UNIFREIGHT AFRICA LTD

ABRIDGED AUDITED FINANCIAL RESULTS

for the period ended 31 December 2024

Corner Orme\Willow Roads,
New Ardbennie, Harare
P.O. Box 772, Harare, Zimbabwe
Tel: (+263 4) 621000-14
unifreight.co.zw

Dear Shareholder,

Overview

On behalf of the Board of Directors of Unifreight Africa Limited, I am pleased to present the audited financial statements for the year ended 31 December 2024. During the period under review, Unifreight made significant strides in strengthening its operational foundations, expanding its service offerings, and navigating a challenging macroeconomic environment. Our continued focus on strategic initiatives enabled us to achieve notable progress while positioning the company for sustainable growth in the future.

The year was marked by a strategic effort to broaden our presence in both cross-border logistics and fourth-party logistics (4PL) services. These two areas were key focal points in the latter part of 2024 and have already demonstrated considerable potential in diversifying our revenue streams. The progress achieved thus far reinforces our conviction that ongoing investment in cross-border routes and integrated 4PL solutions will be instrumental to driving the Group's performance in 2025 and beyond.

Operational Performance

A key strategic milestone was achieved in the latter half of the 2024 financial year, being the aggressive expansion of our cross-border freight operations. By enhancing the number of vehicles onto the Beira corridor, we improved turnaround times and overall operational efficiency. Concurrently, we established a new 4PL business unit where we are managing full supply chain operations for select clients. This offering further increases our value proposition and creates stronger, longer-term partnerships with customers.

In an effort to meet rising demand and strengthen our cross-border operations, Unifreight Africa acquired an additional 30 FAW FT360 trucks in 2024. These assets are being deployed on foreign contracts, thereby reinforcing our commitment to serving the region with consistent, high-quality logistics services. This fleet expansion enables us to serve more routes efficiently while reinforcing our competitive advantage in the marketplace.

The Group secured favorable banking solutions during the reporting period, providing critical support to our working capital requirements and operating expenses. These financing facilities have empowered Unifreight Africa to balance short-term obligations against our ongoing expansion, ensuring the Company remains well-positioned to seize market opportunities as they arise.

Financial Performance

The financial results have been prepared on an inflation adjusted basis, in compliance with IAS 29 "Financial Reporting in Hyperinflationary Economies". The Inflation Adjusted opening balances have been converted using the guidance issued by The Institute of Chartered Accountants Zimbabwe [ICAZ] through their technical paper 'Considerations for transition to ZiG,' which was issued in 2024, and as such we advise shareholders to exercise caution in interpreting the comparatives to financials due to distortions emanating from the technical complexities associated with the conversion from the Zimbabwean dollar (ZWL) to the Zimbabwe Gold (ZWG).

Revenues for the year were at ZWG743M driven by a good tobacco season and new business from Cross Border and 4PL divisions, which boosted in Q4. The business continues to expand and diversify its revenue streams as a way to dilute risk.

Earnings before Interest, Taxes, Depreciation (EBITDA) of ZWG261.5M was recorded during the period under review and the business closed with an overall profit before taxation of ZWG71.3M [10% of turnover]. The business revalued its assets at the end of the financial year in line with the policy resulting in a revaluation surplus of ZWG137M. The overall comprehensive income after other comprehensive income was ZWG441M.

Total assets of the Group closed at ZWG1.9Bln, mainly driven by the introduction of an additional 30 new trucks to the local business in Q4:2024. Current ratios are low at 1.08:1 mainly due to USD denominated loans which are relatively short term in nature. Based on the forecast cash-flows, this position should improve in the second half of the 2025 financial year.

Cash generated from operating activities was positive in 2024 at ZWG284M.

Capital expenditure incurred relates to purchase of additional vehicles for local business Fleet. This was financed through a 3-year finance lease facility with FAW South Africa. Resultantly, borrowings at the end of the financial period closed at ZWG149M.

Dividend

Following careful consideration of the Group's performance and future capital requirements, the Board has resolved to declare a dividend of USD200,000 (US$0.001878 per share) for the financial year ended 31 December 2024. This declaration reflects our confidence in Unifreight Africa's underlying financial resilience and operational prospects. At the same time, we remain mindful of our strategic priorities namely, the continued expansion of cross-border operations and 4PL services which require a careful allocation of capital. The Board will continue to assess the dividend policy to ensure it remains aligned with the Group's evolving financial position, profitability, and broader growth objectives. Further details regarding the payment schedule will be communicated in due course.

Outlook

Unifreight Africa is pleased to report a major increase in tobacco transport volumes, which significantly exceeded prior-year levels. Building upon the achievements of 2024, the Company has secured additional agreements that will result in a 50% increase in tobacco volumes during the 2025 marketing season. This increase was achieved through investment into increased assets and a firm demand for our reliable and cost effective service offering to the tobacco merchants.

Looking ahead to 2025, Unifreight Africa will reinforce its operational capacity through the planned acquisition of an additional 50 FAW trucks, ensuring we remain well-positioned to meet both cross-border and domestic transport requirements. We also anticipate a substantial increase in volumes passing through the Beira corridor, which will be coordinated under our expanding 4PL division.

Despite potential challenges arising from inflationary pressures and currency volatility, we remain confident that our strategic focus on creating a more sustainable business model through diversification into foreign business and cost management strategies will make the business more resilient to economic shocks and uncertainties. Our key objectives for the coming year include growing our regional footprint via cross-border expansion, increasing the volume of the 4PL model, efficiently managing the projected surge in tobacco volumes, and reinforcing our dominance in the Less than Load (LTL) space in Zimbabwe.

Appreciation

On behalf of the Board, I would like to express our sincere gratitude to our customers, partners, and shareholders for their continued support and trust in Unifreight Africa. I also wish to thank our employees, management, and executive team for their unwavering commitment and hard work during this period.

Conclusion

The Board is encouraged by the accomplishments recorded in 2024 and remains committed to building on this momentum in the year ahead. We believe that our strategic focus on cross-border expansion and integrated 4PL services will serve as a stable platform for continued growth and value creation. We appreciate your ongoing trust and look forward to reporting on further progress in due course.

Yours sincerely

Peter Annesley
Chairman
Unifreight Africa Limited

Auditor's Statement

These abridged consolidated financial statements derived from the audited inflation adjusted consolidated financial statements of Unifreight Africa Limited and its subsidiaries "the Group" for the financial year ended 31 December 2024, should be read together with the complete set of audited inflation adjusted consolidated financial statements, for the year ended 31 December 2024, which have been audited by Grant Thornton Chartered Accountants (Zimbabwe) and the auditor's report signed by Farai Chibisa, Registered Public Auditor 0547.

A qualified audit opinion has been issued on the audited inflation adjusted consolidated financial statements of the Group regarding non-compliance with (IAS) 21 - The Effects of Changes in Foreign Exchange Rates. The auditor's report includes a section on key audit matters outlining matters that in the auditor's professional judgement, were of most significance in the audit of the consolidated inflation adjusted financial statements. The key audit matters were with respect to revenue recognition. The auditors' opinion is not modified in respect of this matter. The auditor's report on the inflation adjusted consolidated financial statements and the full set of the audited inflation adjusted consolidated financial statements, are available for inspection at the Group's registered office and the auditor's report has been lodged with the Zimbabwe Stock Exchange.

UNIFREIGHT AFRICA LIMITED ABRIDGED AUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION for the period ended 31 December 2024	Audited Inflation Adjusted Dec 2024 ZWG	Audited Inflation Adjusted Dec 2023 ZWG	Audited Historical Dec 2024 ZWG	Audited Historical Dec 2023 ZWG
ASSETS				
Non current assets	**1 625 659 507**	**1 538 466 607**	**1 232 805 203**	**705 041 741**
Vehicles and equipment	942 902 154	830 976 047	942 840 000	499 670 955
Investment properties	221 040 000	179 019 929	221 040 000	107 645 774
Investment in equity instruments	16 403 525	77 700 554	16 403 525	46 721 816
Right of use of asset	439 535 885	444 992 134	52 516 982	50 998 500
Intangible assets	5 777 943	5 777 943	4 696	4 696
Current assets	**279 981 095**	**319 963 438**	**271 530 763**	**138 534 782**
Inventories	23 303 516	109 047 326	14 854 188	11 709 640
Trade and other receivables	214 455 659	163 435 704	214 454 656	98 274 884
Cash and cash equivalents	42 221 920	47 480 408	42 221 920	28 550 258
TOTAL ASSETS	**1 905 640 602**	**1 858 430 045**	**1 504 335 966**	**843 576 523**
EQUITY				
Equity	**1 566 797 415**	**1 239 539 433**	**885 133 751**	**532 890 590**
Share capital	4 102 339	4 102 339	3 334	3 334
Share premium	7 935 518	7 935 518	6 449	6 449
Non distributable reserve	78 122 453	139 549 377	(61 281 798)	145 126
Revaluation reserve	318 784 845	212 315 067	625 778 259	306 303 315
Fair value reserve for financial assets at FVOCI	-	37 263 277	14 392 668	44 710 959
Retained earnings	1 157 852 260	838 373 855	305 317 778	181 721 406
Non current liabilities	**78 674 991**	**400 825 970**	**383 394 883**	**179 562 336**
Loans and borrowings	52 004 915	77 011 454	52 004 915	46 307 456
Lease liability	12 007 595	52 723 660	35 451 399	31 703 058
Deferred tax liabilities	14 662 481	271 090 856	295 938 568	101 551 822
Current liabilities	**260 168 197**	**218 064 642**	**236 724 394**	**131 123 597**
Trade and other payables	109 361 462	126 340 274	109 361 462	75 969 176
Income tax payable	18 201 660	6 271 128	18 201 660	3 770 867
Lease liability	35 451 399	30 455 000	12 007 596	18 312 777
Loans and borrowings	97 153 676	54 998 240	97 153 676	33 070 777
TOTAL EQUITY AND LIABILITIES	**1 905 640 602**	**1 858 430 045**	**1 504 335 966**	**843 576 523**

ABRIDGED AUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME for the period ended 31 December 2024	Audited Inflation Adjusted Dec 2024 ZWG	Audited Inflation Adjusted Dec 2023 ZWG	Audited Historical Dec 2024 ZWG	Audited Historical Dec 2023 ZWG
Revenue	**743 981 513**	**1 048 893 273**	**555 904 770**	**372 850 600**
Operating costs	(661 480 993)	(837 489 912)	(489 454 026)	(303 982 052)
Movement in expected credit / (losses)	11 046 535	(10 727 164)	11 046 535	(10 017 885)
Other operating income	167 956 704	424 025 695	136 346 381	151 561 852
Earnings before interest, tax, depreciation and amortisation (EBITDA)	**261 503 759**	**624 701 892**	**213 843 660**	**210 412 515**
Finance costs	(11 616 933)	(33 581 617)	(8 644 574)	(10 790 978)
Depreciation Charge	(68 130 272)	(62 551 638)	(35 378 358)	(28 196 831)
Monetary (loss)/gain	(110 426 609)	404 023 166	-	-
Profit before taxation	**71 329 945**	**932 591 803**	**169 820 728**	**171 424 706**
Income tax credit/(expense)	272 182 212	(200 892 963)	(46 224 357)	(4 914 525)
Profit for the year from continuing operations	**243 512 157**	**731 698 840**	**123 596 371**	**166 510 180**
Net profit for the year	343 512 157	731 698 840	123 596 371	166 510 180
Other comprehensive income				
Net (loss)/gains on equity instruments designated at fair value through other comprehensive income	(40 328 128)	60 007 216	(30 318 291)	43 935 508
Revaluation surplus	137 360 423	212 315 067	424 382 231	205 721 248
Other comprehensive income for the year, net of tax	**97 032 295**	**272 322 282**	**394 063 940**	**249 656 756**
Total comprehensive income for the year, net of tax	**440 544 452**	**1 004 021 122**	**517 660 311**	**416 166 936**
Earnings per share				
- Basic earnings for the year attributable to ordinary equity holders of the parent (cents)	**413.76**	**942.97**	**4.86**	**3.91**
- Diluted earnings for the year attributable to ordinary equity holders of the parent (cents)	**413.76**	**942.97**	**4.86**	**3.91**
- Headline earnings/(loss) for the year attributable to ordinary equity holders of the parent (cents)	**2.18**	**(10.47)**	**2.88**	**0.00**

ABRIDGED AUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	Attributable to equity shareholders of the parent							
for the period ended 31 December 2024	Share capital	Share premium	Non-distributable reserves	Revaluation reserve	Fair value reserve of financial assets at FVOCI	Equity portion of Shareholders loans	Retained earnings	Total Equity
	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG
Balance as at 1 January 2023	**4 102 339**	**7 935 518**	**139 549 377**	**-**	**(22 743 939)**	**34 403 055**	**106 675 015**	**269 921 365**
Profit for the period	-	-	-	-	-	-	731 698 840	**731 698 840**
Net gain on equity instruments designated at fair value through other comprehensive income	-	-	-	-	60 007 216	-	-	**60 007 216**
Revaluation gains	-	-	-	212 315 067	-	-	-	**212 315 067**
Reclassification of shareholders loan	-	-	-	-	-	(34 403 055)	-	**(34 403 055)**
Balance as at 31 December 2024	**4 102 339**	**7 935 518**	**139 549 377**	**212 315 067**	**37 263 277**	**-**	**838 373 855**	**1 239 539 433**
Balance as at 1 January 2024	**4 102 339**	**7 935 518**	**139 549 377**	**212 315 067**	**37 263 277**		**838 373 855**	**1 239 539 433**
Profit for the period	-	-	-	-	-	-	343 512 157	**343 512 157**
Net gain on equity instruments designated at fair value through other comprehensive income	-	-	-	-	(37 263 277)	-	(24 033 752)	**(61 297 029)**
Revaluation Surplus	-	-	-	106 469 778	-	-	-	**106 469 778**
Effects of changes in functional currency	-	-	(61 426 924)	-	-	-	-	**(61 426 924)**
Balance as at 31 December 2024	**4 102 339**	**7 935 518**	**78 122 453**	**318 784 845**	**-**	**-**	**1 157 852 260**	**1 566 797 415**

ABRIDGED AUDITED CONSOLIDATED STATEMENT OF CASH FLOWS for the period ended 31 December 2024	Inflation Adjusted 2024 ZWG	Inflation Adjusted 2023 ZWG
Net cash generated from operating activities	**284 944 412**	**519 306 481**
Cash generated from operations	273 013 880	527 202 648
Interest paid	-	(7 896 167)
Taxation paid	11 930 532	-
Net cash utilised in investing activities	**(30 497 977)**	**(481 093 864)**
Purchase of vehicles and equipment	(37 416 968)	(508 759 607)
Proceeds from sale of vehicles and equipment	1 462 742	27 665 743
Increase in right of use	5 456 249	-
Net cash utilised from financing activities	**18 073 453**	**(35 855 223)**
Proceeds from borrowings	40 000 000	57 258 616
Principal payment of lease liabilities	(2 556 841)	(11 722 770)
Repayments of borrowings	(19 369 706)	(81 391 069)
Increase in cash and cash equivalents	**272 519 888**	**2 357 394**
Cash and cash equivalents at beginning of year	**47 480 408**	**5 148 839**
Net foreign exchange differences	-	(4 183 727)
Effects of changes in functional currency	(61 426 924)	-
Effects of inflation	(216 351 452)	44 157 902
Cash and cash equivalents at end of year	**42 221 920**	**47 480 408**

General Information

Unifreight Africa Limited (formerly Pioneer Corporation Africa Limited) was incorporated in Zimbabwe in 1970. It is the holding company of a Group of companies primarily involved in the road transport industry whose main activities include inter-city freight consolidations, the distribution of general goods, cross border, 4PL (fourth party logistics) and courier service.

These Group consolidated financial statements are presented in Zimbabwe Gold (ZWG) and were authorised for issue by the Board of Directors on 25 March 2025.

Basis of preparation

The consolidated financial statements are initially prepared under the historical cost convention as restated for the changes in the general purchasing power of the functional currency for the purposes of fair presentation in accordance with IAS 29 (Financial Reporting in Hyperinflationary Economies). This historical cost information has been restated for changes in the general purchasing power of the Zimbabwe gold and as a result are stated in terms of the measuring unit currency at the end of the reporting period. Accordingly, the inflation adjusted consolidated financial statements represent the primary financial statements of the Group. The Historical Consolidated Statement of profit or Loss and other comprehensive income and Consolidated Statement of financial position have been included only as supplementary information.

Inflation adjustment

The Public Accountants and Auditors Board (PAAB) in their circular 01/19 communicated that the factors and characteristics to apply IAS 29, Financial Reporting in Hyper-Inflationary Economies had been met in Zimbabwe. The pronouncement require that entities reporting in Zimbabwe apply the requirements of IAS 29 with effect from 1 July 2019.

IAS 29 requires that the financial statements prepared in the currency of a hyperinflationary economy be stated in terms of the measuring unit current at the balance sheet date and the corresponding figures for the previous period be stated in the same terms. The restatement has been calculated by means of conversion factors derived from the consumer price index. The Group used the inflation adjustment factors derived from the monthly Consumer Price Indices as published by the Zimbabwe National Statistics Office (ZimStats). The following factors were applied:

Period / Month	Factor
December 2023	7.8227
April 2024	1.6630
December 2024	1.0000

Accounting policies

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

The policies applied are consistent with those applied in previous years.

Trade and other receivables *Inflation Adjusted*	Dec 2024 ZWG	Dec 2023 ZWG
Current		
Trade receivables	157 312 182	147 604 889
Receivables due from related parties	61 760 914	2 928 671
Less: provision for impairment	**(6 069 814)**	**(17 116 349)**
Trade receivables - net	**213 003 282**	**133 417 211**
Prepayments	1 452 377	88 469
Other Debtors	-	29 930 024
Total Trade and Other Receivables	**214 455 817**	**163 435 704**

Trade and other payables *Inflation Adjusted*	Dec 2024 ZWG	Dec 2023 ZWG
Current		
Trade payables	22 642 215	101 719 614
Trade payables due to related parties	1 310 246	1 205 776
Accrued expenses	70 828 166	22 244 392
Social security and other statutory liabilities	14 580 835	1 170 492
	109 361 462	**126 340 274**

Borrowings

Borrowings represent facilities for capital expenditure and working capital. The interest rates for USD accounts attract an interest is between 12.15% to 15% and for ZWG Loans the interest rates are from 89%.

Borrowings *Inflation Adjusted*	Dec 2024 ZWG	Dec 2023 ZWG
Loans and Borrowings	149 158 592	132 009 694
	149 158 592	**132 009 694**

Finance cost

Finance cost comprises the following:

Finance Cost *Inflation Adjusted*	Dec 2024 ZWG	Dec 2023 ZWG
Bank borrowings	6 656 612	21 065 841
Leases liabilities	4 960 321	12 515 776
	11 616 933	**33 581 617**

Capital Expenditure *Inflation Adjusted*	Dec 2024 ZWG	Dec 2023 ZWG
Acquisition of vehicles and equipment	37 416 968	508 759 607

Contingent liabilities

The group is a defendant in various labour disputes with former employees. The cases are at various stages. The total being claimed in all these cases is ZWG30 701 010.

Subsequent events

There are no adjusting or non-adjusting events after the reporting date which have an effect on the financial position of the group as at the reporting date nor require disclosure in the financial statements.

Grant Thornton

INDEPENDENT AUDITOR'S REPORT

Grant Thornton
Camelsa Business Park
135 E.D. Mnangagwa Road
PO Box CY 2619
Causeway, Harare
Zimbabwe

T +263 (242) 442511-4 / +263 8677009063
F +263 (242) 442517 / 496985
E info@zw.gt.com
www.grantthornton.co.zw

To the members of Unifreight Africa Limited and its subsidiaries

Report on the Audit of the Consolidated Inflation Adjusted Financial Statements

Qualified Opinion

We have audited the consolidated inflation adjusted financial statements of Unifreight Africa Limited and its subsidiaries set out on pages **9 to 49**, which comprise the consolidated inflation adjusted statement of financial position as at 31 December 2024, and the consolidated inflation adjusted statement of profit or loss and other comprehensive income, the consolidated inflation adjusted statement of changes in equity and the consolidated inflation adjusted statement of cash flows for the year then ended, and the notes to the consolidated inflation adjusted financial statements, including a summary of the Group's significant accounting policies.

In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion section of our report, the accompanying consolidated inflation adjusted financial statements present fairly, in all material respects, the financial position of Unifreight Africa Limited and its subsidiaries as at 31 December 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Qualified Opinion

Non-compliance with International Accounting Standard (IAS) 21 - The Effect of Changes in Foreign Exchange Rates

Change in functional and presentation currency.

On 5 April 2024, the Government of Zimbabwe through Statutory Instrument 60 of 2024 introduced a new currency, Zimbabwe Gold (ZWG). The statutory instrument provided that, for accounting and other purposes, all assets and liabilities that were immediately before the effective date valued and expressed in Zimbabwe dollars (ZWL), were to be deemed to be values in ZWG, translated using the formula stipulated in the statutory instrument.

Accordingly, the Group changed its functional and presentation currency from Zimbabwe Dollars (ZWL) to Zimbabwe Gold (ZWG) with effect from 5 April 2024. A change in functional currency entails all amounts, including comparatives being translated from ZWL to ZWG in accordance with IAS 21 - The Effect of Changes in Foreign Exchange Rates (IAS 21). The Group's previous functional currency (ZWL) was a currency of a hyperinflationary economy. As such, IAS 21 requires that the ZWL inflation adjusted amounts for the period prior to the change in functional currency, and the previously stated comparative consolidated inflation adjusted financial statements be translated to ZWG at the closing exchange rate at the date of change in functional currency.

In preparing the ZWG comparatives for the statement of financial position, management translated the comparative financial statements to ZWG, by separating the balances with underlying USD amounts and ZWL balances without underlying USD amounts. The underlying USD balances were then translated to ZWG using the interbank exchange rate between USD and ZWG as at 5 April 2024. The ZWL denominated balances were inflation adjusted using the Total Consumption Poverty Line (TCPL) as at 31 March 2024 and then translated to ZWG using the formula stipulated in Statutory Instrument 60 of 2024. This constitutes a departure from the requirements of IAS 21.

The balances as at 31 December 2024 for vehicles and equipment, inventory, cash and cash equivalents, loans and borrowings, trade payables, lease liabilities and deferred tax liabilities contain material amounts carried forward from 31 December 2023. As a result, the balances as at 31 December 2024 and the comparatives for the year ended 31 December 2023 may contain material misstatements arising from the translation of the previously stated ZWL comparative consolidated inflation adjusted financial statements to ZWG on change of the functional and presentation currency of the Group.

Exchange rates applied to translate USD transactions and balances

During the prior years and current year, the Group's USD transactions and balances were translated into the functional and presentation currency of the Group using internally generated exchange rates, which were not considered appropriate spot exchange rates for translations as required by IAS 21. Had the appropriate spot exchange rates been used, some elements of the consolidated inflation adjusted financial statements would have been materially different.

There have been no restatements to the prior year financial statements in accordance with IAS 8 '*Accounting Policies, Changes in Accounting Estimates and Errors*', and these consolidated inflation adjusted financial statements may contain material misstatements arising from the carry over effects of the non-compliance with IAS 21 during the year ended 31 December 2023.

Had the consolidated inflation adjusted financial statements been prepared in accordance with the requirements of IAS 21, some elements would have been materially affected. The effects of the non-compliance with the requirements of IAS 21 have been considered to be material but not pervasive to the consolidated 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 Consolidated Annual Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with 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 judgement, were of most significance in our audit of the consolidated financial statements. Except for the matters described in the Basis of Qualified opinion section, we have determined that there are no other key audit matters to communicate in our report.

Key Audit Matter	How our audit addressed the Key Audit Matter
IFRS 15 - Revenue from Contracts with Customers	
• There is a presumed fraud risk with regards revenue recognition as required by International Standard on Auditing (ISA 240 Revised). There is a risk that the revenue is presented at amounts higher than what has been actually generated by the Group. • The Group is in the business of providing transport and logistics services. Revenue from contracts with customers is recognised when services are	Our audit procedures included the following: • Tested the general and application controls around the revenue systems of the Group and reviewed the controls. • Performed revenue analytics to identify anomalies in the revenue and corroborated by tracing to supporting documentation on the explanations provided. • Performed gap detection and duplicates test.

delivered to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those services. • The Group also has revenue generated from prepacks and driving schools. These goods and services are paid for in advance. The Group recognises revenue when payment is received. • Revenue recognition was identified as a risk area requiring special audit consideration.	• Reviewed whether the revenue recognition criteria is appropriate and in line with the requirements of IFRS 15. Based on the audit work performed and the assumptions made, we satisfied ourselves that the Group's revenue recognition is in accordance with IFRS 15.

Responsibilities of Management and Those Charged with Governance for the Consolidated Inflation Adjusted Financial Statements

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

In preparing the consolidated inflation adjusted 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.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Inflation Adjusted Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 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 consolidated 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 auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated inflation adjusted financial statements, including the disclosures, and whether the consolidated inflation adjusted financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated inflation adjusted financial statements. We are responsible for the direction, supervision and performance of the Group's audit. We remain solely responsible for our audit opinion.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated 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.

Report on Other Legal and Regulatory Requirements

In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion, the consolidated inflation adjusted financial statements have been properly prepared, in all material respects in accordance with the requirements of the Companies and Other Business Entities Act (Chapter 24:31).

The engagement partner on the audit resulting in this Independent Auditor's Report is Farai Chibisa.

Grant Thornton

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Farai Chibisa
Partner

Registered Public Auditor (PAAB No: 0547)

Grant Thornton
Chartered Accountants (Zimbabwe)
Registered Public Auditors

28 March 2025

HARARE