valuation model determines the fair value of investment securities(non-listed entities) with reference to the net asset value, which was determined by the directors as a proxy valuation method derived from the market approach.</p> <p>The market approach as prescribed in IFRS 13- Fair value measurement requires the identification of a similar or identical quoted asset with a similar risk profile.</p> <p>A discounted cashflow technique or earnings may have been used to value such investments by identifying a risk-adjusted discount rate and maintainable earnings(earnings-multiple approach).</p> <p>The market and income approach may not be appropriate for valuing non-listed entities in the Zimbabwean environment considering lack of comparative quoted equity instruments as well as absence of market data relating to historical correlation of unquoted equity instruments in similar industries and market ability discounts.</p>	<p>The fair value of securities are based on net asset values which use the movements in the assets and liabilities of investee entities. The net asset values are not observable from market data, although verified by independent and experienced auditors.</p>	<p>The estimated fair value would increase(decrease) due to the following :</p> <ul style="list-style-type: none"> -Increase or (decrease) in fair value or historical cost adjustments of underlying assets and liabilities held by investees. -(Decrease) as a result of economic obsolescence of underlying assets. -Financial performance of the investee.

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10.6 Non Controlling Interest (NCI)

(a) The following table summarises the information relating to each of the Group's subsidiaries that have material non-controlling interest(NCI).

Principal place of business	Inflation Adjusted			Historical Cost		
	ZFC (Private) Limited in Chemplex Corporation Zimbabwe	Allied Insurance (Private) Limited in Chemplex Corporation Zimbabwe	Total Intra-group eliminations Consolidated	ZFC (Private) Limited in Chemplex Corporation Zimbabwe	Allied Insurance (Private) limited in Chemplex Corporation Zimbabwe	Total Intra-group eliminations Consolidated
NCI percentages	50%	36%		50%	36%	
Non current assets	362,158,818	95,222,567	457,381,385	362,158,818	95,222,567	457,381,385
Current assets	203,441,981	15,855,676	219,297,657	164,431,373	15,855,676	180,287,048
Non-current liabilities	(62,944,919)	(19,326,058)	(82,270,977)	(62,944,919)	(19,326,058)	(82,270,977)
Current liabilities	(195,478,480)	(23,880,586)	(219,359,066)	(195,478,480)	(23,880,586)	(219,359,066)
Net assets	307,177,400	67,871,599	375,048,999	268,166,792	67,871,599	336,038,390
NCI Portion	153,588,700	24,433,776	178,022,476	134,083,396	24,433,776	158,517,171
Carrying amount of NCI		234,680,311	2,514,246	237,194,557		158,304,253
						2,509,334
						160,813,587
Revenue	394,783,857	24,743,838	419,527,695	259,754,530	17,396,003	277,150,533
Profit	(47,718,680)	(16,954,232)	(64,672,912)	(14,596,200)	54,524,903	39,928,703
Other comprehensive income	61,760,578	(1,844,426)	59,916,152	247,401,517	5,369,059	252,770,576
Total Comprehensive (loss)/ income	14,041,898	(18,798,658)	(4,756,760)	232,805,317	59,893,962	292,699,279
Profit allocated to NCI			(111,029)			12,156,385
OCI allocated to NCI			30,222,198			247,135
						12,403,520
Cash flows from operating activities	(554,234)	(505,840)	(1,060,074)	(9,640,362)	1,821,913	(7,818,449)
Cash flows from investing activities	(5,682,392)	(374,923)	(6,057,315)	(782,554)	(197,321)	(979,875)
Cash flows from financing activities	37,921,427	-	37,921,427	(5,354,675)	-	(5,354,675)
Net increase in cash and cash equivalents	31,684,801	(880,763)	30,804,038	(15,777,591)	1,624,592	(14,152,999)

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31 December 2023

	Inflation Adjusted				Historical Cost								
	ZFC (Private) Limited		Allied Insurance (Private) limited		ZFC (Private) Limited		Allied Insurance (Private) limited						
	in Chempex Corporation	Zimbabwe	in Chempex Corporation	Zimbabwe	in Chempex Corporation	Zimbabwe	in Chempex Corporation	Zimbabwe					
Principal place of business													
NCI percentages		50%		36%		50%		36%					
Non current assets	414,052,791	ZWG	120,900,660	ZWG	534,953,451	38,112,791	ZWG	11,128,401	ZWG	49,241,192			
Current assets	320,213,172		26,612,679		346,825,851	26,556,301		2,449,589		29,005,890			
Non current liabilities	(77,196,732)		(28,382,500)		(105,579,232)	(7,105,816)		(2,612,491)		(9,718,307)			
Current liabilities	(241,197,158)		(32,460,582)		(273,657,740)	(22,201,751)		(2,987,862)		(25,189,613)			
Net assets	415,872,073		86,670,257		502,542,330	35,361,525		7,977,637		43,339,162			
NCI Portion	207,936,037		31,201,293		239,137,329	17,680,762		2,871,949		20,552,712			
Carrying amount of NCI			253,026,622		(15,192,242)			21,061,456		(274,063)			20,787,393
Revenue	463,593,365		42,378,621		505,971,986	25,145,770		1,896,676		27,042,446			
Profit	(37,956,936)		45,594,005		7,637,069	5,173,103		6,572,678		11,745,781			
OCI	84,143,603		5,482,327		89,625,930	25,559,792		723,165		26,282,957			
Total comprehensive loss/(income)	46,186,667		51,076,332		97,262,999	30,732,895		7,295,843		38,028,738			
Profit allocated to NCI			11,731,718		(13,990,723)			5,458,464		(473,276)			4,985,188
OCI allocated to NCI			86,829,025										
Cash flows from operating activities	(3,367,103)		2,587,467		(779,636)	2,346,253		283,699		2,629,952			
Cash flows from investing activities	(14,768,906)		(1,124,061)		(15,892,967)	(125,762)		(54,534)		(180,296)			
Cash flows from financing activities	124,891,766		-		124,891,766	(1,305,766)		-		(1,305,766)			
Net increase in cash and cash equivalents	106,755,757		1,463,406		108,219,163	914,725		229,165		1,143,890			

Notes to the Financial Statements

INDUSTRIAL DEVELOPMENT CORPORATION OF ZIMBABWE LIMITED
 NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS
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11 Inventories	Inflation Adjusted			Historical Cost		
	2024	2023	2023	2024	2023	2023
GROUP	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG
Raw materials	94,854,964	113,394,703	58,954,564	5,732,043		
Finished goods	51,914,351	135,315,196	22,689,246	10,817,918		
Land held for trading	-	7,579	-	266		
Stores	76,037,527	12,868,305	45,478,784	417,005		
Consumables	4,872,950	4,294,800	2,442,710	286,054		
Total inventories at lower of cost and net realisable value	227,679,792	265,880,583	129,565,304	17,253,286		
12 Non-current portion of land held for sale	2024	2023	2024	2023	2023	
	ZWG	ZWG	ZWG	ZWG	ZWG	
Balance at 1 January	506,641	2,376,451	2,250	7,696		
Disposal	(506,641)	(1,869,810)	(2,250)	(5,446)		
Balance at 31 December	-	506,641	-	2,250		

Measurement of fair value

The non-current assets held for sale relates to stands that are available for sale but are more likely to be sold after more than twelve months.

Valuation techniques and significant unobservable inputs

For valuation techniques and significant inputs refer to note 10.6.

Notes to the Financial Statements

INDUSTRIAL DEVELOPMENT CORPORATION OF ZIMBABWE LIMITED
NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

As at 31 December 2024, the ageing analysis of trade receivables is as follows :

GROUP

	Total ZWG	Neither due nor impaired		15 - 30 days		30 - 60 days		60 - 90 days		Past due but not Impaired	
		ZWG	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG	120 days	ZWG
2024	339,268,794	123,418,617	111,365,180	52,855,279	22,866,955	28,762,763	Inflation adjusted				
2023	354,758,377	190,194,926	15,039,813	59,727,025	42,650,703	47,145,909					
2024	339,266,940	123,268,455	23,123,955	125,310,851	38,800,916	28,762,763	Historical Cost				
2023	32,654,850	17,452,295	1,405,794	5,528,613	3,925,918	4,342,231					

As at 31 December 2024, included in trade receivables is an allowance of ZWG3 156 996(2023 :ZWG4 938 957) relating to doubtful debts. Below is the movement for doubtful debts.

	Inflation Adjusted		Historical Cost	
	Individually Impaired	Individually Impaired	Individually Impaired	Individually Impaired
	2024	2023	2024	2023
Balance at 1 January	ZWG	ZWG	ZWG	ZWG
Charge for the year	4,938,957	2,692,430	454,622	14,080
	(1,781,961)	2,246,527	2,702,374	440,542
Balance at 31 December	3,156,996	4,938,957	3,156,996	454,622

An analysis of the credit quality of trade and other receivables that are neither past due nor impaired is as follows:

	2024		2023	
	ZWG	ZWG	ZWG	ZWG
Less than four years of trading history with the Group	123,418,617	190,194,926	123,268,455	17,452,295
	123,418,617	190,194,926	123,268,455	17,452,295

The Group believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk, including underlying customers' credit ratings if they are available.

Notes to the Financial Statements

INDUSTRIAL DEVELOPMENT CORPORATION OF ZIMBABWE LIMITED
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FOR THE YEAR ENDED 31 DECEMBER 2024

13.1 Intergroup balances

The Corporation's Group balances receivable comprise of the following :

	Inflation Adjusted		Historical Cost	
	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
Group companies				
Subsidiary Companies				
Chemplex Corporation Limited	23,718,892	19,007,923	23,718,892	1,749,644
Allied Insurance (Private) Limited	47,562	9,726	47,562	895
Last Hope t/a Ginhole Investments	-	136,756	-	12,588
Willowvale Motor Industries Limited	2,758,242	1,469,343	2,758,242	135,250
Deven Engineering (Private) Limited	3,049,238	2,577,086	3,049,238	237,216
Sunway City (Private) Limited	382,547	1,102,131	382,547	101,449
Industrial Sands	-	127	-	12
	29,956,481	24,303,092	29,956,481	2,237,054
Associate Companies				
Amtec Motors (Private) Limited	288,728	135,520	288,728	12,474
Motira Tractors (Private) Limited	-	2,192	-	202
Zimbabwe Grain Bag (Private) Limited	36,585	-	36,585	-
	325,313	137,712	325,313	12,676
Expected credit losses	(558,159)	(1,565,000)	(558,159)	(144,055)
	29,723,635	22,875,804	29,723,635	2,105,675

During the year a provision for credit losses amounting to ZWG558, 159 was provided for against intercompany receivables

Management is of the opinion that the remaining balances are recoverable as a result of significant influence and control in the related parties. The provision for credit losses is included in the balance of trade and other payables.

Notes to the Financial Statements

INDUSTRIAL DEVELOPMENT CORPORATION OF ZIMBABWE LIMITED

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

14 Cash and cash equivalents

		Inflation Adjusted		CORPORATION	
GROUP		2023	2024	2023	2024
ZWG		ZWG	ZWG	ZWG	ZWG
Cash at banks and on hand		83,474,348	1,344,874	12,881,649	12,881,649

		Historical Cost		CORPORATION	
GROUP		2023	2024	2023	2024
ZWG		ZWG	ZWG	ZWG	ZWG
Cash at banks and on hand		7,683,659	1,344,874	1,185,732	1,185,732

The carrying amounts disclosed above reasonably approximate the fair value at reporting date.

For purposes of the statement of cashflows, cash and cash equivalents comprise the following at 31 December

		Inflation Adjusted		CORPORATION	
GROUP		2023	2024	2023	2024
ZWG		ZWG	ZWG	ZWG	ZWG
Cash at bank and on hand		83,474,348	1,344,874	12,881,649	12,881,649
Bank overdrafts (note 16.2)		(4,719,731)	-	-	-
		78,754,617	1,344,874	12,881,649	12,881,649

		Historical cost		CORPORATION	
GROUP		2023	2024	2023	2024
ZWG		ZWG	ZWG	ZWG	ZWG
Cash at bank and on hand		7,683,659	1,344,874	1,185,732	1,185,732
Bank overdrafts (note 16.2)		(434,443)	-	-	-
		7,249,216	1,344,874	1,185,732	1,185,732

Cash on hand includes bond notes, which are a debt instrument that has been disclosed under cash and cash equivalents as it meets the definition of cash and cash equivalents.

Balances held at bank are also used for settlement of foreign transactions. The Central Bank through Exchange Control Operations Guide 8 (ECOGAD 8) introduced prioritisation criteria which have been followed when making foreign payments on behalf of customers. After prioritisation foreign payments are then made subject to availability of bank balances with foreign correspondent banks, resulting in possible delay of payment of telegraphic transfers. However, no delay is expected in the settlement of local transactions through the Real Time Gross Settlement ("RTGS") system. Refer to Note 2.6 (c) and 2.9 (f)

Notes to the Financial Statements

INDUSTRIAL DEVELOPMENT CORPORATION OF ZIMBABWE LIMITED

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS

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15 Share Capital and Reserves

(a) Authorised

Number of ordinary shares, with a nominal value of ZWG0.00080

	Inflation Adjusted		Historical Cost	
	2024	2023	2024	2023
	2,500,000,000	2,500,000,000	2,500,000,000	2,500,000,000

(b) Issued and Fully paid

Number of ordinary shares, with a nominal value of ZWG0.00080

	1,710,776,918	1,710,776,918	1,710,776,918	1,710,776,918
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(c) Share capital movement

In issue at 1 January

Increase in share capital

In issue at 31 December

	ZWG	ZWG	ZWG	ZWG
	385,423,383	330,932,128	1,369,323	624,519
	-	54,491,255	-	744,804
	385,423,383	385,423,383	1,369,323	1,369,323

(i) Capital waiting allotment

This represents capital received from Government during the year from which shares are still to be issued.

(ii) Ordinary Shares

All ordinary shares rank equally with regards to the Group's residual assets. Holders of these shares are entitled to dividends as declared from time to time and are entitled to one vote per share at general meetings of the Corporation.

Notes to the Financial Statements

INDUSTRIAL DEVELOPMENT CORPORATION OF ZIMBABWE LIMITED
 NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS
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(d) Nature and purpose of reserves

(i) Mark to market reserve

The mark to market reserve is used to record increase in the fair value of financial assets available for sale and such decreases in relation to the market price of the assets on the same asset previously recognised in equity.

	Inflation Adjusted			
	GROUP		CORPORATION	
Mark to market reserve	2024	2023	2024	2023
	ZWG	ZWG	ZWG	ZWG
Balance at 1 January	144,233	144,233	144,233	144,233
Balance at 31 December	144,233	144,233	144,233	144,233
	Historical Cost			
Mark to market reserve	GROUP		CORPORATION	
	2024	2023	2024	2023
	ZWG	ZWG	ZWG	ZWG
Balance at 1 January	2,763	2,763	2,763	2,763
Balance at 31 December	2,763	2,763	2,763	2,763

(ii) Foreign currency translation reserve

The non-distributable reserve arose from foreign currency conversion on change of functional currency from the Zimbabwe Gold to the United States dollar. It represents the residual equity in existence as at the change over period and has been designated as a capital reserve. This reserve was transferred to Retained Earnings as at 31 December 2021.

(iii) Revaluation reserve

The revaluation reserve is used to record increases in the fair value of property, plant and equipment and the decreases to the extent that such decreases relates to the same asset previously recognised in equity.

Notes to the Financial Statements

INDUSTRIAL DEVELOPMENT CORPORATION OF ZIMBABWE LIMITED
 NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 DECEMBER 2024

16 Loans and borrowings

16.1 Loans and borrowings - Non current

Other Liabilities - Non current

	GROUP		Inflation Adjusted		CORPORATION	
	2024	2023	2024	2023	2024	2023
	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG
Provisions	846,572	1,400,475	-	-	-	-
Finance Lease Liability	11,644,262	2,869,487	11,644,262	11,644,262	2,869,487	2,869,487
	12,490,834	4,269,962	11,644,262	11,644,262	2,869,487	2,869,487

Loans and borrowings - Non current

	GROUP		Historical Cost		CORPORATION	
	2024	2023	2024	2023	2024	2023
	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG
Provisions	846,572	128,911	-	-	-	-
Finance Lease Liability	11,644,262	264,131	11,644,262	11,644,262	264,131	264,131
	12,490,834	393,042	11,644,262	11,644,262	264,131	264,131

Other Liabilities - Non current

	GROUP		Historical Cost		CORPORATION	
	2024	2023	2024	2023	2024	2023
	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG
Provisions	846,572	128,911	-	-	-	-
Finance Lease Liability	11,644,262	264,131	11,644,262	11,644,262	264,131	264,131
	12,490,834	393,042	11,644,262	11,644,262	264,131	264,131

Notes to the Financial Statements

INDUSTRIAL DEVELOPMENT CORPORATION OF ZIMBABWE LIMITED

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

16.2 Loans and borrowings - Current

	GROUP		Inflation Adjusted		CORPORATION	
	2024	2023	2024	2023	2024	2023
	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG
AFC Commercial Bank Limited	-	-	-	-	-	-
Post Office Savings Bank(POSB)	8,579,094	-	-	-	-	-
Stanbic Bank Zimbabwe Limited	-	4,719,702	-	-	-	-
FBC Bank Limited	409,003	665,570	-	-	-	-
Stanbic Bank Limited	-	-	-	-	-	-
Sino Zimbabwe Cement Company/Other	2,431,424	-	-	-	-	-
	11,419,521	5,385,272				
	GROUP		Historical Cost		CORPORATION	
	2024	2023	2024	2023	2024	2023
	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG
AFC Commercial Bank Limited	-	-	-	-	-	-
Post Office Savings Bank(POSB)	8,579,094	-	-	-	-	-
FBC Bank Limited	409,003	61,264	-	-	-	-
Stanbic Bank Zimbabwe Limited	-	434,443	-	-	-	-
Sino Zimbabwe Cement Company/Other liabilities	2,431,424	-	-	-	-	-
	11,419,521	495,707				

Notes to the Financial Statements

INDUSTRIAL DEVELOPMENT CORPORATION OF ZIMBABWE LIMITED
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Bank	Security
FBC Bank Limited	Guaranteed by IDCZ
Stanbic Bank Zimbabwe Limited	Secured by NCGB over debts and movable assets of Chemplex Corporation
Sino-Zimbabwe Cement Company	Not secured, no rate and tenure
Reserve Bank of Zimbabwe	Secured against equipment (NCGB) bought using the funds(lease agreement), Plant and Immovabl assets at Zimbabwe Phosphat Industris and Dorowa Minerals and have a tenure of 5 years.

	GROUP		Inflation Adjusted		CORPORATION	
	2024	ZWG	2023	ZWG	2024	ZWG
Overdrafts						
Stanbic Bank Zimbabwe Limited	-	-	4,719,731	-	-	-
AFC Commercial Bank Limited	16,865,919	-	-	-	-	-
	16,865,919		4,719,731			

	GROUP		Historical Cost		CORPORATION	
	2023	ZWG	2022	ZWG	2023	ZWG
Overdrafts						
Stanbic Bank Zimbabwe Limited	-	-	434,443	-	-	-
AFC Commercial Bank Limited	16,865,919	-	-	-	-	-
	16,865,919		434,443			

The bank overdrafts are unsecured with a tenure of up to 12 months and were utilised to finance working capital requirements. Interest rates ranges from 25% to 45%.

Notes to the Financial Statements

INDUSTRIAL DEVELOPMENT CORPORATION OF ZIMBABWE LIMITED
 NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 DECEMBER 2024

17 Trade and other payables

	GROUP		Inflation Adjusted		CORPORATION	
	2024	2023	2024	2023	2024	2023
	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG
Trade payables	265,834,172	296,389,212	-	-	-	-
Accruals	82,436,890	101,232,151	19,236,081	25,072,614	19,236,081	25,072,614
VAT control account	17,533,815	10,588,197	2,795,882	1,836,034	2,795,882	1,836,034
Other payables	112,821,824	116,149,956	8,004,932	18,367,886	8,004,932	18,367,886
	478,626,701	524,359,516	30,036,895	45,276,534	30,036,895	45,276,534
	-	-	1,325,601	5,763	1,325,601	5,763

Related party payables

	GROUP		Historical Cost		CORPORATION	
	2024	2023	2024	2023	2024	2023
	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG
Trade payables	265,834,172	27,277,848	-	-	-	-
Accruals	47,358,473	9,313,137	6,681,586	2,307,888	6,681,586	2,307,888
VAT control account	17,533,814	974,624	2,795,881	169,004	2,795,881	169,004
Other payables	14,361,641	10,691,357	20,559,428	1,690,728	20,559,428	1,690,728
	473,088,100	48,256,966	30,036,895	4,167,620	30,036,895	4,167,620

Group

Trade payables are non interest bearing and are normally settled on 14 to 30 day terms. For terms and conditions relating to related parties.

Corporation

Trade payables are non interest bearing and are normally settled on 15 to 30 day terms.

Notes to the Financial Statements

INDUSTRIAL DEVELOPMENT CORPORATION OF ZIMBABWE LIMITED
 NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS
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18 Loans receivable	Inflation Adjusted						Historical Cost					
	GROUP		CORPORATION		GROUP		CORPORATION		GROUP		CORPORATION	
	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
Long term loans to companies	-	-	-	8,773,344	-	-	-	-	-	-	-	807,570
Chemplex Corporation Limited	-	-	-	8,773,344	-	-	-	-	-	-	-	807,570
Expected credit loss	-	-	-	(3,921,128)	-	-	-	-	-	-	-	(360,933)
Total long term loans receivable	-	-	-	4,852,216	-	-	-	-	-	-	-	446,637
Short term loans receivable	-	-	-	-	-	-	-	-	-	-	-	-
Chemplex Corporation Limited	-	-	-	36,702,963	-	-	-	-	-	-	-	3,378,440
Ministry of Finance and Economic Development	1,001	10,869	1,001	10,869	1,001	1,001	1,001	1,001	1,001	1,001	1,001	1,001
Arthermac Investments	-	260,245	-	260,245	-	-	-	23,955	-	-	-	23,955
Willowvale Motor Industries	-	-	395,893	1,297,340	-	-	-	-	395,893	-	-	119,417
Senwork Enterprises	206,872	504,319	206,872	504,319	206,872	206,872	206,872	46,422	206,872	206,872	206,872	46,422
Radar Investments	-	-	-	-	-	-	-	-	-	-	-	-
Clorpeace Investments	-	-	-	-	-	-	-	4,663	-	-	-	4,663
Welli-Will Investments	-	50,653	-	50,653	-	-	-	-	-	-	-	-
Ziscosteel	-	373,968	-	373,968	-	-	-	34,423	-	-	-	34,423
Comhold Investments	-	259,595	-	259,595	-	-	-	23,894	-	-	-	23,894
Expected credit loss	207,873	1,459,649	62,177,682	39,459,952	207,873	207,873	134,358	62,177,682	62,177,682	3,632,215	3,632,215	3,632,215
Total short term loans receivable	(1,000)	(2,464,739)	59,712,943	39,459,952	(1,000)	(1,000)	134,358	(2,464,739)	59,712,943	3,632,215	3,632,215	3,632,215

Notes to the Financial Statements

INDUSTRIAL DEVELOPMENT CORPORATION OF ZIMBABWE LIMITED
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 FOR THE YEAR ENDED 31 DECEMBER 2024

19 Commitments and contingencies

(a) Commitments

(i) During the year 31 December 2024 the Group committed to incur capital expenditure of ZWG693 932 427 (2023: ZWG178 498 130). The capital expenditure will be funded through borrowings and internally generated resources.

(ii) Future minimum lease commitments

At 31 December, the future minimum lease payments under non-cancellable leases were as follows:

Group	Group		Corporation	
	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
Between one and five years	420,917	228,109	420,917	20,997
More than five years	11,644,262	2,869,487	11,644,262	264,131
	12,065,179	3,097,596	12,065,179	285,128
	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
Lease expense	883 212	652 963	531 649	60 104

(ii) Amounts recognised in profit or loss

(b) Contingent liabilities

Impairment of Ginhole Investments (Private) Limited/t/a Last Hope Estate

Following the impairment of the investment, the Group has recognised a contingent liability of ZWG1 176 824 as a potential obligation that could arise from the derecognition of the investment. The contingent liability was estimated as their total current liabilities for the year ended 31 December 2024.

(c) Contingent asset

IDCZ LTD vs. State of Romania and ROMSIT (International Glass Factory)

This is an ongoing international matter in which IDCZ Limited successfully sued Romanian State Company (ROMSIT) for breach of contract arising from defective workmanship and materials which resulted in the closure of the National Glass in Kadoma. IDCZ Limited was awarded judgement for the principal sum of USD4 211 570 together with interest at 8.5% per annum from 15 March 1999 to date of payment and arbitration costs of USD606 640. The judgement debt now amounts to an excess of USD13 388 696 with interest and costs included. It is considered that the judgement sum of USD13 388 696 will be recovered in due course although, due to the nature of international disputes this may take long.

Notes to the Financial Statements

INDUSTRIAL DEVELOPMENT CORPORATION OF ZIMBABWE LIMITED
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20 Related party disclosures

The consolidated financial statements include the financial statements of Industrial Development Corporation of Zimbabwe Limited

	Country of incorporation	equity interest 2024	equity interest 2023
Chemplex Corporation Limited	Zimbabwe	100%	100%
Ginhole Investments (Private) Limited T/A Last Hope Estate	Zimbabwe	100%	100%
Willowvale Motor Industries (Private) Limited	Zimbabwe	100%	100%
Deven Engineering (Private) Limited	Zimbabwe	100%	100%
Sunway City (Private) Limited	Zimbabwe	99.86%	99.86%

The parent, Mutapa Investment Fund has a 100 % equity interest in the Corporation. Transactions with the parent are disclosed in note 15.

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year.

31 December 2024

GROUP

	Inflation Adjusted				Historical Cost			
	Sales to related parties ZWG	Purchases from related parties ZWG	Amounts owed by related parties ZWG	Amounts owed to related parties ZWG	Sales to related parties ZWG	Purchases from related parties ZWG	Amounts owed by related parties ZWG	Amounts owed to related parties ZWG
Associates:								
Amtec Motors (Private) Limited	-	-	734,461	-	-	-	734 461	-
Zimbabwe Grain Bag (Private) Limited	-	-	36,585	-	-	-	36 585	-
	-	-	771,046	-	-	-	771 046	-

31 December 2023

GROUP

	Inflation Adjusted				Historical Cost			
	Sales to related parties ZWG	Purchases from related parties ZWG	Amounts owed by related parties ZWG	Amounts owed to related parties ZWG	Sales to related parties ZWG	Purchases from related parties ZWG	Amounts owed by related parties ZWG	Amounts owed to related parties ZWG
Associates:								
Amtec Motors (Private) Limited	-	-	135 520	-	-	-	12 474	-
	-	-	135 520	-	-	-	12 474	-

Amounts owed to the Corporation by Group companies have been provided as detailed on note 18 above. Terms and conditions of these loans and advances are also documented on this note

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20.1 Compensation to key management personnel

	GROUP					
	Inflation Adjusted		2023		Historical Cost	
	2024	ZWG	ZWG	ZWG	2024	2023
Short term employee benefits	138,115,911		80,575,706		89,069,875	7,416,844
Post employment benefits	-		145,251		4,435,200	3,821
Termination benefits	-		-		-	-
Total compensation paid to key management personnel	138,115,911		80,720,957		93,505,075	7,420,665

CORPORATION

	Inflation Adjusted		2023		Historical Cost	
	2024	ZWG	ZWG	ZWG	2024	2023
	Short term employee benefits	12,438,748		6,362,127		9,122,163
Post employment benefits	-		-		-	-
Termination benefits	-		-		-	-
Total compensation paid to key management personnel	12,438,748		6,362,127		9,122,163	436,486

Key management are those persons having authority and responsibility for planning, directing and controlling the activities of the Group. The amounts disclosed above are the amounts recognised as expenses during the reporting period.

Notes to the Financial Statements

21 Financial risk management

21.1 Financial risk management objectives and policies

The Group's principal financial liabilities comprise long and short term-bank loans, and trade payables. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various financial assets such as available for sale assets, trade receivables, and cash and cash equivalents which arise directly from its operations.

The principal risk the Group faces under insurance contracts is that the actual claims and benefit payments or the timing thereof differ from expectations. This is influenced by the frequency of claims and severity of claims. Therefore the objective of the Group is to ensure that sufficient reserves are available to cover these liabilities.

The risk exposure is mitigated by diversification across a large portfolio of insurance contracts. The availability of risks is also improved by careful selection and implementation of underwriting strategy guidelines as well as the use of reinsurance arrangements.

The Group purchases reinsurance as part of its mitigation programme. Reinsurance ceded is placed on both a proportional and non proportional basis. The majority of proportional reinsurance is quoted-share reinsurance which is taken out to reduce the overall exposure of the Group to certain classes of business. Non-proportional reinsurance is primarily excess of loss reinsurance designed to mitigate the Group's net exposure to catastrophe losses. Retention limits for the excess of loss reinsurance vary by product line.

Amount recoverable from reinsurance are estimated in a manner consistent with the outstanding claims provision and are in accordance with the reinsurance contracts. Although the Group has reinsurance arrangements, it is not relieved of its direct obligations to its policyholders and thus a credit exposure exists with respect to ceded insurance, to the extent that any reinsurer is unable to meet its obligations assumed under such reinsurance arrangements. The Group's replacement of reinsurance is diversified such that neither dependant on a single reinsurer nor are the operations of the Group substantially dependant upon any single reinsurance contract.

The Group principally issues the following type of general insurance contracts: motor, fire, accident and engineering. The variability of risks is improved by careful selection and implementation of underwriting strategies, designed to ensure that risks are diversified in terms of risk and level of insured benefits. This is largely achieved through diversification across industry sectors and geography. Further, strict claim review policies to assess all lodged claims, regular detailed review of claims handling procedures and frequent investigation of possible fraudulent claims are put in place to reduce the risk exposure of the Group. The Group further enforces a policy of actively managing and promptly pursuing claims in order to reduce its exposure to unpredictable future developments that can negatively impact the business.

The Group's senior management oversees the management of these risks. The Group's senior management advises on financial risks and the appropriate financial risk governance framework for the Group and ensures that appropriate policies and procedures that govern the Group's financial risk-taking activities are in place and that financial risks are identified, measured and managed in accordance with the Group policies and Group risk appetite.

Notes to the Financial Statements

Risk management framework

The Corporation's Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board of Directors has established the Risk Management Committee, which is responsible for developing and monitoring the Group's risk management policies. The committee reports regularly to the board of directors on its activities.

The Group's risk management policies are established to identify and analyse the risk faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive environment in which all employees understand their roles and obligations.

The Group Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Group Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, results of which are reported to the Audit Committee.

The main risks arising from the Group's financial instruments are market risk that is foreign currency, interest rate, liquidity and credit risk. These risks are managed as follows:

21.2 Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise four types of risk: foreign currency risk, interest rate risk, commodity price risk and other price risk, such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, available-for-sale investments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Group does not use financial instruments in its management of foreign currency.

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21.2.1

Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities when revenues or expenses are denominated in a different currency and the Group's net investment in subsidiaries. All the Group's investments use the same currency which, is the Zimbabwe Gold.

21.2.2

Interest rate risk

Interest risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to risk of changes in market rates relates to short-term borrowings and overdraft rates. This exposure is partially managed through corresponding money market investments of the Group's surplus cash resources.

The Group manages its interest cost and risk by using debt with fixed rate of debts and thus is not exposed to interest rate risk fluctuations.

The following demonstrates the sensitivity to a reasonable possible change in interest rate on profit before tax;

	Inflation Adjusted			
	GROUP		CORPORATION	
	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
Change in interest rate of:				
+10%	488,419	243,478	-	-
-10%	(488,419)	(243,478)	-	-
	Historical Cost		CORPORATION	
	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
Change in interest rate of:				
+10%	183,089	34,551	-	-
-10%	(183,089)	(34,551)	-	-

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INDUSTRIAL DEVELOPMENT CORPORATION OF ZIMBABWE LIMITED

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21.2.3 Liquidity risk

Liquidity risk is the risk of insufficient liquid funds being available to cover commitments. The Group consistently monitors its risk to a shortage of liquid funds. This requires that the Group considers the maturity of both its financial investments and financial assets e.g. accounts receivables and other financial assets. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank loans, debentures, bank facilities and cash resources. Furthermore, the Group is vigorously pursuing debtor collection and identifying non performing assets for outright disposal.

The table below summarises the maturity profile of the Group's financial liabilities as at 31 December 2024 based on contractual undiscounted payments:

GROUP

Inflation Adjusted

	On demand	0 to 3 months	3 to 12 months	1 to 5 years	+5 years	Total
	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG
Year ended 31 December 2024						
Interest bearing loans and borrowings	27,876,438	-	409,003	-	-	28,285,441
Other liabilities	86,980,458	-	3,870,945	19,259,441	-	110,110,844
Trade and other payables	402,368,038	28,866,997	1,742,035	846,572	-	433,823,642
	517,224,934	28,866,997	6,021,983	20,106,013	-	572,219,927
Year ended 31 December 2023						
Interest bearing loans and borrowings	4,719,731	-	5,385,301	-	-	10,105,032
Other liabilities	99,421,781	1,111,270	2,733,891	-	-	103,266,943
Trade and other payables	446,514,483	44,232,885	11,288,898	814,041	-	502,850,307
	550,655,995	45,344,155	19,408,090	814,041	-	616,222,281
Historical cost						
Year ended 31 December 2024						
Interest bearing loans and borrowings	27,876,438	-	409,002	-	-	28,285,440
Other liabilities	84,141,961	-	3,486,555	19,259,441	-	106,887,957
Trade and other payables	399,743,008	28,866,997	1,841,943	846,572	-	431,298,520
	511,761,407	28,866,997	5,737,500	20,106,013	-	566,471,917
Year ended 31 December 2023						
Interest bearing loans and borrowings	434,443	-	495,707	-	-	930,149
Other liabilities	9,151,590	108,515	350,193	-	-	9,610,299
Trade and other payables	40,982,656	4,071,555	1,047,402	74,931	-	46,176,544
	50,568,689	4,180,070	1,893,302	74,931	-	56,716,992

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21.2.3 Liquidity risk

CORPORATION

Inflation Adjusted

	On demand ZWG	0 to 3 months ZWG	3 to 12 months ZWG	1 to 5 years ZWG	+5 years ZWG	Total ZWG
Year ended 31 December 2024						
Other liabilities	-	-	420,917	19,259,441	-	19,680,358
Trade and other payables	-	23,849,820	-	-	-	23,849,820
	-	23,849,820	420,917	19,259,441	-	43,530,178

Year ended 31 December 2023

Interest bearing loans and borrowings	-	1,111,270	-	-	-	1,111,270
Other liabilities	-	39,064,781	8,198,079	-	-	47,262,860
	-	40,176,051	8,198,079	-	-	48,374,130

Historical Cost

	On demand ZWG	0 to 3 months ZWG	3 to 12 months ZWG	1 to 5 years ZWG	+5 years ZWG	Total ZWG
Year ended 31 December 2024						
Other liabilities	-	-	420,917	19,259,441	-	19,680,358
Trade and other payables	2,838,497	21,216,427	-	-	-	24,054,924
	2,838,497	21,216,427	420,917	19,259,441	-	43,735,282

Year ended 31 December 2023

Interest bearing loans and borrowings	-	102,290	-	-	-	102,290
Other liabilities	-	3,595,841	754,618	-	-	4,350,459
	-	3,698,131	754,618	-	-	4,452,749

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21.3 Capital management

The primary objective of the Corporation's capital management is to ensure that the Corporation maintains a healthy capital ratio in order to support the business and maximise shareholder value. The Group manages its capital structure and makes adjustments to it in light of changes in the economic environment to maintain and adjust the capital structure the Group may adjust the dividend payment to shareholders, return on capital to shareholders, or issue new shares. No changes were made to the objectives, policies or processes during the year ended 31 December 2024. The Group's capital comprise net debt and equity as detailed below:

	Inflation Adjusted		Historical Cost	
	2024	2023	2024	2023
	ZWG	ZWG	ZWG	ZWG
Interest bearing loans and borrowings	12,266,093	6,785,776	12,266,093	624,618
Bank overdrafts	16,865,919	4,719,731	16,865,919	434,443
Trade and other payables	478,626,701	545,363,292	473,088,100	50,194,554
Less cash and short term deposits	(60,144,788)	(83,474,348)	(60,144,788)	(7,683,659)
Net debt	447,613,925	473,394,451	442,075,324	43,569,956
Equity	3,396,279,225	3,891,324,802	3,354,465,644	331,729,632
Capital and debt	3,843,893,150	4,364,719,253	3,796,540,968	94,066,270,850
Gearing ratio	12%	11%	12%	0%
Target gearing ratio	60%	60%	60%	60%

Notes to the Financial Statements

21.4 Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily for trade receivables and loan notes) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

The Group's cash is placed with major banks of high credit standing in Zimbabwe and within specific guidelines laid down by the Group Treasury and approved by the Board. The Group does not consider there to be significant exposure to credit risk from banks.

Short-term deposits

The Group's short-term deposits are placed with reputable and sound institutions.

(a) Credit risk relating to receivables

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and controls relating to customer credit risk management. Credit quality of customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored and all sales to credit customers are generally covered by letters of credit.

The requirement for impairment is analysed at each reporting date on an individual basis for all the receivables. As at 31 December 2024, the Group had ZWG3 156 996 (2023 : ZWG4 938 957) allowance for credit losses relating to receivables.

The Group evaluates the concentration of risk with respect to trade receivables as low to medium, as it has a wide range of customers which include the Government and Corporate.

(b) Financial instruments and cash deposits

Credit risk from balances with banks and financial instruments is managed by the Group's Treasury departments in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Board of Directors on an annual basis, and maybe updated throughout the year subject to the approval of the Risk Committees. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through potential counterparty's failure.

The Group's maximum exposure to credit risk arising from its financial assets as at 31 December 2024 and 2023 is the carrying amounts of the financial assets as illustrated in note 21.5.

Notes to the Financial Statements

INDUSTRIAL DEVELOPMENT CORPORATION OF ZIMBABWE LIMITED
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21.5 Fair values of financial instruments

The estimated net fair values of all financial instruments approximate the carrying amounts shown in the financial statements. Financial assets and liabilities including loans to group companies and investments in associates which are intended to either to be settled on a net basis or to be realised and settled simultaneously are offset and the net asset or liability amounts reported in the statement of financial position.

Set out below is a comparison by category of carrying amounts and fair values of all the Group's financial instruments that are carried in the financial statements:

GROUP	Inflation Adjusted				Historical Cost			
	2024		2023		2024		2023	
	Carrying amount ZWG	Fair value ZWG						
Financial assets								
Trade and other receivables	558,720,167	558,720,167	700,972,215	700,972,215	533,099,826	533,099,826	50,254,416	50,254,416
Cash and short term deposits	60,144,788	60,144,788	83,474,348	83,474,348	60,144,788	60,144,788	7,683,659	7,683,659
Available for sale financial assets	22,341,280	22,341,280	25,089,718	25,089,718	3,194	3,194	243,958	243,958
Financial liabilities								
Interest bearing loans and borrowings	12,266,093	12,266,093	6,785,776	6,785,776	12,266,093	12,266,093	624,618	624,618
Trade and other payables	478,626,701	478,626,701	545,363,292	545,363,292	473,088,100	473,088,100	50,194,554	50,194,554
Overdraft	16,865,919	16,865,919	4,719,731	4,719,731	16,865,919	16,865,919	434,443	434,443
CORPORATION								
Financial assets								
Trade and other receivables	662,563	662,563	853,616	853,616	662,563	662,563	78,574	78,574
Cash and short term deposits	1,344,874	1,344,874	12,881,649	12,881,649	1,344,874	1,344,874	1,185,732	1,185,732
Loans receivable	59,712,943	59,712,943	44,312,168	44,312,168	59,712,943	59,712,943	4,078,853	4,078,853
Amounts receivable from group companies	29,723,635	29,723,635	22,875,804	22,875,804	29,723,635	29,723,635	2,105,675	2,105,675
Financial liabilities								
Trade and other payables	30,036,895	30,036,895	45,276,534	45,276,534	30,036,895	30,036,895	4,167,621	4,167,621

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The fair values of the financial assets and liabilities is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following methods and assumptions were used to estimate the fair values:

Cash and short-term deposits, trade receivables, trade payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. At 31 December 2024, the carrying amounts of these instruments were therefore equal to their fair values.

Long-term fixed rate receivables are evaluated by the Group based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken to account for the expected losses of these receivables. These parameters also apply on borrowings.

The carrying amount of loans from banks and other financial liabilities has been assumed to approximate fair value as the current economic environment in Zimbabwe, characterised by lack of liquidity, makes it difficult to determine interest rates currently available for debt on similar terms, credit risk and remaining maturities.

Fair value hierarchy

2024	Inflation Adjusted			Historical Cost				
	Level 1 ZWG	Level 2 ZWG	Level 3 ZWG	Total ZWG	Level 1 ZWG	Level 2 ZWG	Level 3 ZWG	Total ZWG
Financial and non-financial assets								
Land and buildings	-	-	2,805,576,254	2,805,576,254	-	-	2,805,576,254	2,805,576,254
Available for sale financial assets	-	-	22,341,280	22,341,280	-	-	3,194	3,194
Investment properties	-	-	143,839,152	143,839,152	-	-	143,839,152	143,839,152
2023								
Financial and non-financial assets								
Land and buildings	-	-	3,113,841,732	3,113,841,732	-	-	283,927,155	283,927,155
Available for sale financial assets	-	-	25,089,718	25,089,718	-	-	243,958	243,958
Investment properties								
	-	-	166,357,029	166,357,029	-	-	15,312,856	15,312,856

The classification is explained as follows:

Level 1: Quoted prices in an active market for identical assets.

Level 2: Other techniques for which inputs other than quoted prices included in Level 1 are observable for the asset or liability, either directly or indirectly.

Level 3: Techniques for which inputs are not based on observable market data.

During the reporting period ending 31 December 2024, there were no financial assets at fair value through profit and loss.

Refer to Note 8 (a), 9.1 and 10.4 for valuation techniques.

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INDUSTRIAL DEVELOPMENT CORPORATION OF ZIMBABWE LIMITED

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22 Segment information

The Group has the following four divisions, which are its reportable segments, and which are managed separately because they require different technology and marketing strategies.

The following summary describe the operations of each segment.

Reportable segments

Chemicals and Fertilizers

Fertilizer and chemical manufacturing.

Engineering

Coach building, general engineering and manufacturing .

Motor and Transport

Motor vehicle and truck dealership, importer and wholesaler of automotive parts and provider of motor vehicle plans.

Corporate and Other

Promote investments and economic co-operation across borders and development of residential, commercial and industrial stands.

The Group has four operating segments as follows:

	Inflation Adjusted							
	Chemicals & fertilizers		Motor & transport		Corporate & other		Consolidated	
	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
Revenue								
External customer	1,071,806,374	1,760,434,036	36,406,955	42,849,098	219,607,690	205,701,447	1,327,821,019	2,008,984,581
Intersegment sales	(681,461)	(2,668,589)	-	-	-	-	(681,461)	(2,668,589)
Total revenue	1,071,124,913	1,757,765,447	36,406,955	42,849,098	219,607,690	205,701,447	1,327,139,558	2,006,315,992
Results								
Depreciation	19,560,372	33,032,477	524,095	1,837,764	2,937,742	4,430,062	23,022,209	39,300,303
Share of profit of associates	-	-	-	-	45,756,151	45,942,486	45,756,151	45,942,486
Segment (loss) /profit	(57,644,960)	(15,437,570)	(13,741,779)	(4,061,119)	13,805,719	375,007,008	(56,326,199)	355,508,319
Operating assets	1,603,722,153	1,845,275,440	339,239,950	379,539,598	2,198,283,443	2,488,212,078	4,141,245,546	4,713,027,116
Operating liabilities	447,886,084	467,227,164	23,086,576	10,032,849	75,739,178	72,823,011	546,711,838	550,083,024
Other disclosures								
Investment in an associate	-	-	-	-	510,868,235	475,728,460	510,868,235	475,728,460
Capital expenditure	(1,971,594)	(193,786)	(1,957)	(773)	(6,637)	(984,495)	(1,980,188)	(1,179,054)

1. Inter- segment revenues are eliminated on consolidation.

2 .Segment assets includes intercompany transactions

3. Segment liabilities do not include long term liabilities ZWG549 383 657 (2023: ZWG550 083 023).

Notes to the Financial Statements

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	Historical Cost									
	Chemicals & fertilizers		Motor & transport		Corporate & other		Consolidated			
	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
Revenue										
External customer	663,496,535	63,245,281	26,794,722	564,423,358	152,673,529	2,256,635,059	842,964,786	2,884,303,698		
Intersegment sales	(498,782)	(178,046)	-	-	-	-	(498,782)	(178,046)		
Total revenue	662,997,753	63,067,235	26,794,722	564,423,358	152,673,529	2,256,635,059	842,466,004	2,884,125,652		
Results										
Depreciation	10,937,825	1,192,514	342,673	35,263	589,042	137,041	11,869,540	1,364,818		
Impairment of assets	-	-	-	-	420,731,985	-	420,731,985	-		
Share of profit of associates	-	-	-	-	49,619,657	4,006,769	49,619,657	4,006,769		
Segment profit/ (loss)	42,417,480	7,535,277	(823,582)	977,145	702,216,666	44,147,562	743,810,564	52,659,984		
Operating assets	1,492,706,478	159,362,849	335,395,364	33,591,444	2,159,071,638	214,401,436	3,987,173,480	407,355,729		
Operating liabilities	442,444,480	50,736,382	23,086,577	1,331,228	75,432,767	7,133,993	540,963,824	59,201,603		
Other disclosures										
Investment in an associate	-	-	-	-	508,681,757	43,074,922	508,681,757	43,074,922		
Capital expenditure	5,329,137	785,864	179,206	27,590	2,655,879	400,523	8,164,222	1,213,977		

1. Inter-segment revenues are eliminated on consolidation.
2. Segment assets does includes intercompany transactions
3. Segment liabilities do not include long term liabilities ZWG542 748 405 (2023: ZWG59 201 603)

Notes to the Financial Statements

INDUSTRIAL DEVELOPMENT CORPORATION OF ZIMBABWE LIMITED

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	Historical cost					
	31 December 2024			31 December 2023		
	Total - all segments		Liability for incurred claims	Total - all segments		Liability for incurred claims
Liability for remaining coverage excluding loss component	Loss component	ZWG	ZWG	Liability for remaining coverage excluding loss component	Loss component	Total
ZWG	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG
Opening Insurance Contract Liabilities	377,247	606,139	1,081,891	26,791	7,547	43,462
Opening Insurance Contract Assets	(678,327)	-	-	(55,337)	-	-
Net insurance contract (assets)/liabilities	(301,080)	606,139	1,081,891	(28,546)	7,547	43,462
Insurance Revenue	(17,396,003)	-	-	(1,896,677)	-	-
Insurance Service expenses						
Incurred claims	-	-	10,676,739	-	-	1,678,895
Other directly attributable expenses	-	-	14,229,857	-	-	1,336,552
Changes that relate to past service -adjustment to the LIC	-	-	(6,173,668)	-	-	(247,759)
Losses on onerous contracts and reversal of those losses	-	7,318,118	-	-	598,592	598,592
Insurance Service expenses						
Insurance Service result (before reinsurance)						
Cash flows						
Premiums received	17,014,803	-	-	1,624,144	-	-
Claims paid	-	-	(3,172,316)	-	-	(620,495)
Effects of inflation	-	-	(12,472,682)	-	-	(1,108,766)
Total cash flows	17,014,803	-	(15,644,998)	1,624,144	-	(1,729,261)
Net closing balance	(680,777)	7,924,257	4,168,317	(301,080)	606,139	1,081,890
Closing Insurance Contract Liabilities	5,903,556	7,924,257	4,168,317	377,247	606,139	1,081,890
Closing Insurance Contract Assets	(6,584,333)	-	-	(678,327)	-	(678,327)
Net insurance contract (assets)/liabilities	(680,777)	7,924,257	4,168,317	(301,080)	606,139	1,081,890
						1,386,949
						2,065,276
						(678,327)
						1,386,949

Notes to the Financial Statements

INDUSTRIAL DEVELOPMENT CORPORATION OF ZIMBABWE LIMITED
 NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 DECEMBER 2024

31 December 2024

31 December 2023

Total - all
 segments

	Amount recoverable for incurred claims		Asset for remaining coverage		Asset for remaining coverage		Amount recoverable for incurred claims		Total	
	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG
Opening Reinsurance Contract Assets	4,986,543	-	4,986,543	-	902,072	-	902,072	-	902,072	-
Opening Reinsurance Contract Liabilities	(9,233,396)	4,109,452	(5,123,944)	4,109,452	(2,603,451)	717,215	(2,603,451)	717,215	(1,886,236)	
Net reinsurance contract assets/(liabilities)	(4,246,853)	4,109,452	(137,401)	4,109,452	(1,701,379)	717,215	(1,701,379)	717,215	(984,164)	
Reinsurance Service expenses										
Reinsurance expenses	(5,002,397)	-	(5,002,397)	-	29,435,648	-	29,435,648	-	29,435,648	
Amounts recoverables from incurred claims	-	4,067,437	4,067,437	4,067,437	-	(20,299,636)	(20,299,636)	(20,299,636)	(20,299,636)	
Reinsurance commission receivable	-	2,124,293	2,124,293	2,124,293	-	(10,301,790)	(10,301,790)	(10,301,790)	(10,301,790)	
Changes that relate to past service - adjustments to incurred claims	(4,646,182)	109,165	(4,537,017)	109,165	-	110,870	-	110,870	110,870	
Reinsurance Service expenses	(9,648,579)	6,300,895	(3,347,684)	6,300,895	29,435,648	(30,490,556)	(1,054,908)	(30,490,556)	(1,054,908)	
Net Income(Expenses) From Reinsurance Contracts Held	(9,648,579)	6,300,895	(3,347,684)	6,300,895	29,435,648	(30,490,556)	(1,054,908)	(30,490,556)	(1,054,908)	
Cash flows										
Reinsurance premiums paid	3,203,620	-	3,203,620	-	(31,971,601)	-	(31,971,601)	-	(31,971,601)	
Reinsurance commission received	-	-	-	-	-	8,594,836	8,594,836	8,594,836	8,594,836	
Recoveries from reinsurance	-	-	-	-	-	25,278,745	25,278,745	25,278,745	25,278,745	
Total cash flows	3,203,620	-	3,203,620	-	(31,971,601)	33,873,581	1,901,980	33,873,581	1,901,980	
Net closing balance	(10,691,812)	10,410,347	(281,465)	10,410,347	(4,237,332)	4,100,240	(137,092)	4,100,240	(137,092)	
Closing Reinsurance Contract Assets	702,785	1,581,462	2,284,247	1,581,462	4,975,365	-	4,975,365	-	4,975,365	
Closing Reinsurance Contract Liabilities	(2,565,708)	-	(2,565,708)	-	(9,212,698)	4,100,239	(5,112,459)	4,100,239	(5,112,459)	
Net reinsurance contract assets/(liabilities)	(1,862,923)	1,581,462	(281,461)	1,581,462	(4,237,333)	4,100,239	(137,094)	4,100,239	(137,094)	

Notes to the Financial Statements

INDUSTRIAL DEVELOPMENT CORPORATION OF ZIMBABWE LIMITED
NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

Historical Cost

	31 December 2024		31 December 2023	
	Amount	Asset for	Amount	Asset for
	recoverable for	remaining	recoverable for	remaining
	incurred claims	coverage	incurred claims	coverage
	Total		Total	
Opening Reinsurance Contract Assets	ZWG	ZWG	ZWG	ZWG
Opening Reinsurance Contract Liabilities	458, 991	458, 991	17, 318	17, 318
Net reinsurance contract assets/(liabilities)	(849, 897)	(471, 638)	(49, 981)	(36, 212)
	(390, 906)	(12, 647)	(32, 663)	(18, 894)
Reinsurance Revenue	-	-	-	-
Reinsurance Service expenses	-	-	-	-
Reinsurance expenses	(3, 722, 501)	(3, 722, 501)	(664, 032)	(664, 032)
Amounts recoverables from incurred claims	-	3, 319, 767	-	457, 935
Reinsurance commission receivable	-	1, 624, 536	-	232, 396
Changes that relate to past service - adjustments to incurred claims	-	206, 735	-	(2, 501)
Reinsurance Service expenses	(3, 722, 501)	1, 428, 537	(664, 032)	687, 830
Net Income(Expenses) From Reinsurance Contracts Held	(3, 722, 501)	1, 428, 537	(664, 032)	23, 798
Cash flows				
Reinsurance premiums paid	2, 250, 484	2, 250, 484	305,, 789	305, 789
Reinsurance commission received	-	(719, 843)	-	(82, 042)
Recoveries from reinsurance	-	(3, 227, 992)	-	(241, 298)
Total cash flows	2, 250, 484	(3, 947, 835)	305, 789	(323, 340)
Net closing balance	(1, 862, 923)	1, 581, 462	(390, 905)	378, 258
Closing Reinsurance Contract Assets	702, 785	2, 284, 247	458, 991	458, 991
Closing Reinsurance Contract Liabilities	(2, 565, 708)	(2, 565, 708)	(849, 896)	(471, 638)
Net reinsurance contract assets/(liabilities)	(1, 862, 923)	1, 581, 462	(390, 905)	378, 258

Notes to the Financial Statements

INDUSTRIAL DEVELOPMENT CORPORATION OF ZIMBABWE LIMITED
 NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 DECEMBER 2024

IFRS 17 Insurance Contracts was fully adopted in 2024 and the impact was as presented on the main financial statements with Statement of Financial Position being restated for 2023 and 2022. The Statement of financial position below represents the original position before restatement was done.

	Inflation Adjusted		Historical Cost	
	2023 ZWG	2022 ZWG	2023 ZWG	2022 ZWG
ASSETS				
Non-current assets				
Property, plant and equipment	3,409,442,659	1,725,432,967	3,375,762,320	357,587,922
Investment properties	166,357,029	65,985,848	166,357,029	13,731,604
Intangible assets	197,069	203,625	833	1,574
Non current portion of land held for sale	506,641	2,376,451	24,444	83,612
Investment in subsidiaries	-	-	-	-
Investment in associates	475,728,460	303,444,974	467,960,785	37,635,997
Other investments	25,089,718	23,546,518	2,650,335	257,959
Right of use assets	2,974,470	-	2,974,470	-
Deferred tax	-	-	1,357,564	-
Loans receivable	-	955,721	-	198,885
	4,080,296,046	2,121,946,104	4,017,087,780	409,497,553
Current assets				
Inventories	254,686,467	208,716,950	187,437,635	19,222,492
Trade and other receivables	700,972,215	303,164,992	545,957,948	57,119,632
Group balances receivables	-	-	-	-
Loans receivable	1,459,649	8,553,161	1,459,649	1,779,906
Non current assets held for sale	-	-	-	-
Cash and cash equivalents	83,474,348	87,691,233	83,474,348	18,248,477
	1,040,592,679	608,126,336	818,329,580	96,370,507
TOTAL ASSETS	5,120,888,725	2,730,072,440	4,835,417,360	505,868,060

Notes to the Financial Statements

INDUSTRIAL DEVELOPMENT CORPORATION OF ZIMBABWE LIMITED

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

EQUITY AND LIABILITIES

Capital and reserves

	Inflation Adjusted		Historical Cost	
	2023 ZWG	2022 ZWG	2023 ZWG	2022 ZWG
Issued capital	385,423,383	330,932,128	14,876,157	6,784,703
Capital waiting allotment	-	43,813,879	-	5,869,500
Revaluation reserve	2,478,980,299	887,189,127	2,974,889,211	296,331,985
Mark to market reserve	144,233	144,233	30,015	30,015
Accumulated profits	1,026,776,888	688,871,456	614,075,562	56,868,086
Equity attributable to owners of the parent	3,891,324,803	1,950,950,823	3,603,870,945	365,884,289

Non controlling interests

	255,933,012	207,482,386	231,589,490	36,118,358
Total equity	4,147,257,815	2,158,433,209	3,835,460,435	402,002,647

Non-current liabilities

Loans and borrowings	1,400,475	5,122,091	1,400,475	1,065,903
Finance lease liability	2,869,487	-	2,869,487	-
Deferred tax liability	357,408,630	211,949,177	383,790,321	37,349,037
	361,678,592	217,071,268	388,060,283	38,414,940

Current liabilities

Trade and other payables	545,363,292	311,912,512	545,307,615	56,603,265
Liabilities held for sale	-	-	-	-
Group balances payables	-	-	-	-
Loans and borrowings	5,385,301	17,757,799	5,385,301	3,666,027
Bank overdrafts	4,719,731	39,724	4,719,731	8,267
Finance lease liability	228,109	-	228,109	-
Current tax liability	56,255,885	24,857,928	56,255,886	5,172,914
	611,952,318	354,567,963	611,896,642	65,450,473

Total liabilities

	973,630,910	571,639,231	999,956,925	103,865,413
TOTAL EQUITY AND LIABILITIES	5,120,888,725	2,730,072,440	4,835,417,360	505,868,060

Notes to the Financial Statements

24. Going Concern

The Group continues to operate in a challenging economic environment marked by persistent working capital constraints, foreign currency shortages, subdued domestic demand, low investor confidence, and the wider impact of global geopolitical tensions. Despite these macroeconomic pressures, the Group has implemented a range of initiatives that collectively support its continued operations and long-term viability.

Favourable developments in the 2024/2025 agricultural season, including normal to above-normal rainfall, are expected to yield a bumper harvest in 2025. This is anticipated to drive up demand for fertilisers, particularly during the upcoming winter cropping season. In response, the Group is taking proactive steps to strengthen its production and financial capacity to meet this anticipated demand.

24.1. Working Capital Enhancement Measures

To ensure liquidity and uninterrupted operations, the Group has implemented the following high-impact working capital initiatives:

24.1.1. USD40 million Fertiliser Bond (Prescribed Asset Status): A significant capital-raising initiative currently being floated to support fertiliser production and related working capital requirements.

24.2. Prepaid Export Orders: Three prospective export customers for phosphate rock concentrate have been identified, with prepayment arrangements that will unlock both working capital and capital expenditure for plant refurbishment.

24.3. Letters of Credit: Facilities totalling USD1 million have been secured to finance the procurement of critical raw materials.

24.4. Foreign Credit Facility for Acid: A revolving USD1.5 million facility maintained for acid imports, a key input in fertiliser manufacturing.

24.5. Supply Credit Facilities:

- USD1 million secured from a Chinese supplier for cattle dipping chemicals.
- A revolving credit line for traded chemicals, currently at USD0.5 million, expected to increase to USD1.5 million in 2025.

24.6. Bank Loans:

- USD500,000 for construction equipment
- USD380,000 revolving facility for traded chemicals.
- Local currency equivalent of USD370,000 for fertilisers and chemicals.

24.7. Fertiliser Collaboration Agreement: Entered into a USD6 million partnership, focused on ammonium nitrate (AN) fertiliser production.

24.8. Toll Manufacturing: Plans underway to initiate tolling arrangements for animal health chemicals in Q3 of 2025.

24.9. Asset Optimisation Initiatives:

- Leasing of unused office and open spaces.
- Procurement of a three-phase generator to improve power supply reliability.
- Leveraging synergies with Mutapa Investment Fund (MIF) portfolio companies for production capacity and engineering solutions.
- Mining of 30,000 tons of accumulated residue gypsum for fertiliser use.

Notes to the Financial Statements

25. Strategic Expansion Projects

The Group is also progressing with key expansion and refurbishment projects to enhance long-term capacity and competitiveness:

25.1. Dorowa Plant Refurbishment: Funding of USD5 million secured through MIF for restoration to nameplate capacity (150,000 tons/year phosphate), with an additional USD3 million allocated for working capital. Refurbishment to begin in second half of year 2025.

25.2. Granulator Installation: To be completed by third quarter of year 2025, with a capacity of 150,000 tons/year of phosphate granules for NPK fertiliser production.

25.3. Earlyworm Mine Rehabilitation: A USD400,000 refurbishment project to be completed in first quarter of year 2025, enabling production of 30,000 tons/year of agricultural, industrial, and stock feed lime.

25.4. Magnetite Plant Installation: A new facility with 72,000 tons/year capacity is being installed, with projected monthly export revenue exceeding USD1 million.

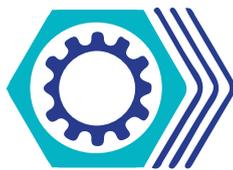
25.5. Tinde Fluorspar Mine Revival: Project aimed at producing 12,000 tons/year of fluorspar.

25.6. Sunway City Development: Infrastructure development for industrial stands and a mixed high and medium density housing scheme.

25.7. Construction Division Operationalisation: To enhance in-house capabilities and offer civil works services to third parties

Conclusion

After considering the comprehensive set of working capital measures and the progression of key strategic projects, the directors are confident that the Group has adequate resources to continue operating in the foreseeable future. Accordingly, these financial statements have been prepared on a going concern basis.



**INDUSTRIAL
DEVELOPMENT
CORPORATION**

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