

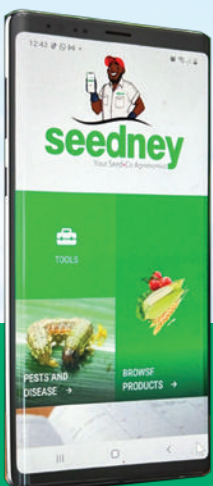
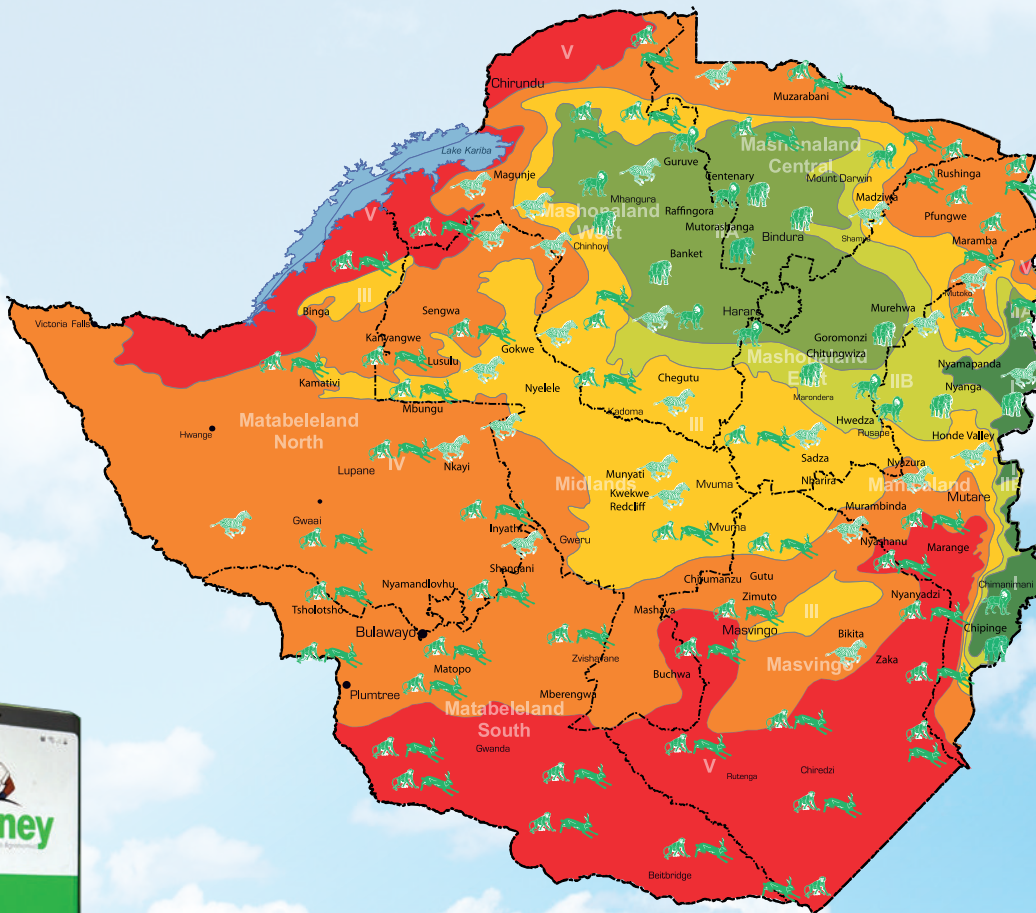


The African Seed Company

SEED CO LIMITED

AUDITED ABRIDGED COMPANY RESULTS

FOR THE YEAR ENDED 31 MARCH 2024



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LIMITED

SHORT-FORM FINANCIAL ANNOUNCEMENT

Issued in terms of practice Note 13 of the Zimbabwe Stock Exchange (ZSE)

AUDITED ABRIDGED COMPANY RESULTS FOR THE YEAR ENDED 31 MARCH 2024

All inflation adjusted comparatives have been restated in terms of the measuring unit current at the end of the latest reporting period.

^ Foreign currency translation reserve through OCI and investments in associates have been restated at the applicable exchange rates.

ABRIDGED INFLATION ADJUSTED INCOME STATEMENT

	Inflation adjusted Audited		Historical cost*	
	Mar 2024 ZWL'Bn	Mar 2023 ZWL'Bn	Mar 2024 ZWL'Bn	Mar 2023 ZWL'Bn
Revenue	813.66	1,011.70	228.10	38.22
Cost of sales	(487.60)	(597.73)	(93.94)	(15.69)
Gross profit	326.06	413.97	134.16	22.53
Other income	1,245.43	872.89	799.68	34.74
Operating expenses	(494.35)	(435.63)	(272.68)	(16.01)
Operating profit	1,077.14	851.23	661.16	41.26
Net finance costs	(105.09)	(264.29)	(33.99)	(10.09)
Monetary loss	(308.63)	(103.82)	-	-
Share of profit from associates & JV	25.78	44.30	104.19	3.10
Profit before tax	689.20	527.42	731.36	34.28
Income tax expense	(225.86)	(152.84)	(139.41)	(7.01)
Profit for the year	463.34	374.58	591.95	27.27
BEPS - cents	185,250	150,227	236,077	10,936
DEPS - cents	171,580	145,929	218,656	10,623
HEPS - cents	142,711	131,224	213,877	10,222

ABRIDGED INFLATION ADJUSTED STATEMENT OF OTHER COMPREHENSIVE INCOME

	Inflation adjusted Audited		Historical cost*	
	Mar 2024 ZWL'Bn	Mar 2023 ZWL'Bn	Mar 2024 ZWL'Bn	Mar 2023 ZWL'Bn
Profit for the year	463.34	374.58	591.95	27.27
Exchange differences^	(37.74)	245.60	451.89	17.53
Revaluation net of tax	187.64	362.09	821.59	23.45
Total comprehensive income for the year	613.24	982.27	1,865.43	68.25

ABRIDGED INFLATION ADJUSTED STATEMENT OF CHANGES IN EQUITY

	Inflation adjusted Audited		Historical cost*	
	Mar 2024 ZWL'Bn	Mar 2023 ZWL'Bn	Mar 2024 ZWL'Bn	Mar 2023 ZWL'Bn
Opening shareholders' equity	1,891.87	895.81	81.28	12.81
Comprehensive income	613.24	982.27	1,865.43	68.25
Exercise of share options	(0.14)	8.70	0.20	0.14
Share based payments	7.40	5.08	0.31	0.08
Dividend paid	-	-	-	-
Closing shareholders' equity	2,512.37	1,891.86	1,947.22	81.28

ABRIDGED INFLATION ADJUSTED STATEMENT OF FINANCIAL POSITION

	Inflation adjusted Audited		Historical cost*	
	Mar 2024 ZWL'Bn	Mar 2023 ZWL'Bn	Mar 2024 ZWL'Bn	Mar 2023 ZWL'Bn
Assets	3,878.54	3,138.67	3,051.91	131.54
Property, plant & equipment (PPE)	1,129.73	881.56	1,118.35	37.16
Investments in associates & JV^	586.70	602.78	585.30	25.30
Other financial assets	63.14	97.16	63.14	4.10
Inventories	1,003.01	256.64	208.41	10.23
Receivables	1,089.59	1,282.97	1,070.34	54.01
Cash and cash equivalents	6.37	17.56	6.37	0.74
Equity and liabilities	3,878.54	3,138.67	3,051.91	131.54
Shareholders' equity	2,512.37	1,891.86	1,947.22	81.28
**Loans and borrowings	481.42	589.67	481.42	24.86
Deferred tax liability	590.58	376.16	329.09	13.55
Payables and provisions	294.17	280.98	294.18	11.85

**All borrowings are unsecured

ABRIDGED INFLATION ADJUSTED STATEMENT OF CASH FLOWS

	Inflation adjusted Audited		Historical cost*	
	Mar 2024 ZWL'Bn	Mar 2023 ZWL'Bn	Mar 2024 ZWL'Bn	Mar 2023 ZWL'Bn
Profit before tax	689.20	527.42	731.36	34.28
Reconciling items to net cash flows	424.21	283.89	254.53	8.99
Working capital changes	(565.37)	(848.91)	(1,037.13)	(49.69)
Tax paid	(33.77)	(20.20)	(13.18)	(0.85)
Effects of monetary changes	(987.02)	(138.03)	-	-
Operating cash flows	(472.75)	(195.83)	(64.41)	(7.27)
PPE disposal proceeds	1.57	0.61	0.74	0.02
Purchase of PPE	(51.73)	(17.77)	(14.37)	(0.68)
Non-current financial assets changes	26.22	(0.42)	12.14	(0.08)
Dividends received	5.49	0.37	1.53	0.01
Interest received	0.07	0.11	0.01	-
Investing cash flows	(18.38)	(17.10)	0.05	(0.71)
Proceeds from exercise of share options	-	-	-	-
Net proceeds from borrowings	571.31	282.67	104.33	13.78
Dividend paid	-	-	-	-
Interest paid	(85.04)	(219.86)	(28.00)	(10.09)
Financing cash flows	486.27	62.81	76.33	3.69
Net cash flows during the year	(4.86)	(150.12)	11.96	(4.29)
Effects of monetary changes	(6.33)	149.67	(6.33)	4.77
Opening cash and cash equivalents	17.56	18.01	0.74	0.26
Closing cash and cash equivalents	6.37	17.56	6.37	0.74

SUPPLEMENTARY INFORMATION

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

This abridged financial results notification has been prepared and authorized by the Board of Directors. It provides a condensed overview of the full announcement and does not contain comprehensive details. All investment decisions by shareholders and investors should be made after careful consideration of the complete financial results publication. A copy of the full announcement is available on the Zimbabwe Stock Exchange website at www.zse.co.zw as well as on the Company's website at www.seedcogroup.com for further reference and analysis.

1. Corporate information

Seed Co Limited is a company which is incorporated and domiciled in Zimbabwe and listed on the Zimbabwe Stock Exchange (ZSE).

2. Basis of preparation

The basis of preparation of these financial statements is **International Financial Reporting Standards (IFRS)** with the exception of IAS 8 and IAS 21 as stated in the audit report.

Inflation adjusted financial statements have been drawn up using the conversion factors derived from interbank exchange rates that were used in estimating the Consumer Price Index (CPI). The conversion factors used for the IAS 29 restatements are as follows:

	Index	Conversion Factor
Closing as at 31 March 2024	381,544	1.00
Closing as at 31 March 2023	16,086	23.72
Average for the year ended 31 March 2024	127,225	5.48
Average for the year ended 31 March 2023	11,871	35.64

IAS 29 discourages the publication of historical cost financial statements as the inflation adjusted results are the primary records. However, the historical cost results are included as supplementary information to allow for comparability during the transitional phase of applying the Standard and to meet most user requirements.

3. Accounting policies

The principal accounting policies of the Company have been consistently followed in all material respects.

DIRECTORS

P Gowero (Chairman), M Nzwere (Group CEO)*, J Matorofa (Group CFO)*, A Carvalho, R C D Chitengu (Mrs), Dr D Garwe (Mrs), M P Karombo, K Mafukidze, R Fournier, F Savin. *Executive

4. The Company's functional and presentation currency

The functional currency assessment remains a critical management judgemental call as the indicators were mixed. During the year ended 31 March 2024, there was a mix of functional currency indicators between the USD and the ZWL when assessing the primary indicators per IAS 21.9, with the weighting between USD and ZWL indicators shifting throughout the year. The company considered the following factors.

- The currency that mainly influences sales prices for goods and services. 51% of sales for the period under review were settled in ZWL.
 - The currency of the country whose competitive forces and regulations mainly determine the sales prices of its goods and services. The official currency in Zimbabwe as of 31 March 2024 was the ZWL.
 - The main currency for the business's receipts and payments. The business received 53% of its total cash inflows in ZWL while 54% of the payments were in ZWL.
 - The currency that mainly influences labour, material, and other costs of providing goods or services for the year ended March 2024 was mainly ZWL.
- Based on the above factors, the businesses concluded that the ZWL was the functional and presentation currency for the year ended 31 March 2024.

	Inflation adjusted Audited		Historical cost*	
	Mar 2024 ZWL'Bn	Mar 2023 ZWL'Bn	Mar 2024 ZWL'Bn	Mar 2023 ZWL'Bn
4. Capital expenditure (Capex)	51.73	17.77	14.37	0.68
5. Depreciation	49.24	34.18	2.36	0.51
6. Commitments for CAPEX			US\$m	US\$m
			3.0	3.6

7. Directorate

Mr. P. Spadin resigned from the board on 8 September 2023 and Mr. D.E.B Long retired from the Board on 20 September 2023. Messrs. A. Carvalho, M. Karombo, and K. Mafukidze were appointed Board Members on 21 September 2023.

8. Dividend

In view of the uncertain local and global economy, the Board decided not to declare a dividend

9. External auditors' opinion

"The abridged Seed Co Limited results for the year ended 31 March 2024, should be read in conjunction with the inflation adjusted financial statements for the year ended 31 March 2024, from which they have been extracted. The inflation adjusted financial statements for the year ended 31 March 2024 have been audited by KPMG Chartered Accountants (Zimbabwe) and an adverse opinion issued thereon.

The auditors' report is modified for IAS 21, **The Effects of Changes in Foreign Exchange Rates**, in respect of internally generated rates in accounting for transactions with growers and determination of split between realised and unrealised portions of exchange gains, IAS 28, **Investments in Associates and Joint Ventures**, in respect of the associate entity's application of the cost model in accounting for property, plant and equipment (PPE) which is not consistent with Company's policies which require PPE to be revalued annually, in respect of non-compliance in the prior year with IFRS 13, **Fair Value Measurement**, in relation to the valuation of land and buildings, and IAS 8, **Accounting Policies, Changes in Accounting Estimates and Errors** due to these areas of non-compliance remaining uncorrected in the comparative periods and the consequential impact of these items on IAS 29, **Financial Reporting in Hyperinflationary Economies**.

The independent auditors' opinion has been made available to management and those charged with governance of Seed Co Limited. The engagement partner responsible for this review is Vinay Ramabhai (PAAB Practising Certificate Number 0569). The auditors' opinion is available for inspection at the Company's registered office."

10. Approval of financial statements

These abridged results have been extracted from the full set of financial statements and are the responsibility of the directors. The full set of financial statements which have been signed on behalf of the board by the Chairman and CEO are available on the ZSE data portal and Company website.



P. Gowero
Chairman
28 June 2024



M. Nzwere
CEO
28 June 2024

COMMENTARY

Overview

Zimbabwe's economy and businesses continue to face several challenges all playing out in the public domain to warrant specific mention. On the global front, the geopolitical conflicts in Eastern Europe and Middle East are disrupting global supply chains in the process fueling global inflation that further worsen the situation of fragile emerging economies.

During the reporting period, the Zimbabwean economy remained substantially dollarised, but the ZWL remained the official trading and reference currency. Foreign currency shortages persisted as most economic players demanded settlement in USD. The post-election season witnessed liquidity crunch of both the ZWL and the USD, slowing down activity in the market. Government payments were delayed, resulting in operating difficulties and unavoidable funding gaps, forcing companies to borrow and incur huge finance costs.

Sales Performance

Overall sales volumes were nearly a third lower than prior year because of El Nino-induced drought which negatively impacted maize and soya seed sales volumes. The extensively publicised drought dampened cropping plans as farmers cautiously tried to curb the risk of crop failure because of moisture stress.

Sales volume of the flagship crop, maize seed, was below prior year by nearly a third. On the other hand, export sales increased notably earning the business with much need foreign currency while at the same time reducing the impact of lower local demand for seed.

Wheat sales volumes remained constant in comparison to prior year despite challenges experienced by farmers which included power cuts, high prices of key inputs like fertilizer and exchange rate volatility.

Financial performance

Revenue dropped by 10% as a result of the aforementioned low sales volume performance.

Other income increased due to exchange gains on USD denominated receivables and increase in non seed sales.

Operating expenses surged due to the current hyperinflationary environment as pricing index to the USD became the norm.

Finance costs were for 16% of turnover, down from 26% the previous year. The company remained reliant on borrowings to fund the cash flow gap created by delayed settlement of Government related receivables and the inflationary increase operational costs. The average interest rate year-on-year was 90% p.a. compared to 112% p.a. in prior year.

The profit share from the joint venture and associates was ZWL25.78 billion benefiting from Seed Co International's notable profitability recovery as well as exchange gain anchored profitability of the local joint venture, Prime Seed Co, and associate, Quton.

Despite the subdued volumes, the Company's profitability improved 8% from prior year mainly driven by exchange gains from revaluing USD denominated receivables.

Financial position

The carrying value of PPE increased 28% because of the sales shop construction, office complex solar installation, and and revaluation of assets at year end.

Inventories on hand at the reporting date mainly comprised of maize seed because of reduced sales. Wheat seed has since been sold in the current winter cropping season.

The increase in receivables is mainly attributable to delayed settlement of Government related receivables.

Short-term borrowings increased in line with the borrowing cycle of the business, characterized by the intake of seed from growers as well as processing. The increase is also due to an inflation induced increase in working capital requirements as well as the need to fund the debtors' book.

Research and Development

Research and development remain the primary driver of competitive advantage for the business, with multiple initiatives at various pipeline stages aimed at producing climate-responsive products. The maize seed portfolio has been expanded with the release of SC661 and SC657, both medium-maturing hybrids. Additionally, a high-yielding wheat variety, SC W9104, has been introduced.

Outlook

The business maintains cautious optimism regarding Zimbabwe's economic outlook despite prevailing challenges. The agricultural sector, a vital economic driver, is expected to improve with anticipated favourable weather conditions as El Niño transitions to La Niña in the upcoming season. Moving forward, the focus will be on increasing the contribution of exports and USD-denominated sales while ensuring competitive pricing and effective cost management. The business will continue to leverage its intellectual property by continuing to offer an optimal mix of seed varieties suitable for both drought and favourable rainfall conditions.



T. Chatiza
Company Secretary
28 June 2024



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INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF SEED CO LIMITED

Adverse Opinion

We have audited the inflation adjusted financial statements of Seed Co Limited (the Company), which comprise the company inflation adjusted statement of financial position as at 31 March 2024, the company inflation adjusted statement of comprehensive income, the company inflation adjusted statement of other comprehensive income, the company inflation adjusted statement of changes in equity and the company inflation adjusted statement of cash flows for the year then ended, and notes to the inflation adjusted financial statements, including material accounting policies and other explanatory information, as set out on pages 10 to 53.

In our opinion, because of the significance of the matters described in the Basis for adverse opinion section of our report, the accompanying inflation adjusted financial statements do not present fairly, in all material respects, the company inflation adjusted financial position of Seed Co Limited as at 31 March 2024, and its company inflation adjusted financial performance and its company inflation adjusted cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and in the manner required by the Companies and Other Business Entities Act [Chapter 24:31].

Basis for adverse opinion

Non-compliance with IAS 21, The Effects of Changes in Foreign Exchange Rates (IAS21)

Use of internally generated exchange rate

The material accounting policy of the Company, as disclosed in note 2.4 (f), is to record foreign currency denominated transactions and balances at the foreign currency exchange rate ruling at the transaction date (spot rate). Purchases of seed from growers recognised in inventory and sales of farming inputs to growers, disclosed in other income, are undertaken with the growers using US\$ values and invoiced in US\$. The invoices are then recorded in the system on transaction date at a translated amount using an internally generated exchange rate. These transactions are ultimately settled in ZWL at the internally generated rates, which vary from the official foreign currency exchange rates. For the year ended 31 March 2024, internally generated exchange rates exceeded the regulatory 10% margin for all months in the financial year except for the month of March 2024.

Grower balances, receivable in ZWL at the year end, are determined by translating the underlying US\$ values outstanding using the official interbank exchange rate.

To the extent these transactions are settled in the financial period and the related inventories have been sold, a potential misstatement may arise between cost of sales and the exchange gains and losses recorded in the inflation adjusted statement of comprehensive income disclosed in other income. Where the related inventories have not been sold a potential misstatement also arises between closing inventories and exchange gains and losses in the inflation adjusted statement of comprehensive income disclosed in other income. The impact on the exchange gains/losses, cost of sales and inventories could not be quantified as was deemed impracticable.

In addition, this area of non-compliance was also the basis of our modified audit opinion for the year ended 31 March 2023, and management has not restated the 31 March 2023 balances in accordance with IAS 8, Accounting policies changes in accounting estimates and errors (IAS 8). As a result, the inflation adjusted financial statements for the year ended 31 March 2024 are further impacted by the resulting misstatements in the opening balances at 1 April 2023.

Foreign exchange gains/losses: determination of the amount of realised and unrealised portions

As disclosed in note 6.1.1, Other income includes inflation adjusted net exchange gains of ZWL 1,039,651,951,035. Management determined the inflation adjusted split of ZWL 569,827,534,821 as the realised portion and ZWL 469,824,416,214 as the unrealised portion, based on a manual computation outside the financial accounting system that accumulates exchange gains and losses. The determination of the exchange rates was with reference to internally generated exchange rates as mentioned above.

The manual split between inflation adjusted realised and unrealised portions is an estimate which does not necessarily reflect the materially correct split for all the exchange rate drivers. The inability to correctly split the inflation adjusted foreign exchange gains and losses between realised and unrealised impacts (i) the allocation into current tax expense and deferred tax expense, and the related tax liabilities, and (ii) the portion of realised net exchange rate gains to which inflation indices are applied to obtain IAS 29, Financial reporting in hyperinflationary economies (IAS 29) numbers. Whilst considered to be material the impact on the split of exchange gains/losses between realised and unrealised, the related tax liabilities and tax expense could not be quantified as was deemed impracticable.

Prior year non-compliance with IFRS 13, Fair Value Measurement (IFRS 13) - inappropriate valuation inputs used and current year incorrect application of IAS 8

As disclosed in note 9.1, the Company's Property, Plant and Equipment ("PPE"), which is carried at inflation adjusted ZWL 1,129,725,868,778, includes land and buildings of inflation adjusted ZWL 582,146,932,019, which are revalued annually. The market approach was applied for the valuation of land and buildings and key inputs into the calculations include rentals per square metre and yield rates.

In the prior year, the valuation of land and buildings, which was carried at inflation adjusted ZWL 439,031,624,958, was performed based on US\$ denominated inputs and converted to ZWL reporting currency at closing spot foreign currency exchange rates. This constituted a departure from IFRS 13 as valuing in US\$ and applying a conversion rate to US\$ valuation inputs may not provide an accurate reflection of market dynamics and fair values in ZWL. Our prior year audit opinion was modified due to this matter but was not quantified as was deemed impracticable.

Management has corrected the valuation approach at 31 March 2024, however, the prior year error was not corrected retrospectively, which is not in compliance with the requirements of IAS 8. Accordingly, the inflation adjusted statement of other comprehensive income and inflation adjusted statement of financial position for the year ended 31 March 2023 were not restated. Our opinion on the current year's financial position and financial performance is also qualified because of the possible effects of this matter on the comparability of the current year's financial position and performance with that of the prior year.

Non-compliance with IAS 28, Investments in Associates and Joint Ventures - Inconsistent application of policies

An associate, Quton Seed Company (Private) Limited ("Quton Zimbabwe"), accounts for PPE using the cost model, which is not consistent with the Company's accounting policies which require PPE to be revalued annually. The Company has not made any adjustments to the equity accounting earnings of Quton Zimbabwe, as required by IAS 28 to apply uniform accounting policies. The impact, whilst considered to be material, cannot be quantified on the share of profit from associates and joint venture and the investment in associates and joint venture as was deemed impracticable.

Our opinion in the prior year was also modified in respect of this matter.

Non-compliance with International Financial Reporting Standards IAS 29 - Financial Reporting in Hyperinflation Economies (IAS 29)

In addition, as described in note 2.1 to the inflation adjusted financial statements, Zimbabwe became a hyperinflationary economy with effect from 1 July 2019. IAS 29 has been applied to incorrect balances due to the non-compliances with the standards as noted above.

All the items identified in the basis for adverse opinion paragraph are considered material and pervasive to the inflation adjusted financial statements as a whole.

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 financial statements section of our report. We are independent of the Company 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 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 adverse opinion.

Key audit matters

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

Functional currency	
Refer to material accounting policy note 2.1 and significant accounting judgements, estimates and assumption note 3.7.	
Key audit matter	How the matter was addressed in our audit
<p>As disclosed in note 2.1 of the inflation adjusted financial statements, the Company determined the functional currency for the year ended 31 March 2024 as the Zimbabwean Dollar ("ZWL").</p> <p>During the year ended 31 March 2024, there was a mix of functional currency indicators between the US\$ and the ZWL when assessing the primary indicators per IAS 21.9, with the weighting between US\$ and ZWL indicators shifting throughout the year. The weighting of US\$ indicators increased significantly towards the end of the year.</p> <p>Significant judgment is required in the determination of the functional currency when the primary indicators are mixed.</p> <p>Due to the judgments made and that the determination of the functional currency was a close call, we considered this to be a matter of significance to the current year audit of the inflation adjusted financial statements and accordingly a key audit matter.</p>	<ul style="list-style-type: none"> Assessing the appropriateness of the Company's assessment in terms of the requirements of IAS 21; Corroborating and challenging the key inputs used in management's functional currency assessment; Performing an assessment of the primary factors and secondary factors as per IAS 21, The effects of changes on foreign exchange rates, requirements; and Reviewing the inflation adjusted financial statements for adequacy of disclosures around the critical judgements made in concluding that ZWL was the functional currency for the year ended 31 March 2024.

Valuation of property, plant and equipment	
Refer to material accounting policy note 2.4(c), fair value measurement, note 2.4(g), property, plant and equipment, significant accounting judgements, estimates and assumptions note 3.1 revaluation of property, plant and equipment and note 9, property, plant and equipment.	
Key audit matter	How the matter was addressed in our audit
<p>The Company has PPE which was measured using the revaluation model in accordance with IAS 16, Property, plant and equipment. The inflation adjusted value of PPE as at 31 March 2024 is ZWL\$ 1,129,725,868,778.</p> <p>Significant judgements and estimates were required to determine the fair value of PPE. The significant unobservable inputs into the determination of the fair value included price per square metre, rental per square metre and prime yield. The Company engaged an external valuer to determine the fair values of property, plant and equipment.</p>	<p>In addressing the key audit matter, we performed the following procedures:</p> <ul style="list-style-type: none"> Tested the design and implementation of controls over the PPE valuation process; Reviewed the skills, qualifications and experience of external valuer who performed the valuation of the PPE; Evaluated the valuation methodology used by the external valuer to value PPE;

<p>We considered this to be a matter of significance to the audit of the 31 March 2024 inflation adjusted financial statements due to the material balance to the financial statements and the significant judgements and estimates applied by the valuers in the revaluation of PPE.</p>	<ul style="list-style-type: none"> • Engaged our own valuation specialist to: <ul style="list-style-type: none"> i. independently assess the reasonableness and appropriateness of the valuation models, methodologies and inputs used by the independent valuer; ii. review the significant unobservable valuation inputs, in terms of market evidence of price per square metre, rental per square metre, prime yield, and other parameters such as property space voids; • Reviewed the inflation adjusted financial statements for adequacy of disclosures around the key assumptions as per IAS 16 and IFRS 13.
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Other information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Seed Co Limited Company Inflation Adjusted Financial Statements 31 March 2024" including the information titled "historical cost", but does not include the inflation adjusted financial statements and our auditor's report thereon, and the Seed Co Limited Annual Report, which is expected to be made available to us after the date of this auditors' report.

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

In connection with our audit of the inflation adjusted 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 financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we have obtained prior to the date of this auditors' report, 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 directors for the inflation adjusted financial statements

The directors are responsible for the preparation and fair presentation of the inflation adjusted financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and the manner required by the Companies and Other Business Entities Act [Chapter 24:31], and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the inflation adjusted financial statements, the directors are responsible for assessing the Company'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 Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the inflation adjusted financial statements

Our objectives are to obtain reasonable assurance about whether the inflation adjusted 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 financial statements.

As part of an audit in accordance with ISAs, 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 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 company'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 Company'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 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 company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the inflation adjusted financial statements, including the disclosures, and whether the inflation adjusted 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.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence and 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 the directors, we determine those matters that were of most significance in the audit of the inflation adjusted 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.

KPMG

Vinay Ramabhai
Chartered Accountant (Z)
Registered Auditor
PAAB Practicing Certificate Number 0569

28 June 2024

For and on behalf of, KPMG Chartered Accountants (Zimbabwe), Reporting Auditors
Mutual Gardens
100 The Chase (West) Emerald Hill
P.O Box 6, Harare Zimbabwe