

MEIKLES

— LIMITED —

SHORT-FORM FINANCIAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 29 FEBRUARY 2024

Issued in terms of Practice Note 13 of the Zimbabwe Stock Exchange

This short-form financial results announcement is the responsibility of the Directors and is only a summary of the information contained in the full announcement and does not contain full or complete details. Any investment decisions by investors and/or shareholders should be based on consideration of the full announcement.

A copy of the full announcement is available on the Zimbabwe Stock Exchange website www.zse.co.zw and the Company website link <https://meiklesltd.com/press-statements.html>. The full announcement is also available on request, at no charge, via email on investorrelations@meikles.com and RMutakwa@zb.co.zw.

FINANCIAL HIGHLIGHTS

	INFLATION ADJUSTED		HISTORICAL COST*	
	12 MONTHS ENDED 29 FEB 2024 AUDITED ZWL 000	% change Feb 2024 vs Feb 2023#	12 MONTHS ENDED 29 FEB 2024 UNAUDITED ZWL 000	% change Feb 2024 vs Feb 2023#
Revenue	10,447,654,157	102%	2,103,444,298	811%
Profit before tax	860,876,208	383%	39,472,053	173%
Profit for the year	469,463,733	430%	24,978,819	103%
Basic and diluted earnings per share (ZWL cents)	115,032.08	555%	4,878.69	104%
Headline earnings per share (ZWL cents)	111,685.48	534%	2,200.95	-8%

	INFLATION ADJUSTED		HISTORICAL COST*	
	YEAR ENDED 29 FEB 2024 AUDITED ZWL 000	% change Feb 2024 vs Feb 2023	YEAR ENDED 29 FEB 2024 UNAUDITED ZWL 000	% change Feb 2024 vs Feb 2023
Total assets	2,190,062,912	53%	923,487,421	1,082%
Total equity	1,374,794,408	95%	404,844,029	840%
Total liabilities	815,268,504	12%	518,643,392	1,379%

*Historical cost financial highlights are provided only as supplementary information. The primary financial information is the inflation adjusted financial highlights. The auditor's opinion relates only to the inflation adjusted financial results.

#Due to the change in financial year-end in the prior year, the comparative financial results are for the eleven months period ended 28 February 2023.

Auditor's Statement

The consolidated inflation adjusted financial statements from which this abridged version has been extracted, have been audited by Ernst & Young Chartered Accountants (Zimbabwe). An unqualified opinion has been issued on the inflation adjusted financial statements. The audit report also includes key audit matters with regards to Modifications of Right of Use Assets and Lease Liabilities. The auditor's report is available for inspection at the Company's registered office.

The Audit Partner for this engagement was Fungai Kuipa (PAAB Practising certificate number 335).

Dividend Declaration

The Board declared a final dividend of 0.75 US\$ cents per share on 30 May 2024, taking the total dividend for the financial year to 1.35 US\$ cents per share, including an interim dividend of 0.60 US\$ cents.



J.R.T. Moxon
Chairman
10 June 2024

MEIKLES

— L I M I T E D —

AUDITED ABRIDGED CONSOLIDATED FINANCIAL RESULTS

2024

CONTENTS

	Page
Financial Highlights	2
Chairman's Statement	2 - 4
Independent Auditor's Report - <i>Is for the complete set of Consolidated Financial Statements, and available for inspection at the Company's registered office</i>	5 - 8
Consolidated Statement of Profit and Loss and Other Comprehensive Income	9
Consolidated Statement of Financial Position	10
Consolidated Statement of Changes in Equity	11
Consolidated Statement of Cash Flows	12
Notes to the Abridged Consolidated Financial Results	13 - 24
Key performance measures	25
Corporate Information	26



TM PnP Supermarket Village Walk, Harare

FINANCIAL HIGHLIGHTS

	INFLATION ADJUSTED		HISTORICAL COST	
	ZWL Billion	% Change Feb 2024 vs Feb 2023*	ZWL Billion	% Change Feb 2024 vs Feb 2023*
Revenue	10,447	102%	2,103	811%
Net operating costs	2,699	121%	544	937%
Profit before tax	861	383%	39	173%
Profit after tax	469	430%	25	103%
Basic and diluted earnings per share (ZWL cents)	115,032.08	555%	4,878.69	104%
Headline earnings per share (ZWL cents)	111,685.48	534%	2,200.95	-8%

*Due to the change in financial year-end in the prior year, the comparative financial results are for the eleven months period ended 28 February 2023.

CHAIRMAN'S STATEMENT

It gives me pleasure to present the Chairman's Report for the year ended 29 February 2024.

OPERATING ENVIRONMENT

The financial year under review was characterised by continued local currency depreciation. The ZWL fell from 889 per USD at the beginning of March 2023 to 14,912 at the end of February 2024. In response to ZWL instability, USD was widely used in pricing and transacting in the economy. According to a survey on consumer spending conducted by the Zimbabwe Statistical Agency (Zimstat), 80% of the economic transactions were conducted in USD, while 20% were in ZWL.

During the fourth quarter of the year under review, stocks were priced predominantly in USD, with few suppliers accepting settlement in ZWL. The RBZ exchange control regulation, which required businesses to charge a maximum of 10% margin above the interbank exchange rate in setting ZWL prices, was enforced only on formal retail. This led to higher USD prices for formal retail than for informal players.

GROUP FINANCIAL PERFORMANCE

The Company changed its financial year-end last year from March to February. Consequently, the comparative financial results are for eleven months. Commentary on financial performance is based on inflation adjusted figures.

Group revenue grew to ZWL10.4 trillion (Previous year: ZWL5.2 trillion), representing a 102% increase with growth across all the segments.

The gross profit margin was maintained at 22.8%, the same as last year, despite the exchange rate-induced volatility in the prices of goods.

Group net operating costs increased by 121%, reflecting the impact of the depreciating exchange rate. Most prices, including wages and salaries, were pegged in USD and converted to ZWL at exchange rates prevailing at settlement.

Finance costs increased by 21% to ZWL27.5 billion. IFRS 16 interest charges accounted for ZWL23 billion of the total finance costs.

The exchange loss arose primarily from the remeasurement of USD-denominated creditors for the supermarket segment at the exchange rate ruling at year-end. Creditors contributed 94% of the gross exchange loss of ZWL444.3 billion. Exchange gains on the remeasurement of bank balances and receivables denominated in foreign currency were ZWL120.1 billion, and this, combined with the exchange losses, resulted in a net exchange loss of ZWL324.2 billion.

Profit after tax increased to ZWL 469.5 billion from ZWL88.6 billion the previous year. The effective tax rate of 45.5% was much higher than the statutory tax rate of 24.7% for the year due mainly to the disallowed intermediated money transfer tax of ZWL114 billion.

Other comprehensive income was ZWL359.6 billion, up from ZWL22.4 billion last year due to the exchange rate movement, which affected the translation of foreign subsidiaries. Total comprehensive income for the year was ZWL829.1 billion, up from ZWL110.9 billion the previous year.

At the end of the reporting period, the group had strong liquidity levels, including US\$13.8 million in cash. The current assets ratio was 2.31 times, up from 1.74 times the previous year. The debt-to-equity ratio improved to 3% from 9% the previous year. Lease liabilities for the various store leases accounted for 74% (Previous year: 84%) of the total debt.

REVIEW OF OPERATIONS

Supermarkets – trading as TM Pick n Pay

Revenue grew by 102% (88% on a like-for-like basis) to ZWL10.4 trillion. Units sold for the year declined by 4.8% due to the combined effect of uncompetitive USD prices for formal retail and depressed consumer demand. The authorities controlled the in-store exchange rate used by formal retail players, while informal players used higher exchange rates, giving them a competitive edge. Despite this impediment, units sold in the second half of the financial year recovered by 5.2 percentage points, reducing the full-year deficit to 4.8% from 10% at the half-year mark.

Revenue received in foreign currency during the year was below 20% of the total revenue. This fell far short of the average mix of transactions conducted in foreign currency in the economy, which was 80% in USD, due to the uneven enforcement of the in-store exchange rate policy.

The gross profit margin was maintained at 23% from last year despite the volatility of ZWL prices. Operating costs increased by 110% due to the constant movement in the exchange rate.

CHAIRMAN'S STATEMENT (continued)

REVIEW OF OPERATIONS

Supermarkets – trading as TM Pick n Pay

Profit after tax increased by 259% to ZWL335.6 billion.

During the year under review, the segment opened two new stores in Gwanda and along Robert Mugabe Road in Harare. The total capital expenditure was funded from operating cash flows. The segment demonstrated resilience in working capital management, in the face of frequent changes in supplier trading terms.



TM PnP Supermarket, Gwanda

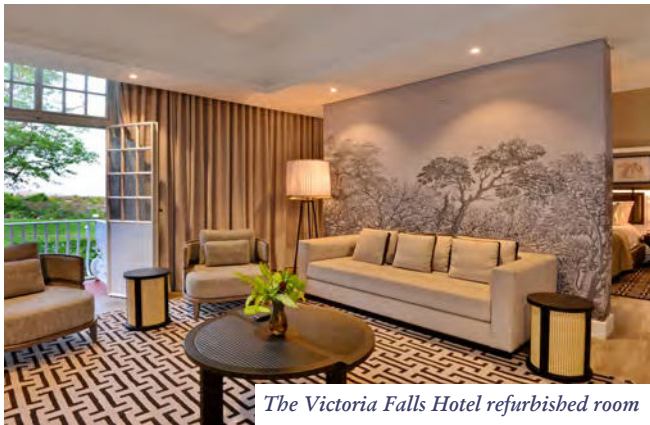


TM PnP Supermarket Robert Mugabe, Harare

Hospitality

Revenue increased by 53% in USD terms. The growth was due to an 8 percentage points increase in room occupancy to 37%, combined with a 15% increase in the average room rate.

Profit after tax increased to ZWL9.2 billion from ZWL 5.6 billion in the previous year.



The Victoria Falls Hotel refurbished room



The Victoria Falls Hotel, Centenary Room

Properties

Revenue increased by 30% in USD terms, reflecting the positive impact of the refurbishment of some of the properties. Profit after tax increased to ZWL40.7 billion from a loss of ZWL7.8 billion in the previous year.

The refurbishment of the property in Masvingo was at an advanced stage at year-end, with completion expected in the second quarter of the Group's financial year. The refurbishment works on the main building in Bulawayo will commence in due course.

Security Services

Meikles Guard Services generated sufficient cash flows to fund its operations during the year under review. Profit after tax was ZWL1 billion, down from ZWL2.5 billion the previous year.

SUSTAINABILITY

The Group continues to progress in reducing negative environmental impacts from its operations. Some of the activities in the Group's operational plans include annual tree planting, refrigeration equipment upgrades, promoting biodegradable carrier bags, and changes in waste handling methods. In addition, the Group has incorporated sustainability issues in its governance processes and structures.

CHAIRMAN'S STATEMENT (continued)

CORPORATE SOCIAL RESPONSIBILITY

TM Pick n Pay and Meikles Foundation contributed to humanity's fight against cancer through awareness campaigns and chemotherapy drug donations. We also contributed to reducing hunger and providing education by donating food and stationery hampers to various vulnerable groups across the communities where the Group operates.

DIVIDEND

The Board declared a final dividend of 0.75 US\$ cents per share, taking the total dividend for the financial year to 1.35 US\$ cents per share, including an interim dividend of 0.6 US\$ cents per share.

DIRECTORATE

There were no changes in directorship during the period under review.

OUTLOOK

The Group focuses on adapting to evolving economic conditions, including the new currency, the Zimbabwe Gold. The Group will continue with the planned development projects, primarily in the supermarket and properties segments.

APPRECIATION

I would like to thank our customers and suppliers for their continued support and our shareholders and other stakeholders, including regulatory authorities, for their assistance and guidance. I also extend my gratitude and appreciation to fellow directors, management, and staff for their dedication and commitment.



J. R. T. Moxon
Chairman

10 June 2024



Thomas Meikle Properties Mutare Market



Ernst & Young
Chartered Accountants (Zimbabwe)
Registered Public Auditors
Angwa City
Cnr Julius Nyerere Way /
Kwame Nkrumah Avenue
P O Box 62 or 702 Harare
Zimbabwe

Tel: +263 24 2750905-14 or 2750979-83
Fax: +263 24 2750707 or 2773842
Email: admin@zw.ey.com
www.ey.com

Independent auditor's report

To the shareholders of Meikles Limited

We have audited the Inflation adjusted Consolidated Financial Statements of Meikles Limited (the Group), set out on pages 12 to 52 which comprise the Inflation adjusted consolidated statement of financial position as at 29 February 2024, and the inflation adjusted consolidated statement of comprehensive income, inflation adjusted consolidated statement of changes in equity and inflation adjusted consolidated statement of cash flows for the year then ended, and notes to the Inflation adjusted Consolidated Financial Statements, including material accounting policy information.

In our opinion, the Inflation adjusted Consolidated Financial Statements present fairly, in all material respects, the financial position of the Group as at 29 February 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the 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' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the Inflation adjusted Consolidated Financial Statements in Zimbabwe, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the Inflation adjusted Consolidated Financial Statements of the current period. These matters were addressed in the context of the audit of the Inflation adjusted Consolidated Financial Statements as a whole, and in forming the auditor's opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Inflation adjusted Consolidated Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Inflation adjusted Consolidated Financial Statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the Inflation adjusted Consolidated Financial Statements.

Independent Auditor's Report (Continued)

Meikles Limited

Key Audit Matter	How the matter was addressed in the audit
1. Modifications of Right of Use Assets and Lease Liabilities	
<p>The Group has recorded Right of Use Assets in Note 19 and lease liabilities in Note 27 as at 29 February 2024 amounting to an inflation adjusted amount of ZWL317 415 384 000 and ZWL30 787 692 000 (2023: ZWL241 985 576 000 and ZWL87 661 891 000) respectively. These amounts are significant to the annual financial statements.</p> <p>Accounting for lease modifications was a matter of most significance to our audit due to the volume of lease contracts and transactions, the level of manual intervention in the process of determining lease modifications, and the complexity surrounding the determination of the incremental borrowing rates that were used to discount lease payments.</p> <p>Therefore, given the volume of different lease agreements and the significance of the differences between these agreements, there was significant audit effort required to inspect the agreements, consider the appropriateness of the discount rate for each lease and consider management's assessment of subsequent modifications and possible impairment indicators.</p>	<p>We performed audit procedures to assess the completeness and accuracy of lease modifications which included the following:</p> <ul style="list-style-type: none"> • Obtaining a list of all modified leases during the audit period and tested for completeness of the list. For a sample of modifications, we determined whether the entity has appropriately accounted for the modification as a change in accounting for the existing lease, a termination of the lease or a separate lease. • For a sample of modifications that resulted in a change in accounting for the existing lease, we determined that the group appropriately remeasured and reallocated the remaining consideration in the contract, remeasured the lease liabilities, and adjusted the Right of Use assets as applicable. • Engaging EY Valuation Experts to validate the incremental borrowing rate used by management to discount lease payments at each lease modification date.

Other information included in The Group's 2024 Annual Report

Other information consists of the information included in the Annual Report, other than the Inflation adjusted Consolidated Financial Statements and our auditor's report thereon. Management is responsible for the other information.

Our opinion on the Inflation adjusted Consolidated Financial Statements does not cover the other information and we do not express 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.

Independent Auditor's Report (Continued)

Meikles Limited

Responsibilities of management and directors for the Inflation adjusted Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the Inflation adjusted Consolidated Financial Statements in accordance with IFRSs, and for such internal control as management determines 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, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Directors are responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Inflation adjusted Consolidated Financial Statements.

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

- Identify and assess the risks of material misstatement of the 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 management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

Independent Auditor's Report (Continued)

Meikles Limited

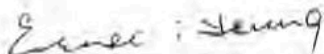
- Evaluate the overall presentation, structure and content of the Inflation adjusted Consolidated Financial Statements, including the disclosures, and whether the Inflation adjusted Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with 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.

We also provide directors 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, actions taken to eliminate threats or safeguards applied.

From the matters communicated with directors, we determine those matters that were 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.

The partner in charge of the audit resulting in this independent auditor's report is Fungai Kuipa (PAAB Practising Certificate Number 335).



Ernst & Young
Chartered Accountants (Zimbabwe)
Registered Public Auditors

Harare

13 June 2024

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 29 FEBRUARY 2024**

	Notes	INFLATION ADJUSTED		HISTORICAL COST*	
		12 months to 29 February 2024 ZWL 000	11 months to# 28 February 2023 ZWL 000	12 months to 29 February 2024 ZWL 000	11 months to# 28 February 2023 ZWL 000
Revenue	4.1	10,447,654,157	5,175,477,815	2,103,444,298	230,859,025
Cost of sales	5	(8,063,047,879)	(3,993,461,705)	(1,388,578,493)	(163,549,481)
Net operating costs	6	(2,699,002,290)	(1,223,438,523)	(544,445,210)	(52,511,707)
Operating (loss) / profit	4.1	(314,396,012)	(41,422,413)	170,420,595	14,797,837
Investment income	7.1	4,831,506	1,519,232	4,219,419	269,407
Finance costs	7.2	(27,512,596)	(22,621,504)	(8,138,106)	(1,014,795)
Net exchange (losses) / gains		(324,158,950)	(7,552,234)	(127,029,855)	400,421
Net monetary gain		1,522,112,260	248,430,966	-	-
Profit before tax		860,876,208	178,354,047	39,472,053	14,452,870
Income tax expense	8.1	(391,412,475)	(89,774,977)	(14,493,234)	(2,117,745)
PROFIT FOR THE YEAR		469,463,733	88,579,070	24,978,819	12,335,125
Other comprehensive income, net of tax					
Items that may be reclassified subsequently to profit or loss:					
Exchange rate adjustments on translation of foreign operations		359,615,936	22,359,214	359,718,833	22,359,214
Other comprehensive income for the year, net of tax		359,615,936	22,359,214	359,718,833	22,359,214
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		829,079,669	110,938,284	384,697,652	34,694,339
Profit for the year attributable to:					
Owners of the parent		300,308,025	45,817,057	12,736,542	6,246,020
Non-controlling interests		169,155,708	42,762,013	12,242,277	6,089,105
		469,463,733	88,579,070	24,978,819	12,335,125
Total comprehensive income attributable to:					
Owners of the parent		659,923,961	68,176,271	372,455,375	28,605,234
Non-controlling interests		169,155,708	42,762,013	12,242,277	6,089,105
		829,079,669	110,938,284	384,697,652	34,694,339
Earnings per share in cents					
Basic and diluted earnings per share		115,032.08	17,550.08	4,878.69	2,392.52

*Historical cost financial results are provided only as supplementary information. The primary financial results are the inflation adjusted results. The auditor's opinion relates only to the inflation adjusted financial results.

#Due to the change in financial year-end in the prior year, the comparative financial results are for the eleven months period ended 28 February 2023. See further details on note 2.4.

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 29 FEBRUARY 2024**

	Notes	INFLATION ADJUSTED		HISTORICAL COST*	
		29 February 2024 ZWL 000	28 February 2023 ZWL 000	29 February 2024 ZWL 000	28 February 2023 ZWL 000
ASSETS					
Non-current assets					
Property, plant and equipment	10	501,257,470	466,235,434	31,619,261	8,817,283
Investment property	11	26,953,441	24,732,600	2,720,848	447,333
Right of use assets	12	317,415,384	241,985,576	24,900,679	2,239,903
Other financial assets	13	158,254,248	12,706,476	158,254,248	9,558,621
Deferred tax	8.2	4,096,576	278,727	17,299,387	2,844,441
Total non-current assets		1,007,977,119	745,938,813	234,794,423	23,907,581
Current assets					
Inventories	14	754,282,946	419,770,200	275,032,267	22,504,128
Trade and other receivables	15	117,099,396	116,156,360	102,957,280	6,568,825
Other financial assets	13	217,049	1,098,987	217,049	58,778
Cash and bank balances	16	310,486,402	151,337,325	310,486,402	25,084,853
Total current assets		1,182,085,793	688,362,872	688,692,998	54,216,584
Total assets		2,190,062,912	1,434,301,685	923,487,421	78,124,165
EQUITY AND LIABILITIES					
Capital and reserves					
Share capital		10,497,573	10,497,573	2,611	2,611
Share premium		13,099,618	13,099,618	3,925	3,925
Other reserves		369,259,232	(156,315,148)	369,347,684	26,560,254
Retained earnings		505,488,952	491,765,946	18,060,966	8,556,174
Equity attributable to equity holders of the parent		898,345,375	359,047,989	387,415,186	35,122,964
Non-controlling interests		476,449,033	344,245,387	17,428,843	7,942,309
Total equity		1,374,794,408	703,293,376	404,844,029	43,065,273
Non-current liabilities					
Deferred tax	8.2	296,625,112	90,843,227	-	121
Lease liabilities	17	7,585,200	73,395,297	7,585,200	3,836,869
Total non-current liabilities		304,210,312	164,238,524	7,585,200	3,836,990
Current liabilities					
Trade and other payables	18	475,642,055	536,044,666	475,642,055	29,567,044
Borrowings	19	12,213,645	16,458,525	12,213,645	880,264
Lease liabilities	17	23,202,492	14,266,594	23,202,492	774,594
Total current liabilities		511,058,192	566,769,785	511,058,192	31,221,902
Total liabilities		815,268,504	731,008,309	518,643,392	35,058,892
Total equity and liabilities		2,190,062,912	1,434,301,685	923,487,421	78,124,165

*Historical cost financial results are provided only as supplementary information. The primary financial results are the inflation adjusted results. The auditor's opinion relates only to the inflation adjusted financial results.



J. R. T. Moxon
Chairman

10 June 2024



R. Chidembo
Non-executive Director

10 June 2024

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
 FOR THE YEAR ENDED 29 FEBRUARY 2024**
INFLATION ADJUSTED

	Share capital ZWL 000	Share premium ZWL 000	Other reserves ZWL 000	Retained earnings ZWL 000	Attributable to owners of parent ZWL 000	Non-controlling interests ZWL 000	Total ZWL 000
2024							
Balance at 1 March 2023	10,497,573	13,099,618	(156,315,148)	491,765,946	359,047,989	344,245,387	703,293,376
Profit for the year	-	-	-	300,308,025	300,308,025	169,155,708	469,463,733
Transfer from non-distributable reserves	-	-	165,958,444	(165,958,444)	-	-	-
Other comprehensive income for the year	-	-	359,615,936	-	359,615,936	-	359,615,936
Dividend declared – ordinary shareholders	-	-	-	(120,626,575)	(120,626,575)	-	(120,626,575)
Dividend declared – non-controlling interests	-	-	-	-	-	(36,952,062)	(36,952,062)
Balance at 29 February 2024	10,497,573	13,099,618	369,259,232	505,488,952	898,345,375	476,449,033	1,374,794,408
2023#							
Balance at 1 April 2022	10,497,573	13,099,618	(178,674,362)	477,399,527	322,322,356	305,725,553	628,047,909
Profit for the period	-	-	-	45,817,057	45,817,057	42,762,013	88,579,070
Other comprehensive income for the period	-	-	22,359,214	-	22,359,214	-	22,359,214
Dividend declared – ordinary shareholders	-	-	-	(31,450,638)	(31,450,638)	-	(31,450,638)
Dividend declared – non-controlling interests	-	-	-	-	-	(4,242,179)	(4,242,179)
Balance at 28 February 2023	10,497,573	13,099,618	(156,315,148)	491,765,946	359,047,989	344,245,387	703,293,376

HISTORICAL COST*

	Share capital ZWL 000	Share premium ZWL 000	Other reserves ZWL 000	Retained earnings ZWL 000	Attributable to owners of parent ZWL 000	Non-controlling interests ZWL 000	Total ZWL 000
2024							
Balance at 1 March 2023	2,611	3,925	26,560,254	8,556,174	35,122,964	7,942,309	43,065,273
Profit for the year	-	-	-	12,736,542	12,736,542	12,242,277	24,978,819
Transfer from non-distributable reserves	-	-	(16,931,403)	16,931,403	-	-	-
Other comprehensive income for the year	-	-	359,718,833	-	359,718,833	-	359,718,833
Dividend declared – ordinary shareholders	-	-	-	(20,163,153)	(20,163,153)	-	(20,163,153)
Dividend declared – non-controlling interests	-	-	-	-	-	(2,755,743)	(2,755,743)
Balance at 29 February 2024	2,611	3,925	369,347,684	18,060,966	387,415,186	17,428,843	404,844,029
2023#							
Balance at 1 April 2022	2,611	3,925	4,201,040	3,468,750	7,676,326	2,032,541	9,708,867
Profit for the period	-	-	-	6,246,020	6,246,020	6,089,105	12,335,125
Other comprehensive income for the period	-	-	22,359,214	-	22,359,214	-	22,359,214
Dividend declared – ordinary shareholders	-	-	-	(1,158,596)	(1,158,596)	-	(1,158,596)
Dividend declared – non-controlling interests	-	-	-	-	-	(179,337)	(179,337)
Balance at 28 February 2023	2,611	3,925	26,560,254	8,556,174	35,122,964	7,942,309	43,065,273

*Historical cost financial results are provided only as supplementary information. The primary financial results are the inflation adjusted results. The auditor's opinion relates only to the inflation adjusted financial results.

#Due to the change in financial year-end in the prior year, the comparative financial results are for the eleven months period ended 28 February 2023. See further details on note 2.4.

**CONSOLIDATED STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED 29 FEBRUARY 2024**

	Notes	INFLATION ADJUSTED		HISTORICAL COST*	
		12 months to 29 February 2024 ZWL 000	11 months to# 28 February 2023 ZWL 000	12 months to 29 February 2024 ZWL 000	11 months to# 28 February 2023 ZWL 000
Net cash (used in) / generated from operating activities	9.1	(997,906,303)	23,504,559	133,999,765	12,367,409
Cash flows from investing activities					
Payment for property, plant, equipment and investment property	10 ; 11	(165,971,607)	(138,144,243)	(21,096,556)	(7,313,799)
Proceeds from disposal of property, plant, equipment and investment property		3,943,925	370,876	1,995,027	19,799
Net movement in service assets	10	4,183	(10,494)	4,183	(3,403)
Additions to other investments	13	(8,060,866)	(5,532,370)	(2,075,524)	(188,604)
Disposals of other investments	13	114,417	232,962	13,347	12,667
Investment income		4,071,459	409,468	4,055,302	222,305
Net cash used in investing activities		(165,898,489)	(142,673,801)	(17,104,221)	(7,251,035)
Cash flows from financing activities					
Finance costs - other		(14,427)	3,547,852	(9,300)	151,884
Lease payments – principal		(24,006,844)	(1,095,943)	(3,386,661)	(74,984)
Lease payments – finance costs		(23,058,389)	(20,954,260)	(7,144,872)	(938,643)
Dividend paid – ordinary shareholders		(120,334,480)	(31,413,967)	(19,871,063)	(1,121,930)
Dividend paid – non-controlling interests		(36,952,062)	(4,242,179)	(2,755,743)	(179,337)
Net cash used in financing activities		(204,366,202)	(54,158,497)	(33,167,639)	(2,163,010)
Net (decrease) / increase in cash and bank balances		(1,368,170,994)	(173,327,739)	83,727,905	2,953,364
Cash and bank balances at the beginning of the period		151,337,325	103,414,816	25,084,853	4,874,509
Effects of currency translation on cash and bank balances					
- foreign operations		204,276,461	14,481,100	204,379,357	14,481,100
Net effect of exchange rate changes on cash and bank balances		(33,228,267)	26,950,895	(2,705,713)	2,775,880
Effects of inflation adjustments		1,356,271,877	179,818,253	-	-
Cash and bank balances at the end of the year	16	310,486,402	151,337,325	310,486,402	25,084,853

*Historical cost financial results are provided only as supplementary information. The primary financial results are the inflation adjusted results. The auditor's opinion relates only to the inflation adjusted financial results.

#Due to the change in financial year-end in the prior year, the comparative financial results are for the eleven months period ended 28 February 2023. See further details on note 2.4.

NOTES TO THE ABRIDGED CONSOLIDATED FINANCIAL RESULTS

1. General information

Meikles Limited, (the Company), is a limited liability company incorporated in Zimbabwe and is listed on the Zimbabwe and London Stock Exchanges. The address of the Company's registered office and principal place of business is disclosed on page 26. The principal activity of the Company is investments holding and the principal activities of its operating subsidiaries are disclosed below:

Entity	Holding	Principal activity	Country of incorporation
TM Supermarkets (Private) Limited	51%	Retail	Zimbabwe
Meikles Hospitality (Private) Limited	100%	Hotels	Zimbabwe
Cape Grace Investments Limited	100%	Investment Company	British Virgin Islands
Greatermans Stores (1979) (Private) Limited	100%	Semi-dormant	Zimbabwe
Thomas Meikle Properties (Private) Limited	100%	Property owning	Zimbabwe
Ninety Speke (Private) Limited	100%	Semi-dormant	Zimbabwe
Meikles Guard Services (Private) Limited	100%	Security services	Zimbabwe
Meikles Centar Mining (Private) Limited	51%	Semi-dormant	Zimbabwe

The abridged consolidated financial statements of Meikles Limited and its subsidiaries were authorised for issue by the directors on 10 June 2024.

2. Basis of preparation and Group accounting policies

2.1 Basis of preparation

These audited abridged consolidated financial results have been extracted from the Group financial statements which have been prepared from statutory records that are maintained under the historical cost basis except for certain financial instruments which are measured at fair value. Historical cost is generally based on the fair value of the consideration given in exchange for assets. The historical costs have been adjusted for the effects of restatements arising from the application of International Accounting Standard ("IAS") 29 – *“Financial Reporting in Hyperinflationary Economies”*. Refer to note 2.5 for further details.

These audited abridged consolidated financial results do not include all the information and disclosures included in the Group financial statements and should be read in conjunction with the Group's annual report for the year ended 29 February 2024.

These audited abridged consolidated financial results were prepared under the supervision of Thempsom Muzvagwandoga CA (Z), the Finance Director of the Company, registered public accountant PAAB Number 2724.

2.2 Accounting policies

Accounting policies and methods of computation applied in the preparation of these audited abridged consolidated financial results are consistent, in all material respects, with those used in the preparation of the Group's financial statements for the year ended 29 February 2024. New applicable standards and improvements which became effective in the current period have been complied with and have had no material impact on these audited abridged consolidated financial results.

2.3 Presentation currency

These audited abridged consolidated financial results are presented in Zimbabwe Dollars (ZWL) which is the presentation currency of the Group. All foreign currency denominated transactions and balances have been translated to the ZWL in accordance with IAS 21- *“The Effects of Changes in Foreign Exchange Rates”* at the interbank rate prevailing on the transaction dates. Use of the interbank rate as spot rate is a management judgement and the Directors are satisfied that it is appropriate for use as a spot rate.

2.4 Comparative information

In prior year, the Group changed its financial year-end from March to February to align with the year-end of its main subsidiary, TM Supermarkets (Private) Limited. The comparative financial results presented in these audited abridged consolidated financial results are for the eleven months period ended 28 February 2023.

2.5 Hyperinflation

Historical cost transactions and balances have been restated to reflect the general change of the purchasing power of the ZWL reporting currency due to hyperinflation prevailing in the country. Accordingly, the audited abridged consolidated inflation adjusted financial results, as at 29 February 2024 represent the primary financial results of the Group. The accompanying abridged consolidated historical cost financial results are provided as supplementary information and as a result the auditors have not expressed an opinion on them. Various assumptions have been made, with the significant assumption being the use of the consumer price indices ("CPI").

IAS 29 encourages the use of the same index to achieve the comparability objective amongst the financial statements of different entities operating within the same hyperinflationary economy. The Group used the Consumer Price Index ("CPI") as published by the Zimbabwe National Statistical Agency ("Zimstat") from the inception of the application of IAS 29. However, Zimstat stopped publishing the ZWL CPI after 31 January 2023. Zimstat published a blended inflation rate as defined in Statutory Instrument ("SI") 27 of 2023 from February 2023 onwards. The blended CPI fails to meet the requirements of a general price index for the purposes of IAS 29.

NOTES TO THE ABRIDGED CONSOLIDATED FINANCIAL RESULTS

2.5 Hyperinflation (continued)

In the absence of a reliable index, IAS 29 allows the use of an estimated index for the purposes of the restatement. The Group opted to estimate the index using the movement in the Total Consumption Poverty Line (“TCPL”) index as published by Zimstat. This approach was chosen as the TCPL is a publicly available index. Moreover, the Institute of Chartered Accountants of Zimbabwe has recommended the use of the TCPL index for the CPI estimation to achieve the comparability objective of financial statements in the country.

Below are the indices and adjustment factors used up to 29 February 2024:

	Indices	Adjustment Factor
CPI as at 29 February 2024	258,942.08	1
CPI as at 28 February 2023	13,849.20	18.70
Average CPI 2024	62,154.98	
Average CPI 2023	11,328.55	

3. Going concern

The Directors have adopted the going concern basis in preparing the audited consolidated financial statements for the year ended 29 February 2024. The Directors made this assumption after assessing the impact of principal risks arising from an unstable economic environment to the Group’s financial performance for the year ended 29 February 2024. Management continues to monitor the changes in the operating environment and implement strategies to mitigate adverse impact to profitability and cash flow generation. Whilst the economic environment continues to evolve making planning difficult, the Group has cash reserves to enable it to meet its obligations as they fall due for a period of at least twelve months from the date of signing of these audited abridged consolidated financial results.

4. Segment information

INFLATION ADJUSTED

	Supermarkets	Hotels	Properties*	Security Services*	Corporate and other segments	Eliminations	Group
	ZWL 000	ZWL 000	ZWL 000	ZWL 000	ZWL 000	ZWL 000	ZWL 000
4.1 Segment financial performance							
29 February 2024 – 12 months							
Sale of goods	10,383,315,633	7,796,415	-	-	-	-	10,391,112,048
Sale of services	-	24,121,940	23,978,897	58,902,16	-	-	107,003,001
Total segment revenue	10,383,315,633	31,918,355	23,978,897	58,902,164	-	-	10,498,115,049
Intersegment revenue	-	-	(7,328,861)	(43,132,031)	-	-	(50,460,892)
External revenue	10,383,315,633	31,918,355	16,650,036	15,770,133	-	-	10,447,654,157
Operating (loss) / profit	(265,381,336)	7,682,588	(6,638,187)	3,066,534	(15,277,186)	(37,848,425)	(314,396,012)
Investment income	772,114	86,051	-	-	3,973,341	-	4,831,506
Finance costs	(22,893,764)	(46,307)	-	-	(4,666,775)	94,250	(27,512,596)
Net exchange (losses) / gains	(310,613,519)	(248,994)	6,503,580	2,193,983	124,494,445	(146,488,445)	(324,158,950)
Net monetary adjustment	1,336,002,436	-	28,919,581	(2,719,592)	(104,842,539)	264,752,374	1,522,112,260
Income tax (expense) / credit	(402,258,072)	1,683,376	11,893,452	(1,511,985)	(1,219,246)	-	(392,412,475)
Profit for the year	335,627,859	9,156,714	40,678,426	1,028,940	2,462,040	80,509,754	469,463,733
28 February 2023 – 11 months							
Sale of goods	5,152,085,812	5,445,179	-	-	-	-	5,157,530,991
Sale of services	-	2,474,705	10,490,665	28,077,613	-	-	41,042,983
Total segment revenue	5,152,085,812	7,919,884	10,490,665	28,077,613	-	-	5,198,573,974
Intersegment revenue	-	-	(3,580,719)	(19,515,440)	-	-	(23,096,159)
External revenue	5,152,085,812	7,919,884	6,909,946	8,562,173	-	-	5,175,477,815
Operating (loss) / profit	(6,418,698)	548,360	(3,027,227)	3,957,483	(21,560,847)	(14,921,484)	(41,422,413)
Investment income	1,170,614	23,063	-	-	325,555	-	1,519,232
Finance costs	(21,155,927)	(4,285)	-	-	(1,813,540)	352,248	(22,621,504)
Net exchange (losses) / gains	(13,510,940)	3,925,747	2,849,261	904,734	276,685,249	(278,406,285)	(7,552,234)
Net monetary adjustment	210,607,117	-	(5,094,353)	(1,121,774)	(50,750,300)	94,790,276	248,430,966
Income tax (expense) / credit	(92,123,905)	1,123,880	(2,510,913)	(1,189,546)	4,925,507	-	(89,774,977)
Profit / (loss) for the period	78,568,261	5,616,765	(7,783,232)	2,550,897	207,811,624	(198,185,245)	88,579,070

*In prior year the Properties and Security Services segments were included under the Corporate and other segments category, as they were not material to warrant separate disclosure.

The accounting policies of the reportable segments are the same as the Group’s accounting policies disclosed under significant accounting policies.

NOTES TO THE ABRIDGED CONSOLIDATED FINANCIAL RESULTS

4. Segment information (continued)

HISTORICAL COSTS

	Supermarkets	Hotels	Properties*	Security Services*	Corporate and other segments	Eliminations	Group
	ZWL 000	ZWL 000	ZWL 000	ZWL 000	ZWL 000	ZWL 000	ZWL 000
4.1 Segment financial performance							
29 February 2024 – 12 months							
Sale of goods	2,064,920,696	7,796,415	-	-	-	-	2,072,717,111
Sale of services	-	24,121,940	5,207,871	12,004,767	-	-	41,334,578
Total segment revenue	2,064,920,696	31,918,355	5,207,871	12,004,767	-	-	2,114,051,689
Intersegment revenue	-	-	(1,561,848)	(9,045,543)	-	-	(10,607,391)
External revenue	2,064,920,696	31,918,355	3,646,023	2,959,224	-	-	2,103,444,298
Operating profit / (loss)	170,021,356	7,682,588	1,041,755	(405,823)	5,408,890	(13,328,171)	170,420,595
Investment income	192,139	86,051	-	-	3,941,229	-	4,219,419
Finance costs	(7,074,585)	(46,307)	-	-	(1,032,804)	15,590	(8,138,106)
Net exchange (losses) / gains	(122,928,124)	(248,994)	1,618,377	2,029,375	138,987,956	(148,488,445)	(127,029,855)
Income tax (expense) / credit	(17,187,239)	1,683,376	104,179	63,856	842,594	-	(14,493,234)
Profit for the year	23,023,547	9,156,714	2,764,311	1,687,408	148,147,865	(159,801,026)	24,978,819
28 February 2023 – 11 months							
Sale of goods	227,969,827	678,615	-	-	-	-	228,648,442
Sale of services	-	1,492,462	484,658	1,297,386	-	-	3,274,506
Total segment revenue	227,969,827	2,171,077	484,658	1,297,386	-	-	231,922,948
Intersegment revenue	-	-	(160,494)	(903,429)	-	-	(1,063,923)
External revenue	227,969,827	2,171,077	324,164	393,957	-	-	230,859,025
Operating profit / (loss)	16,066,972	218,395	(4,295)	188,421	(760,062)	(911,594)	14,797,837
Investment income	62,444	7,033	-	-	199,930	-	269,407
Finance costs	(944,675)	(1,131)	-	-	(82,652)	13,663	(1,014,795)
Net exchange (losses) / gains	(837,010)	1,461,832	154,064	46,716	14,465,042	(14,890,223)	400,421
Income tax (expense) / credit	(2,526,353)	198,278	171,872	(50,739)	89,197	-	(2,117,745)
Profit for the year	11,821,378	1,884,407	321,641	184,398	13,911,455	(15,788,154)	12,335,125

INFLATION ADJUSTED

	Supermarkets	Hotels	Properties*	Security Services*	Corporate and other segments	Eliminations	Group
	ZWL 000	ZWL 000	ZWL 000	ZWL 000	ZWL 000	ZWL 000	ZWL 000
4.2 Segment assets and liabilities							
29 February 2024							
Segment assets	1,687,619,180	59,906,520	102,860,493	2,996,037	744,812,204	(408,131,522)	2,190,062,912
Segment liabilities	(762,976,559)	(16,706,395)	(9,922,807)	(2,226,962)	(187,653,934)	164,218,153	(815,268,504)
Capital expenditure	129,122,217	305,139	33,111,793	34,610	3,397,848	-	165,971,607
Depreciation and impairment	(165,575,599)	(924,097)	(977,943)	(3,148)	(2,125,020)	34,875	(169,570,932)
28 February 2023							
Segment assets	1,334,744,919	15,178,887	74,268,033	3,725,839	536,205,729	(529,821,722)	1,434,301,685
Segment liabilities	(677,064,627)	(3,503,095)	(22,008,772)	(2,760,104)	(52,127,113)	26,455,402	(731,008,309)
Capital expenditure	127,409,926	1,868,267	6,848,092	-	2,017,958	-	138,144,243
Depreciation and impairment	(121,089,661)	(304,440)	(824,753)	(4,080)	(618,870)	115,909	(122,725,895)

HISTORICAL COST

	Supermarkets	Hotels	Properties*	Security Services*	Corporate and other segments	Eliminations	Group
	ZWL 000	ZWL 000	ZWL 000	ZWL 000	ZWL 000	ZWL 000	ZWL 000
29 February 2024							
Segment assets	509,761,498	59,906,520	8,198,178	2,737,799	527,341,409	(184,457,983)	923,487,421
Segment liabilities	(475,496,741)	(16,706,395)	(4,896,037)	(2,226,961)	(180,568,171)	161,250,913	(518,643,392)
Capital expenditure	16,424,180	305,139	4,338,787	7,206	21,244	-	21,096,556
Depreciation and impairment	(4,624,894)	(924,097)	(66,331)	(768)	(40,249)	5,041	(5,651,298)
28 February 2023							
Segment assets	48,042,355	1,965,925	794,607	196,652	42,522,044	(15,397,418)	78,124,165
Segment liabilities	(32,336,902)	(1,129,593)	(256,776)	(147,621)	(16,583,899)	15,395,899	(35,058,892)
Capital expenditure	6,386,786	414,711	640,231	-	112,071	-	7,313,799
Depreciation and impairment	(925,635)	(17,794)	(5,636)	(155)	(30,171)	4,537	(974,854)

*In prior year the Properties and Security Services segments were included under the Corporate and other segments category, as they were not material to warrant separate disclosure.
The accounting policies of the reportable segments are the same as the Group's accounting policies disclosed under significant accounting policies.

NOTES TO THE ABRIDGED CONSOLIDATED FINANCIAL RESULTS

	Notes	INFLATION ADJUSTED		HISTORICAL COST	
		29 February 2024 ZWL 000	28 February 2023 ZWL 000	29 February 2024 ZWL 000	28 February 2023 ZWL 000
5. Cost of sales					
Retail cost of sales		(8,133,324,699)	(3,909,545,742)	(1,395,709,868)	(159,848,921)
Supplier recoveries and rebates		178,685,459	(36,977,228)	30,663,114	(1,608,044)
Shrinkage and wastage		(52,344,620)	(19,641,583)	(8,982,539)	(719,031)
Wages and other related costs		(44,137,899)	(21,203,630)	(10,445,955)	(952,515)
Property utilities and maintenance		(7,282,853)	(2,895,542)	(1,728,293)	(132,055)
Depreciation for investment properties		(906,426)	(2,044,237)	(12,039)	(3,272)
Food and beverages		(2,341,400)	(683,424)	(2,341,400)	(172,929)
Other		(1,395,441)	(470,319)	(21,513)	(112,714)
		(8,063,047,879)	(3,993,461,705)	(1,388,578,493)	(163,549,481)
6. Net operating costs					
Net operating costs are arrived at after (charging)/ crediting:					
Other income	6.1	68,425,775	23,185,115	23,973,948	1,148,079
Employee costs	6.2	(1,497,013,928)	(628,725,678)	(321,452,268)	(29,102,826)
Occupancy costs	6.3	(651,382,318)	(246,788,605)	(135,283,901)	(11,864,751)
Other operating costs	6.4	(619,031,819)	(371,109,355)	(111,682,989)	(12,692,209)
		(2,699,002,290)	(1,223,438,523)	(544,445,210)	(52,511,707)
6.1 Other income					
<u>Trading income</u>					
Rental income		32,448,833	15,568,910	7,145,817	738,985
Hotels ancillary services		61,312	18,781	61,312	4,557
Commission income		8,957,435	1,328,096	2,640,773	43,404
		41,467,580	16,915,787	9,847,902	786,946
<u>Non trading income</u>					
Profit / (loss) on disposal of property, plant and equipment		3,729,161	(151,997)	1,994,927	19,610
Barak loan write-back		5,007,634	-	5,007,634	-
Sundry income*		18,221,400	6,421,325	7,123,485	341,523
		68,425,775	23,185,115	23,973,948	1,148,079

*Due to the nature of the Group's diversified operations in multiple industries, sundry income includes several line items that are not significant enough to be reasonably disaggregated. Examples include waste recovery income, agency fees on flower sales, car park fines and sundry other agency fees.

		INFLATION ADJUSTED		HISTORICAL COST	
		29 February 2024 ZWL 000	28 February 2023 ZWL 000	29 February 2024 ZWL 000	28 February 2023 ZWL 000
6.2 Employee costs					
Wages and salaries		(1,194,851,951)	(510,516,254)	(258,998,422)	(23,609,132)
Social security costs		(97,889,150)	(41,496,278)	(20,526,711)	(1,878,886)
Retirement benefits – defined contribution plan		(156,740,528)	(56,835,074)	(32,676,123)	(2,572,896)
Directors' remuneration:					
- fees for services as Directors		(4,469,102)	(2,388,417)	(783,992)	(106,499)
- remuneration for executive directors		(43,063,197)	(17,489,655)	(8,467,020)	(935,413)
		(1,497,013,928)	(628,725,678)	(321,452,268)	(29,102,826)
6.3 Occupancy costs					
<u>Included in occupancy costs are the following:</u>					
Lease rentals for property		(110,028,338)	(49,054,426)	(18,252,356)	(2,287,836)
Depreciation of right of use assets and property		(34,686,169)	(7,035,099)	(2,713,694)	(438,509)
Electricity and water		(290,181,994)	(104,392,174)	(67,272,466)	(5,142,023)
Cleaning and fumigation		(109,913,910)	(40,628,262)	(23,852,587)	(1,838,018)
Rates		(55,422,167)	(21,419,632)	(12,633,933)	(1,023,354)
Premises repairs and maintenance		(50,832,434)	(24,194,335)	(10,241,558)	(1,116,591)
Insurance		(317,306)	(64,677)	(317,307)	(18,420)
		(651,382,318)	(246,788,605)	(135,283,901)	(11,864,751)

NOTES TO THE ABRIDGED CONSOLIDATED FINANCIAL RESULTS

	INFLATION ADJUSTED		HISTORICAL COST	
	29 February 2024 ZWL 000	28 February 2023 ZWL 000	29 February 2024 ZWL 000	28 February 2023 ZWL 000
6.4 Other operating costs				
<u>Included in other operating costs are the following:</u>				
Depreciation and impairment of plant and equipment	(133,978,337)	(113,646,559)	(2,925,565)	(533,073)
2% IMT Tax	(114,210,399)	(88,200,475)	(22,778,075)	(3,931,941)
Repairs and maintenance – other assets	(85,430,952)	(39,263,817)	(18,054,497)	(1,798,534)
Bank charges	(33,962,369)	(14,592,465)	(7,232,711)	(729,337)
Transport, motor vehicle and communication costs	(30,648,721)	(13,775,847)	(6,180,451)	(633,197)
Printing and stationery	(30,815,844)	(14,913,134)	(6,637,415)	(681,879)
Packaging and wrapping	(27,900,968)	(5,558,090)	(6,318,814)	(268,964)
Marketing and advertising	(27,522,927)	(15,164,293)	(6,024,375)	(747,483)
Information and technology	(24,606,614)	(11,277,828)	(5,128,905)	(527,299)
Insurance	(19,732,977)	(8,271,584)	(4,379,897)	(391,066)
Auditors' remuneration and expenses	(17,592,460)	(9,294,644)	(5,781,245)	(466,016)
Legal and professional fees	(11,074,784)	(8,802,198)	(2,828,612)	(431,581)
Travel expenses	(10,075,768)	(4,205,558)	(2,103,308)	(195,857)
Security	(7,959,867)	(3,185,933)	(2,459,784)	(177,281)
Licenses	(7,932,584)	(2,832,393)	(1,862,753)	(143,330)
Secretarial and listing fees	(5,589,463)	(2,367,325)	(1,385,025)	(106,741)
Guest supplies and entertainment	(1,543,387)	(323,896)	(1,543,387)	(97,878)
Donations	(872,811)	(326,143)	(176,710)	(16,037)
Provision for expected credit losses	(682,316)	(117,024)	(470,972)	(32,829)
Other*	(26,898,271)	(14,990,149)	(7,410,488)	(781,886)
	(619,031,819)	(371,109,355)	(111,682,989)	(12,692,209)

*Due to the nature of the Group's diversified operations in multiple industries, other expenses include several line items that are not material enough to be reasonably disaggregated.

	INFLATION ADJUSTED		HISTORICAL COST	
	29 February 2024 ZWL 000	28 February 2023 ZWL 000	29 February 2024 ZWL 000	28 February 2023 ZWL 000
7. Investment outcome / finance costs				
7.1 Investment income				
Interest on bank deposits	4,049,360	231,356	4,028,923	201,723
Interest on short term loans	-	45,474	-	1,679
Interest on staff loans	760,047	1,109,764	164,117	64,501
Interest on receivables and other	22,099	132,638	26,379	1,504
	4,831,506	1,519,232	4,219,419	269,407
7.2 Finance costs				
<u>Comprising interest payable on:</u>				
Lease liability	(23,058,389)	(20,954,260)	(7,144,872)	(938,643)
Short-term borrowings	(4,439,780)	(1,662,856)	(983,934)	(75,978)
Other finance costs	(14,427)	(4,388)	(9,300)	(174)
	(27,512,596)	(22,621,504)	(8,138,106)	(1,014,795)

Interest from bank deposits is based on interest rates fixed by the banks from time to time. Interest on short-term loans, short-term borrowings and lease liability is calculated using the effective interest rate method.

NOTES TO THE ABRIDGED CONSOLIDATED FINANCIAL RESULTS

8. Income taxes

	INFLATION ADJUSTED		HISTORICAL COST	
	29 February 2024 ZWL 000	28 February 2023 ZWL 000	29 February 2024 ZWL 000	28 February 2023 ZWL 000
8.1 Income tax recognised in profit for the period				
<u>Tax expense comprising the following:</u>				
Current tax expense in respect of the current period	(189,242,112)	(122,852,103)	(28,840,133)	(4,846,739)
Deferred tax arising from temporary differences	(201,964,036)	33,080,498	14,455,067	2,730,022
Capital gains tax	(206,306)	-	(108,166)	-
Withholding tax on investment revenue	(21)	(3,372)	(2)	(1,028)
Total tax expense	(391,412,475)	(89,774,977)	(14,493,234)	(2,117,745)
<u>Tax rate reconciliation</u>	%	%	%	%
Standard tax rate	24.72	24.72	24.72	24.72
Effect of revenue that is exempt from income tax	(5.45)	(3.04)	(15.79)	(3.04)
Effect of expenses that are not deductible in determining taxable profit*	26.23	39.86	27.86	4.18
Effect of change in tax rate#	(0.01)	-	(0.02)	-
Effect of rebasing tax bases	-	(11.20)	-	(11.20)
Effect of revenue and expenditure taxed at other rates	(0.02)	(0.01)	(0.05)	(0.01)
Average effective tax rate	45.47	50.33	36.72	14.65

*Expenses that are not deductible in determining taxable profit includes mostly accounting provisions that are not recognised as deductible expenses by the tax legislation and intermediated money transfer tax.

The income tax rate used for the reconciliation above, is the corporate tax rate of 24.72% (2023: 24.72%), payable by corporate entities in Zimbabwe. The deferred tax rate used is the corporate tax rate of 25.75% (2023: 24.72%).

	INFLATION ADJUSTED		HISTORICAL COST	
	29 February 2024 ZWL 000	28 February 2023 ZWL 000	29 February 2024 ZWL 000	28 February 2023 ZWL 000
8.2 Deferred tax balances				
Balance at the beginning of the period	90,564,500	123,644,998	(2,844,320)	(114,298)
Recognised in profit or loss	201,964,036	(33,080,498)	(14,455,067)	(2,730,022)
Balance at the end of the period	292,528,536	90,564,500	(17,299,387)	(2,844,320)
Comprising:				
Assessed losses	(341,997)	(956,311)	(342,152)	(51,303)
Property, plant, equipment and investment property	96,566,338	51,186,427	(4,747,672)	(1,824,358)
Exchange differences	(1,807,992)	(804,792)	(2,076,187)	-
Provisions	(6,679,042)	(2,134,781)	(8,591,619)	(331,084)
Prepayments	12,170	72,779	-	-
Inventory	123,399,950	(2,397,371)	-	-
Right of use assets and lease liabilities	77,271,153	41,490,727	(1,540,749)	(636,928)
Other	177,625	175,570	(4,014)	(2,736)
Deferred capital gains tax on land and investments	3,930,331	3,932,252	3,006	2,089
	292,528,536	90,564,500	(17,299,387)	(2,844,320)
Deferred tax asset	(4,096,576)	(278,727)	(17,299,387)	(2,844,441)
Deferred tax liability	296,625,112	90,843,227	-	121
Deferred tax liability / (asset)	292,528,536	90,564,500	(17,299,387)	(2,844,320)

NOTES TO THE ABRIDGED CONSOLIDATED FINANCIAL RESULTS

9. Cash flow information

	Notes	INFLATION ADJUSTED		HISTORICAL COST	
		29 February 2024 ZWL 000	28 February 2023 ZWL 000	29 February 2024 ZWL 000	28 February 2023 ZWL 000
9.1 Net cash (used in) / generated from operating activities					
Cash flows from operating activities					
Profit before tax		860,876,208	178,354,047	39,472,053	14,452,870
Adjustments for:					
- Depreciation and impairment of property, plant and equipment; investment property and right-of-use assets		169,570,932	122,725,895	5,651,298	974,854
- Net interest		22,681,090	21,102,272	3,918,687	745,388
- Net monetary gain		(1,522,112,260)	(248,430,966)	-	-
- Net exchange gains / (losses)		324,158,950	7,552,234	127,029,855	(400,421)
- (Profit) / loss on disposal of property, plant and equipment		(3,729,161)	151,997	(1,994,927)	(19,610)
- Provision for expected credit losses		682,316	117,024	470,972	32,829
- Mark-to-market loss*		5,358,126	-	1,328,703	-
- Loan write-back		(5,007,634)	-	(5,007,634)	-
Operating cash flow before working capital changes		(147,521,433)	81,572,503	170,869,007	15,785,910
Increase in inventories		(334,512,746)	(82,340,517)	(252,528,139)	(16,655,253)
Decrease / (increase) in trade and other receivables		136,373,884	(46,552,949)	(42,039,859)	(4,675,992)
(Decrease) / increase in trade and other payables		(469,471,012)	207,215,814	279,256,004	22,928,809
Cash (used in) / generated from operations		(815,131,307)	159,894,851	155,557,013	17,383,474
Income taxes paid		(182,774,996)	(136,390,292)	(21,557,248)	(5,016,065)
Net cash (used in) / generated from operating activities		(997,906,303)	23,504,559	133,999,765	12,367,409
9.2 Income taxes paid					
Balance at the beginning of the period		(813,406)	(14,348,223)	(95,796)	(264,094)
Current, capital gains and withholding taxes:					
- current tax	8.1	(189,242,112)	(122,852,103)	(28,840,133)	(4,846,739)
- capital gains tax	8.1	(206,306)	-	(108,166)	-
- withholding tax on investment revenue	8.1	(21)	(3,372)	(2)	(1,028)
Balance at the end of the period		7,486,849	813,406	7,486,849	95,796
Income taxes paid		(182,774,996)	(136,390,292)	(21,557,248)	(5,016,065)

*The mark to market loss was previously included in finance costs - other under financing activities. See further details on note 13.

	INFLATION ADJUSTED		HISTORICAL COST	
	29 February 2024 ZWL 000	28 February 2023 ZWL 000	29 February 2024 ZWL 000	28 February 2023 ZWL 000
10. Property, plant and equipment				
Movement in the property, plant and equipment balance for the period:				
Balance at the beginning of the period	466,235,434	468,573,770	8,817,283	2,508,572
Additions	162,646,742	135,713,781	18,816,790	7,196,689
Transfer to investment property	-	(23,447,276)	-	(332,818)
Net movement in service assets	(4,183)	10,494	(4,183)	3,403
Disposals	(14,820)	(522,873)	(51)	(187)
Depreciation and impairment	(134,987,928)	(114,092,462)	(3,392,803)	(558,376)
Translation differences	7,382,225	-	7,382,225	0
Balance at the end of the period	501,257,470	466,235,434	31,619,261	8,817,283
At cost	1,106,316,344	945,343,217	40,834,088	9,658,701
Accumulated depreciation	(605,056,967)	(479,105,876)	(9,194,240)	(834,201)
Accumulated impairment	(1,907)	(1,907)	(20,587)	(7,217)
Balance at the end of the period	501,257,470	466,235,434	31,619,261	8,817,283

No freehold land and buildings have been pledged to secure loans of the Group under mortgages.

NOTES TO THE ABRIDGED CONSOLIDATED FINANCIAL RESULTS

	INFLATION ADJUSTED		HISTORICAL COST	
	29 February 2024 ZWL 000	28 February 2023 ZWL 000	29 February 2024 ZWL 000	28 February 2023 ZWL 000
11. Investment property				
Opening carrying value	24,732,600	904,117	447,333	221
Transfer from property, plant and equipment	-	23,447,276	-	332,818
Additions	3,324,865	2,430,462	2,279,766	117,110
Disposal	(199,943)	-	(49)	-
Depreciation	(904,081)	(2,049,255)	(6,202)	(2,816)
Closing carrying value	26,953,441	24,732,600	2,720,848	447,333
<u>Comprising:</u>				
Land and buildings – cost	50,455,618	47,378,849	2,733,765	454,060
Accumulated depreciation	(17,899,345)	(17,043,417)	(11,531)	(5,341)
Accumulated impairment	(5,602,832)	(5,602,832)	(1,386)	(1,386)
	26,953,441	24,732,600	2,720,848	447,333
Rental income from investment properties (included in revenue and other income)	24,592,865	10,749,895	5,328,592	496,521
Related expenses (included in cost of sales and operating expenses)	(9,599,934)	(6,605,852)	(2,471,690)	(207,100)
Profit arising from investment properties carried at cost	14,992,931	4,144,043	2,856,902	289,421

The carrying value of investment properties was assessed for impairment at 29 February 2024 and no impairment was identified. The Group owns the investment properties through its subsidiaries, TM Supermarkets (Private) Limited (“TM”) and Thomas Meikle Properties (Private) Limited (“TMP”). A market valuation was obtained during the period for investment properties of TM and TMP. Investments properties with a carrying value of ZWL 26.1 billion belonging to TMP were valued at ZWL 187.8 billion (2023: ZWL 147.7 billion). The remaining properties with a carrying value of ZWL 851.3 million are owned by TM and were valued at ZWL 16.1 billion (2023: ZWL 7.5 billion). The valuations are performed by an independent professional valuer, not connected to the Group.

	INFLATION ADJUSTED		HISTORICAL COST	
	29 February 2024 ZWL 000	28 February 2023 ZWL 000	29 February 2024 ZWL 000	28 February 2023 ZWL 000
12. Right of use assets				
Opening carrying value	241,985,576	205,311,302	2,239,903	947,664
Additions	2,159,395	-	1,253,718	-
Lease modification	107,653,058	43,258,452	24,363,073	1,705,901
Lease derecognition	(704,665)	-	(704,665)	-
Depreciation	(33,678,923)	(6,584,178)	(2,252,293)	(413,662)
Translation difference	943	-	943	-
Closing carrying value	317,415,384	241,985,576	24,900,679	2,239,903
<u>Comprising</u>				
Cost	388,332,488	279,224,700	27,716,887	2,804,761
Accumulated depreciation	(70,917,104)	(37,239,124)	(2,816,208)	(564,858)
	317,415,384	241,985,576	24,900,679	2,239,903

The Group’s leases include leases of offices, retail stores and residential property in Zimbabwe. The corresponding lease liability for the above right of use assets is disclosed on note 17.

NOTES TO THE ABRIDGED CONSOLIDATED FINANCIAL RESULTS

	INFLATION ADJUSTED		HISTORICAL COST	
	29 February 2024 ZWL 000	28 February 2023 ZWL 000	29 February 2024 ZWL 000	28 February 2023 ZWL 000
13. Other financial assets				
Opening carrying value (short term and long-term portions)	13,805,463	10,344,115	9,617,399	1,668,304
Interest accrual	760,047	1,109,764	164,117	47,102
Additions	8,060,866	5,532,370	2,075,524	188,604
Exchange rate gain on foreign translations	147,956,307	7,878,114	147,956,307	7,878,113
Disposals and repayments	(114,417)	(232,962)	(13,347)	(12,667)
Mark to market loss on initial recognition of staff loans ⁴	(5,358,126)	(3,552,240)	(1,328,703)	(152,057)
Monetary adjustment	(6,638,843)	(7,273,698)	-	-
	158,471,297	13,805,463	158,471,297	9,617,399
Less: Short term portion in current assets	(217,049)	(1,098,987)	(217,049)	(58,778)
Non-current closing carrying value	158,254,248	12,706,476	158,254,248	9,558,621
Comprising:				
Carried at amortised cost:				
Funds due from MCH ¹	175,032,873	10,435,808	175,032,873	10,435,808
Staff loans ⁴	1,134,242	4,422,570	1,134,242	236,536
Short term loans ²	-	2,145	-	115
Provision for credit losses	(17,695,818)	(1,055,060)	(17,695,818)	(1,055,060)
	158,471,297	13,805,463	158,471,297	9,617,399
Movement in provision for credit losses:				
Opening balance	(1,055,060)	(169,002)	(1,055,060)	(169,002)
Exchange rate adjustment – provision for credit losses on funds due from MCH ³	(16,640,758)	(886,058)	(16,640,758)	(886,058)
	(17,695,818)	(1,055,060)	(17,695,818)	(1,055,060)

¹Meikles Consolidated Holdings Private Limited (“MCH”), a shareholder entity, owes the Group ZWL 175 billion. A provision for credit losses has been made based on the lifetime ECL model to comply with the relevant standard.

²The short term loans was represented by Barkpest Investments (Private) Limited (“Barkpest”) and Liftbrok Investments (Private) Limited (“Liftbrok”), collectively the “share purchase vehicles”. The share purchase vehicles hold shares in the Company under the name Barkpest. The loans were fully settled in the current period.

³Management recognised a provision for credit losses on funds due from MCH based on the lifetime expected credit losses model in-line with the requirements of IFRS 9. In determining the provision for credit losses, management considered the security on this balance and was satisfied that it adequately covers the amount receivable to the Group. This balance is denominated in US\$ and hence the provision amount is subject to exchange rate adjustments at each reporting date.

⁴Staff loans relate to amounts advanced to employees for the purchase of motor vehicles at a concessionary interest rate. The loans have been discounted to present value using market interest rates, resulting in the recognition of a mark to market loss on initial recognition. The mark to market loss has been included in employee costs per note 6.2. The loans are secured against the vehicles.

	INFLATION ADJUSTED		HISTORICAL COST	
	29 February 2024 ZWL 000	28 February 2023 ZWL 000	29 February 2024 ZWL 000	28 February 2023 ZWL 000
14. Inventories				
Inventories comprise:				
Raw materials and consumables	76,721,318	29,984,630	31,118,796	1,701,381
Merchandise and manufactured goods	677,561,628	389,785,570	243,913,471	20,802,747
	754,282,946	419,770,200	275,032,267	22,504,128

Cost of inventories recognised as an expense was ZWL 8.0 trillion (2023: ZWL 3.9 trillion). The cost of inventories recognised as an expense includes ZWL 52.3 billion (2023: ZWL 19.6 billion) in respect of write-offs of inventory due to shrinkage and wastage.

	INFLATION ADJUSTED		HISTORICAL COST	
	29 February 2024 ZWL 000	28 February 2023 ZWL 000	29 February 2024 ZWL 000	28 February 2023 ZWL 000
15. Trade and other receivables				
Trade receivables	6,523,442	2,676,359	6,523,442	392,566
Expected credit loss allowance	(732,804)	(373,835)	(732,804)	(50,166)
Net trade receivables	5,790,638	2,302,524	5,790,638	342,400
Prepayments and deposits	25,413,470	21,745,762	11,271,354	1,161,943
Receivables from leased premises	58,516,404	55,693,064	58,516,404	2,978,676
Other receivables	27,378,884	36,415,010	27,378,884	2,085,806
	117,099,396	116,156,360	102,957,280	6,568,825

NOTES TO THE ABRIDGED CONSOLIDATED FINANCIAL RESULTS

	INFLATION ADJUSTED		HISTORICAL COST	
	29 February 2024 ZWL 000	28 February 2023 ZWL 000	29 February 2024 ZWL 000	28 February 2023 ZWL 000
16. Cash and bank balances				
Current				
Bank balances	309,872,139	150,606,480	309,872,139	25,043,828
Cash on hand	614,263	730,845	614,263	41,025
	310,486,402	151,337,325	310,486,402	25,084,853

	INFLATION ADJUSTED		HISTORICAL COST	
	29 February 2024 ZWL 000	28 February 2023 ZWL 000	29 February 2024 ZWL 000	28 February 2023 ZWL 000
17. Lease Liabilities				
Opening balance	87,661,891	63,312,673	4,611,463	1,110,818
Additions	2,159,395	-	1,253,718	
Interest expense	23,058,389	20,954,260	7,144,872	938,643
Rental payments	(47,065,233)	(22,050,203)	(10,531,533)	(1,013,627)
Lease modifications	107,714,930	43,258,452	24,424,944	1,705,901
Lease recognition	(766,536)	-	(766,536)	-
Exchange differences arising from remeasurement	11,469,971	26,020,930	4,650,764	1,869,728
Monetary adjustment	(153,445,115)	(43,834,221)	-	-
	30,787,692	87,661,891	30,787,692	4,611,463
Less current portion	(23,202,492)	(14,266,594)	(23,202,492)	(774,594)
Non-current portion	7,585,200	73,395,297	7,585,200	3,836,869
Maturity profile				
On demand	23,202,492	1,188,881	23,202,492	787,047
Between one and two years	18,447,912	14,282,184	18,447,912	672,544
Between two and three years	13,757,055	11,594,388	13,757,055	557,262
Between three and four years	13,258,102	10,419,264	13,258,102	376,025
Between four and five years	10,717,702	7,030,642	10,717,702	400,634
After five years	46,568,521	7,397,155	46,568,521	1,832,632
	125,951,784	51,912,514	125,951,784	4,626,144

	INFLATION ADJUSTED		HISTORICAL COST	
	29 February 2024 ZWL 000	28 February 2023 ZWL 000	29 February 2024 ZWL 000	28 February 2023 ZWL 000
18. Trade, other payables, and provisions				
Trade payables	365,016,960	415,645,784	365,016,960	22,293,028
Accruals and other payables	76,323,974	73,518,791	76,323,974	4,654,807
Current tax payable	7,486,849	813,406	7,486,849	95,796
Provisions	26,814,272	46,066,685	26,814,272	2,523,413
	475,642,055	536,044,666	475,642,055	29,567,044

The credit period on purchases ranges from 7 to 60 days (2023: 7 to 60 days) from date of statement. Foreign suppliers are paid predominantly on prepayment or cash basis. Interest is charged by certain but not all suppliers on overdue payables.

Trade payables comprise amounts outstanding for trade purchases. The Directors consider that the carrying amount of trade payables approximate their fair value.

NOTES TO THE ABRIDGED CONSOLIDATED FINANCIAL RESULTS

	INFLATION ADJUSTED		HISTORICAL COST	
	29 February 2024 ZWL 000	28 February 2023 ZWL 000	29 February 2024 ZWL 000	28 February 2023 ZWL 000
19. Borrowings				
Opening balance	16,458,525	6,714,684	880,264	123,591
Interest expense	4,439,780	1,662,856	983,934	75,978
Loan write-back	(5,007,634)	-	(5,007,634)	-
Exchange movements	15,357,081	13,876,442	15,357,081	680,695
Monetary adjustment	(19,034,107)	(5,795,457)	-	-
	12,213,645	16,458,525	12,213,645	880,264
Less current portion	(12,213,645)	(16,458,525)	(12,213,645)	(880,264)
Non-current portion	-	-	-	-
Unsecured:				
Acceptance credits, loans and overdrafts	12,213,645	16,458,525	12,213,645	880,264
Maturity profile				
On demand	12,213,645	16,458,525	12,213,645	880,264

Summary of borrowing arrangements

- Included in the unsecured borrowings is a loan of ZWL 1.0 million (2023: ZWL 18.4 million) from Afghan African Holdings Limited, a minority shareholder in Meikles Centar Mining (Private) Limited. The loan attracted interest of 5% per annum inclusive of an annual management fee. There are no fixed repayment terms.
- Included in the unsecured borrowings is a loan of ZWL 1.4 million (2023: ZWL 25.3 million) from Mr. Ian Hannam, who is part of Afghan African Holdings Limited. The loan attracts interest at 10% per annum and has no fixed repayment terms.
- Included in the unsecured borrowings is a loan of ZWL 12.2 billion (2023: ZWL 16.4 billion) from Barak Fund SPC Limited (Barak), a structured trade finance segregated portfolio domiciled in South Africa. Barak funded Greatermans Stores (1979) Private Limited (Greatermans) trading stock imports from South Africa in 2016. The trade finance agreement between Barak and Greatermans has suspensive conditions, including the borrower obtaining exchange control approval from the Reserve Bank of Zimbabwe (RBZ). The parties implemented the agreement in the absence of the exchange control approval. In retrospect, the Group applied for the exchange control authority to repay the loan from Barak without success, and as a result, the loan is in default. The loan is denominated in US\$ and attracts interest at 10% per annum, adjusted down from 16% in the previous period to align with Exchange Control requirements. Barak is in the process of winding down following financial difficulties.

	INFLATION ADJUSTED		HISTORICAL COST	
	29 February 2024 ZWL 000	28 February 2023 ZWL 000	29 February 2024 ZWL 000	28 February 2023 ZWL 000
20. Financial assets and liabilities				
Set out below, is an overview of financial assets, other than cash and short-term deposits, held by the Group as at 29 February 2024 and 28 February 2023:				
At amortised cost				
Other financial assets (note 13)	158,471,297	13,805,463	158,471,297	9,617,399
Trade and other receivables – excluding prepayments (note 15)	91,685,926	94,410,598	91,685,926	5,406,882
Total financial assets	250,157,223	108,216,061	250,157,223	15,024,281
Total Current	91,902,975	95,509,585	91,902,975	5,465,660
Total non-current	158,254,248	12,706,476	158,254,248	9,558,621
Total financial assets	250,157,223	108,216,061	250,157,223	15,024,281
Set out below, is an overview of financial liabilities, held by the Group as at 29 February 2024 and 28 February 2023:				
At amortised cost				
Unsecured accepted credits, loans and overdrafts	12,213,645	16,458,525	12,213,645	880,264
Trade and other receivables (note 18)	475,642,055	536,044,666	475,642,055	29,567,044
Total financial liabilities	487,855,700	552,503,191	487,855,700	30,447,308
Total Current	487,855,700	552,503,191	487,855,700	30,447,308
Total non-current	-	-	-	-
Total financial liabilities	487,855,700	552,503,191	487,855,700	30,447,308

NOTES TO THE ABRIDGED CONSOLIDATED FINANCIAL RESULTS

21. Related party transactions

Balances between the Company and its subsidiaries and joint operations, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. Details of transactions between the Group and other related parties are disclosed below as well as in note 13.

	INFLATION ADJUSTED		HISTORICAL COST	
	29 February 2024 ZWL 000	28 February 2023 ZWL 000	29 February 2024 ZWL 000	28 February 2023 ZWL 000
21.1 Related party transactions and balances				
During the period, group entities entered into the following transactions with related parties that are not members of the Group:				
Interest income – short term loans – see note 7.1	-	45,474	-	45,474
Interest payable - Afghan African Holdings Limited	249	756	33	756
Interest payable – Mr. Ian Hannam	538	1,632	71	1,632
Rentals – Wingray Properties (Private) Limited	912,962	469,490	149,770	469,490
Donation expense – Meikles Foundation	872,811	326,143	176,711	326,143
Cost recoveries - Meikles Consolidated Holdings (Private) Limited	922,677	429,688	208,666	429,688
Cost recoveries – Tanganda Tea Company	783,997	377,628	163,870	377,628
Dividend paid to Meikles Consolidated Holdings (Private) Limited	58,359,137	14,360,786	9,754,934	14,360,786
The following balances were outstanding at the end of the reporting date:				
Funds due from MCH (before ECL provisions) – see note 13	175,032,873	10,435,808	175,032,873	10,435,808
Short term loans – see note 13	-	2,145	-	115
African Afghan Holdings Limited – payable	1,015	18,359	1,015	982
Mr. Ian Hannam – payable	1,426	25,325	1,426	1,355
Current account – MCH	(524,016)	3,040,987	(524,016)	162,644
Current account – Tanganda Tea Company	178,915	255,015	178,915	13,639
Current account with MCH – receivable	807,791	48,162	807,791	48,162

- The loan from African Afghan Holdings Limited, a minority shareholder in Meikles Centar Mining (Private) Limited, attracts interest at 5% including an annual management fee of 4% per annum. There are no fixed repayment terms.
- Meikles Consolidated Holdings (Private) Limited (“MCH”) is the controlling shareholder of the Company. The current account is unsecured and has no fixed terms of repayment.
- The loan from Mr. Ian Hannam, who is connected with African Afghan Holdings Limited, attracts interest at 10% per annum and is repayable on demand

	INFLATION ADJUSTED		HISTORICAL COST	
	29 February 2024 ZWL 000	28 February 2023 ZWL 000	29 February 2024 ZWL 000	28 February 2023 ZWL 000
22. Commitments				
Commitments for the acquisition of property, plant and equipment				
Authorised but not yet contracted for	178,727,303	717,738,67	178,727,303	38,387,384
Group’s share of capital commitments of joint operations	8,538,907	20,113,122	8,538,907	1,075,726

23. Subsequent events

23.1 Monetary Policy Statement 2024

On 5 April 2024, the Reserve Bank of Zimbabwe (“RBZ”) issued a monetary policy statement that introduced a new domestic currency, the Zimbabwe Gold (“ZiG”). Statutory Instrument (SI) 60 of 2024 was promulgated on 5 April 2024, containing the details of the new currency. Through provisions in SI 60 of 2024, the Zimbabwe Dollar (ZWL), effective on 5 April, was converted into ZiG on the same date. SI 60 of 2024 further states that the ZiG shall be the unit of account for transactions previously denominated in ZWL and for accounting and other purposes (including the discharge of financial and contractual obligations), all assets and liabilities that were immediately before the effective date were valued and expressed in ZWL, shall be deemed to be valued in ZiG and converted in terms of section 6(1) of SI 60 of 2024. The conversion factor provided by RBZ was 2498.7242. The ZWL exchange rate to the USD prior to the conversion to ZiG was 33,800. The ZiG/USD exchange rate on 5 April was 13.56. The Directors assessed the impact of the above changes and are satisfied that they are non-adjusting subsequent events for the year ended 29 February 2024.

KEY PERFORMANCE MEASURES

INFLATION ADJUSTED

	29 February 2024	28 February 2023	31 March 2022	31 March 2021
Gross margin (%)	22.82%	22.84%	24.92%	23.25%
Operating (loss) / profit margin (%)	(3.01%)	(0.78%)	3.39%	3.09%
Return on equity (%)	63.51%	10.24%	19.24%	4.62%

HISTORICAL COST

	29 February 2024	28 February 2023	31 March 2022	31 March 2021
Gross margin (%)	33.99%	29.16%	27.84%	29.32%
Operating profit margin (%)	8.10%	6.41%	8.39%	10.83%
Return on equity (%)	166.31%	108.41%	127.35%	63.40%

CORPORATE INFORMATION

Meikles Limited

(Registration No. 1/37)

Business Address and Registered Office

4 Steppes Road
Highlands
Harare
Zimbabwe
Telephone +263-242-252068-71
Telefax +263-242-252067

Website Address

www.meiklesltd.com

Company Secretary

Tabani Mpofu
email: investorrelations@meikles.com

Transfer Secretaries

ZB Transfer Secretaries
21 Natal Road
Belgravia
P.O. Box 2540
Harare
Zimbabwe
Telephone +263-242-759660/9
Email: rmutakwa@zb.co.zw

Auditors

Ernst & Young Chartered Accountants
Angwa City, Corner Julius Nyerere Way/Kwame Nkrumah
Avenue
Harare
P.O. Box 702
Harare
Zimbabwe
Telephone +263-242-759660/9

Website Address

<http://www.ey.com>

Principal Bankers

Stanbic Bank Zimbabwe
Stanbic Centre
59 Samora Machel Avenue
Harare
Zimbabwe
Telephone +263-242-759471/83; +263 (0)8677 04783/4
Email: zimcibccc@stanbic.com

Principal Bankers

FBC Bank Limited
6th Floor FBC Centre
45 Nelson Mandela Avenue
P.O. Box 1227
Harare
Zimbabwe
Telephone +263-242- 783 204/783 206-7/707 057
Email: info@fbc.co.zw

Directorate

Mr. J.R.T. Moxon - Non-executive Chairperson

Mr. R. Chidembo - Non-executive Director
Ms. C.C. Chitiyo - Non-executive Director
Mr. S.P. Cranswick - Non-executive Director
Mr. S.J. Hammond - Non-executive Director
Mr. J.A. Mushore - Non-executive Director
Mr. M.J.S. Moxon - Executive Director
Mr. T. Muzvagwandoga - Finance Director
Mr. M.R. Mycroft - Chief Executive Officer
Mr. K. Ncube - Executive Director

London Corporate Advisors

PricewaterhouseCoopers Legal LLP
1 Chamberlain Square
Birmingham, B3 3AX
England

Legal Practitioners

Scanlen and Holderness
P.O. Box 188
Harare
Zimbabwe
Telephone +263-242-799636/42
email: scanlen@mweb.co.zw

Sustainability Advisors

Institute for Sustainability Africa
22 Walter Hill Avenue
Eastlea
Harare
Zimbabwe
Telephone: +2630242-796501
Email: admin@insafrika.org.zw

Principal Bankers

CABS
Northend Close
Northridge Park, Highlands
P.O. Box 2798
Harare
Zimbabwe
Telephone: +263-242-883823/33
Email: management@cabs.co.zw

