MORGAN & CO

MADE IN ZIMBABWE EXCHANGE TRADED FUND

AUDITED ABRIDGED FINANCIAL STATEMENTS FOR PERIOD ENDED 31 DECEMBER 2024

Asset Manager's Report

The Morgan & Co Made in Zimbabwe ETF delivered a nominal growth of 1,215.2% in 2024, outperforming the ZSE All Share Index's 845.25%. It ranked third among ETFs but led in liquidity, with an average daily traded volume of 709,943 units. It is important to highlight that this growth reflects the nominal performance of the ZSE. Upon conversion, the fund's gains were eroded by the exchange rate applied during the transition. Furthermore, the over 40% devaluation of the Zimbabwe Gold (ZWG) currency on September 27, 2024, further reversed the fund's post-conversion gains. Compounding these challenges, tight monetary policies implemented by the Reserve Bank of Zimbabwe led to a liquidity crisis, significantly reducing market activity on the ZSE. Additionally, monthly inflation peaked at 37.2% in October, further impacting the fund's real net asset value (NAV), which declined from ZWG20,159,930 as of December 31, 2023, to ZWG18,379,755 as of December 2024. The ETF primarily invests in Zimbabwean manufacturing companies with up to 20% allocated outside the sector. Despite power shortages, currency volatility, and an El Niño-induced drought, the sector remained resilient, slowing only 0.1 percentage points (2.1% to 2.0%). However, the ZSE has become more reflective of money supply than fundamentals, limiting fund growth due to ongoing liquidity challenges.

Going forward, the sector is expected to benefit from recapitalization, informal market expansion, and a projected agricultural recovery driven by La Niña conditions. However, fund performance remains uncertain amid persistent liquidity constraints.

On behalf of the Fund Manager

Monanza Tinashe Zihanzu 27 March 2025

Trustee's Statement

The management company, Zimnat Asset Management Company [Private] Limited, has complied with the regulatory requirements stipulated in the Collective Investment Schemes Act of 1997 [Chapter 24:19], the Trust Deed, and the Prospectus. They have fully complied with the reporting requirements and have discharged their responsibilities in all respects. The financial statements for the period ended 31 December 2024 were authorised for issue on 27 March 2025.

On behalf of the Trustee

Hugara Tinashe Mapara 27 March 2025

STATEMENT OF FINANCIAL POSITION As at 31 December 2024

		Inflation	Adjusted	Historical		
		2024	2023	2024	2023	
	Note	ZWL	ZWL	ZWL	ZWL	
Assets		10 770 755	20 150 070	10 770 755	11 777 060	
		18,379,755	20,159,930	18,379,755	11,333,969	
Equity investments	3	17,912,564	19,302,774	17,912,564	10,852,073	
Cash and cash equivalents		467,191	857,156	467,191	481,896	
TOTAL ASSETS		18,379,755	20,159,930	18,379,755	11,333,969	
Unit Holders Funds		18,277,979	20,050,971	18,277,979	11,272,712	
Net assets attributable to unit holders		18,277,979	20,050,971	18,277,979	11,272,712	
Liabilities		101,776	108,959	101,776	61,257	
Accounts payables	4	101,776	108,959	101,776	61,257	
TOTAL EQUITY AND LIABILITIES		18,379,755	20,159,930	18,379,756	11,333,969	

Hudparo Mr. T. Mapara Trustee

Mr. T. Zihanzu Fund Manager

/12/12/1/KK

Signed on behalf of the Fund by:

27 March 2025

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME For the year ended 31 December 2024

		Inflation Ac	Historical		
		2024	2023	2024	2023
	Note	ZWG	ZWG	ZWG	ZWG
Income		262 500	11 400 560	0.254.550	6 450 460
Income		262,589	11,489,569	8,264,660	6,459,468
Dividend Income		448,710	1,274,747	327,692	716,666
Realised gains from trading equity instruments	3.2	9,034,638	40,657,336	8,249,083	22,857,669
Exchange Gains		1,029,168	444,077	783,300	249,661
Fair value loss	3.1	(10,249,927)	(30,886,591)	(1,095,414)	(17,364,529)
Operating Expenses		(337,829)	(521,353)	(247,958)	(293,106)
Investment Management Fees		105,341	263,590	75,853	148,191
Trustees and Custodial Fees	5	32,314	80,054	23,512	45,007
Transfer Secretary Fees		1,832	4,584	1,319	2,577
Audit Fees		64,496	78,069	64,496	43,891
Other Operating Expenses	6	133,846	95,056	82,777	53,441
Operating (loss)/profit		(75,240)	10,968,216	8,016,703	6,166,362
Net Monetary (Loss)/Gain		(1,697,752)	17,489,405	(1,011,436)	9,832,593
(Decrease) / Increase in net assets attributable to unit h	olders	(1,772,992)	28,457,621	7,005,267	15,998,955

STATEMENT OF CHANGES IN NET ASSETS OF UNIT HOLDERS For the year ended 31 December 2024

Inflation Adjusted	Units in issue ZWG	Treasury stock ZWG	Undistributed income ZWG	Total ZWG
Balance as at 01 January 2023	84,654,217	-	(42,686,834)	41,967,383
Redemption of units during the year Changes in net assets attributable to unit holders	(13,572,419)		(36,801,614) 28,457,621	(50,374,033) 28,457,621
Balance as at 31 December 2023	71,081,798	-	(51,030,827)	20,050,971
Purchase of own units Changes in net assets attributable to unit holders	(8,060,574)	8,060,574	(1,772,992)	(1,772,992)
Balance as at 31 December 2024	63,021,224	8,060,574	(52,803,819)	18,277,979
Historical				
Balance as at 01 January 2023	47,592,840	-	(23,998,659)	23,594,180
Redemption of units during the year Changes in net assets attributable to unit holders	(7,630,452)	-	(20,689,971) 15,998,955	(28,320,423) 15,998,955
Balance as at 31 December 2023	39,962,387	-	(28,689,676)	11,272,712
Purchase of own units Changes in net assets attributable to unit holders	(7,740,019)	7,740,019	7,005,267	7,005,267
Balance as at 31 December 2024	32,222,368	7,740,019	(21,684,409)	18,277,979

STATEMENT OF CASH FLOWS

For the year ended 31 December 2024						
		Inflation Ad		Historical		
		2024	2023	2024	202	
	Note	ZWG	ZWG	ZWG	ZWe	
CASH FLOWS FROM OPERATING ACTIVITIES —		4== 0.40\				
(Decrease) / Increase in net assets attributable to unit holders		(75,240)	10,968,216	8,016,703	6,166,36	
Adjustments for: Non-cash movements						
Gain on sale of shares		(9,034,638)	(40,657,336)	(8,249,083)	(22,857,669	
Fair value losses on equity investments		10,249,927	30,886,591	1,095,414	17,364,52	
Net operating cash flows before working capital changes		1,140,049	1,197,471	863,035	673,22	
Working capital changes						
Decrease in trade and other receivables		-	418,587	-	235,33	
(Decrease) / Increase in trade and other payables		(7,182)	6,535	40,519	3,67	
Net cash inflow from operating activities		1,132,867	1,622,593	903,554	912,22	
CASH FLOWS FROM INVESTING ACTIVITIES						
Purchase of investments	3.1	(9,052,269)	(13,671,706)	(8,307,605)	(7,686,272	
Sale of investments	3.2	9,227,189	14,315,639	8,400,783	8,048,29	
Net cash inflow from investing activities		174,920	643,932	93,178	362,02	
Net Increase In Cash and Cash Equivalents		1,307,787	2,266,526	996,732	1,274,24	
Effects of IAS29		(1,697,752)	-	(1,011,436)		
Effects of IAS29 on currency conversion		-	(1,659,996)	-	(933,255	
Cash and cash equivalents at the beginning of the period		857,156	250,627	481,896	140,90	
Cash and cash equivalents at the end of the period		467,191	857,156	467,191	481,89	

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 December 2024

Reporting entity

The Morgan & Co Made In Zimbabwe Exchange Traded Fund is registered and domiciled in Zimbabwe. The Fund commenced trading on 16 June 2022. The investment objective of the Fund is to provide investment results that, before fees and expenses, closely correspond to the performance of the Zimba Based Manufacturing Companies whose revenues are primarily derived from manufacturing processes.

The Made In Zimbabwe ETF's financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and interpretations developed and issued by the International Financial Reporting Interpretations Committee (IFRIC). In addition, these financial statements have also been prepared in the manner required by the Securities and Exchange Act (Chapter 24:25), Asset Management Act (Chapter 24:06) and Collective Investments Schemes Act (Chapter 24:19). The financial statements are restated to take account inflation in accordance with IAS 29, Financial Reporting in Hyperinflationary Economies

The Fund Manager prepares financial statements to comply with International Financial Reporting Standards (IFRS) which comprise standards issued by the International Accounting Standards Board (IASB) and interpretations developed and issued by the International Financial Reporting Interpretations Committee (IFRIC). Compliance with IFRS is intended to achieve consistency and comparability of financial statements.

Determination of the functional currency

Over the past few years, there have been notable changes in monetary policy and exchange control measures that have had a positive impact on Made In Zimbabwe ETF's operations. In March 2020, SI 185 of 2020 "Exchange Control (Exclusive Use of Zimbabwe Dollar for Domestic Transactions) (Amendment) Regulations was pronounced, introducing dual pricing and displaying, quoting, and offering of prices for goods and services in both local and foreign currency. In June 2022, SI 118A of 2022 "Presidential Powers (Temporary Measures) (Amendment of Exchange Control Act) Regulations, 2022" was entrenched into law, allowing the multicurrency regime to continue till December 2025. In addition, on 27 October 2023, Statutory Instrument 218 of 2023 (SI 218/23) extended the settlement of transactions in foreign currency until 31 December 2030, providing much-needed policy clarity on the continuation

As a result of the above monetary and fiscal measures, the economy witnessed a substantial increase in foreign currency transactions. Management assessed as required by International Accounting Standard (IAS) 21, The Effects of Changes in Foreign Exchange Rates whether use of the Zimbabwean gold as the functional remained appropriate. In assessing the functional currency, the Directors considered the parameters set in IAS 21 as follows:

• The currency that mainly influences the sales prices for goods and services

• The currency of the competitive forces and regulations that mainly determines the sales prices of goods and services.

- . The currency that mainly influences labour, material, and other costs of providing goods and services (normally the currency in which such costs are denoted and settled) • The currency in which funds from financing activities are generated; and the currency in which receipts from operating activities are usually retained.
- In light of the developments summarised above and guidance from IAS 21, the Fund Manager concluded that Made In Zimbabwe ETF's functional currency

remains the Zimbabwe gold (ZWG\$), and values are rounded to the nearest ZWG\$ except when otherwise indicated. The first quarter preceding the introduction of the ZWG\$ the ZWL\$ was the functional currency and all amounts were translated using the rate of 2498.7242

Application of International Accounting Standards 29, Financial Reporting in Hyperinflationary Economies ("IAS 29")

These financial results have been prepared in accordance with IAS 29 and requires that the financial statements of any entity whose functional currency is the currency of a hyperinflationary economy be stated in terms of the measuring unit current at the reporting date and that corresponding figures for the previous period also be restated in terms of the same measuring unit.

Following the pronouncement of SI 27 of 2023, Census and Statistics (General) Notice, 2023 which introduced blended inflation rates replacing the ZWL\$ inflation rates and Consumer Price Index (CPI) effective February 2023, Made In Zimbabwe ETF used a combination of the Zimbabwe consumer price index (CPI) compiled by Zimbabwe National Statistics.

gency (ZIMSTAT) up to January 2024 and an internal estimation based on the published Total Consumption Poverty Line (TCPL) from February to ecember 2024 to determine the IAS 29 conversion factor. The indices and conversion factors used to restate these financials are given below.

Date	Currency	Closing Indices	Conversion Factors
31-Dec-23	ZWL	65,703.45	6.532682
31-Mar 24	ZWL	429,291.70	1.000000
30-Apr-24	ZWG	650.30	1.77872
31-Dec-24	ZWG	1,156.70	1.00000

2.1.3 Net monetary gain/(loss) on historical financial statements

The historical financial statements show a net monetary gain/(loss). This arose from the currency conversion from Zimbabwean Dollar (ZWL) to the Zimbabwe gold (ZWG). The measurement of the ZWL for conversion was restated by applying the index on 5 April 2024.

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3.1

3.2

5

The abridged financial statements should be read in conjunction with the complete set of financial statements of Morgan & Co. Made in Zimbabwe Exchange Traded Fund for the year ended 31 December 2024, which have been audited by Kreston Zimbabwe Chartered Accountants, signed by Modern Mutumwa, PAAB Practicing Certificate Number: 0540 and an unqualified opinion has been issued thereon.

81,988 2,295,555 13,849 370,908 124,022	6.91 0.33 80.36 14.00	Inflation adjusted Market Value 566,537 749,499 1,112,906 5,193,083	Historical Market Value 566,537 749,499 1,112,906
2,295,555 13,849 370,908	0.33 80.36	749,499 1,112,906	749,499
2,295,555 13,849 370,908	0.33 80.36	749,499 1,112,906	749,499
13,849 370,908	80.36	1,112,906	.,
370,908			1,112,906
	14.00	E 107 007	
124 022		5,195,065	5,193,083
124,022	7.81	968,612	968,612
4,400	12.00	52,784	52,784
94,100	0.06	5,411	5,411
58,407,408	0.05	8,420,370	8,420,370
84	1.30	109	109
5	1.48	7	7
39,072,500	0.02	781,450	781,450
27,798	2.22	61,781	61,781
50	0.31	15	15
		17,912,564	17,912,564
	94,100 58,407,408 84 5 39,072,500 27,798	94,100 0.06 58,407,408 0.05 84 1.30 5 1.48 39,072,500 0.02 27,798 2.22	94,100 0.06 5,411 58,407,408 0.05 8,420,370 84 1.30 109 5 1.48 7 39,072,500 0.02 781,450 27,798 2.22 61,781 50 0.31 15

otal quoted equity investments					
Quoted investments as at 31 December 2023	Number of Shares	ZWG Converted price (cents)	ZWG Converted value	ZWG Historical Market Value	
Listed shares					
Afdis	148,088	12.09	1,790,496	1,006,622	
Amalgamated Regional Trading Holdings Ltd	4,520,955	0.30	1,345,520	756,455	
British American Tobacco Zimbabwe	11,754	60.92	716,040	402,560	
Delta Corporation Limited	367,508	16.32	5,997,508	3,371,816	
Hippo Valley Estates Limited	166,322	8.84	1,469,547	826,183	
Innscor Africa Limited	4,400	12.49	54,961	30,899	
Lafarge Cement Zimbabwe Limited	94,100	0.67	62,904	35,365	
Morgan & Co. Made In Zimbabwe	3,749,137	0.04	156,911	88,216	
Nampak Zimbabwe Limited	4,455,684	1.37	6,112,467	3,436,446	
Proplastic	5	2.83	14	8	
Starafricacorporation Limited	39,087,700	0.04	1,454,154	817,529	
TSL	27,798	5.12	142,196	79,943	
Zimplow	50	1.12	56	32	
Total quoted equity investments			19,302,774	10,852,073	

	Zimplow Total quoted equity investments	50	1.12	19.302.774	10,852,073
	Total quoted equity investments			13,302,774	10,032,073
			on Adjusted		torical
		2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
	Quoted Investments Reconciliations	2440	2440	2440	2440
	Opening Balance	19,302,774	60,565,010	10,852,073	34,049,819
	Quoted investments purchased	9,052,269	13,671,706	8,307,605	7,686,272
	Quoted investments disposed	(192,551)	(24,047,351)	(151,700)	(13,519,488)
		28,162,492	50,189,365	19,007,978	28,216,602
	Fair Value loss	(10,249,927)	(30,886,591)	(1,095,414)	(17,364,529)
	Closing Balance	17,912,564	19,302,774	17,912,564	10,852,073
2	Gain on disposals				
	Sale of Investments - Unit Redemption	-	50,389,049	-	28,328,865
	- Cash	9,227,189	14,315,639	8,400,783	8,048,292
	Cost price of sold Investments	(192,551)	(24,047,351)	(151,700)	(13,519,488)
		9,034,638	40,657,336	8,249,083	22,857,669
	Accounts Payables	101,776	108,959	101,776	61,257
	Trade payables	12,098	8,444	12,098	4.747
	Management Fees Provision	19,446	18,524	19.446	10,414
	Transfer Secretary Fees Provision	1,324	2,242	1,324	1,260
	Trustee Fees Provision	3,445	1,680	3,445	945
	Custodial Fees Provision	968	-	968	-
	Audit Fees Provision	64,496	78,069	64,496	43,891
	Trustees and Custodial Fees	32,314	80,054	23,512	45,007
	Trustee Fees	22,248	51,107	15,754	28,732
	Custodial Fees	10,066	28,947	7,758	16,274
	Other Operating Expenses	133,846	95,056	82,777	53,441
	Bank Charges	168	366	115	206
	Interest on overdraft	4,345	-	4,113	200
	Sundry Charges	109,312	65,540	65,208	36,847
	License Fees	20,021	29,150	13,340	16,388
	Earnings per unit				
	(Loss)/ profit for the year	(1,772,992)	28,457,621	7,005,267	15,998,955
	Number of unit used in calculating Earnings per unit				
	Units in issue	494,417,400	494,417,400	494,417,400	494,417,400
	Weighted average number of units				
	in issue for basic earnings per unit	494,417,400	494,417,400	494,417,400	494,417,400
	Weighted average number of units	10.1.117.12	404 417 :	404 417 100	40.4.47.7.7
	in issue for diluted earnings per unit	494,417,400	494,417,400	494,417,400	494,417,400

Basic Earnings per unit

asic earnings per is calculated by dividing the net profit attributable to unit holders of the fund by the average number of units in issue during the year

Diluted earnings per unit is calculated by dividing the net profit attributable to unit holders of the fund by the weighted average number of units in issue during the year plus the weighted average number of units that would be issued on conversion of all the dilutive potential units in to units

	IIIIat	ion Aujusteu	Historical		
	2024	2023	2024	2023	
	ZWG	ZWG	ZWG	ZWG	
Basic Earnings per unit (ZWG)					
Basic earnings /(loss) per unit	(0.0036)	0.0576	0.0142	0.0324	
Diluted earnings /(loss) per unit	(0.0036)	0.0576	0.0142	0.0324	

Going Concern

The fund manager has assessed the company's ability to continue as a going concern by evaluating current financial performance, and other operational factors. The fund manager acknowledges these risks and remains committed to addressing them proactively. Based on the information available, the financial statements continue to be presented on a going concern basis.

Dividend

Given the prevailing challenges in the operating environment, liquidity pressures and the fund's financial performance, the Fund Manager in conjunction with the Trustee have resolved not to pay a dividend for the financial year ended 31 December 2024.

Subsequent events are events that occur after fund's year-end period but before the release of the financial statements. Subsequent events can be adjusting or non-adjusting. Adjusting events are those that provide evidence of conditions existing at the end of the reporting period whereas non adjusting ents are indicative of conditions arising after the reporting period. No adjusting events or material non adjusting events were noted for the fund

MORGAN & CO MADE IN ZIMBABWE EXCHANGE TRADED FUND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

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MORGAN & CO MADE IN ZIMBABWE EXCHANGE TRADED FUND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

General Information

Nature of Business:

This is a fully funded Exchange Traded Fund (ETF) which is listed on the Zimbabwe Stock Exchange (ZSE) and is invested in manufacturing companies whose production supply chain originate in Zimbabwe and whose revenues are primarily derived from manufacturing processes.

THE SPONSOR Morgan & Co (Private) Limited

14165 Sauer Road

Gunhill Harare

THE MANAGER Zimnat Asset Management (Pvt) Limited

Ground Floor, West Wing

159 Second Street

Belgravia Harare

THE TRUSTEE CBZ Trustee Services

Ground Floor, Fanum House

57 Samora Machel Ave

Harare

TRANSFER SECRETARY Corpserve Transfer Secretaries

2nd Floor, ZB Centre

Corner First St and Nkwame Nkrumah Ave

Harare

PRINCIPAL BANKER CBZ Custodial Services

Custodial Service Branch

Harare

INDEPENDENT AUDITOR Kreston Zimbabwe Chartered Accountants

Block A, Smatsatsa Office Park

Borrowdale Harare

MORGAN & CO MADE IN ZIMBABWE EXCHANGE TRADED FUND

FUND MANAGER'S RESPONSIBILITY AND APPROVAL OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

It is management's responsibility to ensure that the financial statements fairly present the state of affairs of the fund. The external auditors are responsible for independently reviewing and reporting on the financial statements.

Management has assessed the ability of Morgan & Co Made in Zimbabwe Exchange Traded Fund to continue operating as a going concern and believe that the preparation of these financial statements on a going concern basis is still appropriate. However, management believe that under the current economic environment a continuous assessment of the ability of fund to continue to operate as a going concern will need to be performed to determine the continued appropriateness of the going concern assumption that has been applied in the preparation of these financial statements.

The financial statements set out in this report have been prepared by management in accordance with International Financial Reporting Standards (IFRS). The statements are based on the appropriate accounting policies which were supported by reasonable and prudent judgements and estimates.

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

In light of the current financial position, management is satisfied that Morgan & Co Made in Zimbabwe Exchange Traded Fund is a going concern and has continued to adopt the going concern basis in preparing the financial statements.

The external auditor is responsible for independently reviewing and reporting on fund's financial statements. The financial statements have been audited by fund's external auditors and their report is presented on pages 4 to 6.

Fund's financial statements which are set out on pages 7 to 24 were in accordance with their responsibilities, approved by the fund manager on 28 MARCH 2025 and are signed on their behalf by:

Mr G.T Manhambara

milm

Board Chairman

Mr I Chinyama

Chief Executive Officer

Report of the Trustees for the year ended 31 December 2024

To the Unit Holders of Morgan & Co. Made In Zimbabwe Exchange Traded Fund

The Morgan & Co. Made In Zimbabwe Exchange Traded Fund is registered in terms of the Collective Investment Schemes Act of 1997 [Chapter 24:19], which requires CBZ Trustee Services as a Trustee, to comment on the management and compliance of the Fund with the regulations during the year under review

Trustee's opinion

In our opinion, the management company, Zimnat Asset Management Company [Private] Limited, has complied with the regulatory requirements stipulated in the Collective Investment Schemes Act of 1997 [Chapter 24:19], the Trust Deed, and the Prospectus. They have fully complied with the reporting requirements and have discharged their responsibilities in all respects.

Studensa

28 March 2025

CBZ Trustee Services

Date

HARARE



INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF MORGAN & CO MADE IN ZIMBABWE EXCHANGE TRADED FUND (ETF)

Unqualified Opinion

We have audited the financial statements of Morgan & Co Made In Zimbabwe Exchange Traded Fund set out on pages 7 to 24, which comprise the statement of financial position as at 31 December 2024, the statement of comprehensive income, the statement of changes in net assets of unit holders, and the statement of cash flows for the year ended, and the notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the financial statements present fairly the financial position of Morgan & Co Made In Zimbabwe Exchange Traded Fund as at 31 December 2024, and its financial performance and its cash flows for the year that ended in accordance with International Financial Reporting Standards and the manner required by the Companies and Other Business Entities Act Chapter (24:31) of Zimbabwe.

Basis for Unqualified 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 Financial Statements section of our report. We are independent of the fund in accordance with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (IESBA Code) and other independence requirements applicable to performing audits of the financial statements in Zimbabwe. 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 unqualified opinion except for the matter below.

Material Uncertainty Related to Going Concern

The fund manager has assessed the company's ability to continue as a going concern. However, we noted the following conditions being faced by the fund:

- The fund is experiencing a consistent decline in Net Asset Value, [2024(ZWG18,277,979); 2023(ZWG 20,050,971); 2022(ZWG 41,967,383)],
- A decrease in income [2024(ZWG262,589); 2023(ZWG11,489,569)] leading to a decrease in net assets attributable to unit holders of ZWG1,772,992 for the year then ended,
- market illiquidity, and
- changes in sponsor support, with the major unit holders applying to redeem their units. These events or conditions indicate the existence of a material uncertainty relating to the fund's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Emphasis of Matter

The Zimbabwe Gold (ZWG) was introduced on 5 April 2024, pursuant to Statutory Instrument 60 of 2024 (SI 60/2024), marking the discontinuation of the Zimbabwe Dollar (ZWL). As a result, the functional currency of the fund changed from the Zimbabwe Dollar (ZWL) to the Zimbabwe Gold (ZWG). The entity also elected to change its presentation currency to the Zimbabwe Gold (ZWG). In accordance with International Financial Reporting Standards (IFRS), the change in functional currency is applied prospectively, whereas the change in presentation currency is applied retrospectively.

In accordance with International Accounting Standard (IAS) 21, The Effects of Changes in Foreign Exchange Rates, transactions should be translated using exchange rates applicable at the transaction date. The Zimbabwe Gold (ZWG) did not exist prior to 5 April 2024.



The 2023 comparatives and transactions from 1 January 2024 to 5 April 2024 presented in the Zimbabwe Gold (ZWG) are based on hypothetical conversions, rather than actual historical exchange rates and should be relied upon with this in mind. We draw your attention to note 2.1.2 which shows how the figures prior to 5 April 2024 were arrived at.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of the most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. However, there are no key audit matters.

Other information

Other information consists of the fund manager's responsibility statement included in the financial statements, other than the fund's financial statements and our auditor's report thereon. The fund manager is responsible for the other information.

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

In connection with our audit of the fund's financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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 obtained prior to the date of this auditor's, 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.

The Fund Manager's Responsibilities for the Financial Statements

The fund manager and trustee of Morgan & Co Made In Zimbabwe ETF are responsible for the preparation and fair presentation of the fund's financial statements in accordance with IFRS and for such internal control as the fund manager 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 financial statements, the fund manager is responsible for assessing the fund'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 fund manager either intends to liquidate the fund or to cease operations or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements.

professional skepticism throughout the audit. We also:

Our objectives are to obtain reasonable assurance about whether the fund's 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 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 based on the fund's financial statements. As part of an audit in accordance with ISAs, we exercise professional judgment and maintain

 Identify and assess the risk of material misstatement of the fund's 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, intention omission, misrepresentations, or override or internal control.

- Obtain an understanding of internal controls relevant to the audit to design audit procedures that are appropriate in the circumstance, but not to express an opinion on the effectiveness of the fund's internal controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the members.
- Conclude on the appropriateness of the fund'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 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 disclosure in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to date in our auditors' report. However, future events or conditions may cause the fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosure, and whether the 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 Fund's activities within the fund to express an opinion on the financial statements. We remain solely responsible for our Audit opinion.

We communicate with the members 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 fund with a statement that we have complied with the relevant ethical requirement 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 the fund, we determined those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulations preclude 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 the other legal and regulatory Requirements.

In our opinion, the financial statements have been properly prepared per accounting policies set out on pages 11 to 18.

The engagement partner on the audit resulting in this independent auditor's report is Mr. Modern Mutumwa (PAAB Practicing Certificate Number: 0540).

(reston (2)

28 MARCH 2025

KRESTON ZIMBABWE CHARTERED ACCOUNTANTS
REGISTERED PUBLIC AUDITORS
HARARE

DATE

MORGAN & CO MADE IN ZIMBABWE EXCHANGE TRADED FUND

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

		Inflation A	Adjusted	Histor	ical
	Note	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
Assets		18,379,755	20,159,930	18,379,755	11,333,969
Equity investments	3	17,912,564	19,302,774	17,912,564	10,852,073
Cash and cash equivalents	L	467,191	857,156	467,191	481,896
TOTAL ASSETS	•	18,379,755	20,159,930	18,379,755	11,333,969
Unit Holders Funds		18,277,979	20,050,971	18,277,979	11,272,712
Net assets attributable to unit holders		18,277,979	20,050,971	18,277,979	11,272,712
Liabilities		101,776	108,959	101,776	61,257
Accounts payables	4	101,776	108,959	101,776	61,257
TOTAL EQUITY AND LIABILITIES		18,379,755	20,159,930	18,379,756	11,333,969

Signed on behalf of the Fund by:

Mr G.T Manhambara

Medicara

Board Chairman (FUND MANAGER)

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Mr I Chinyama

Chief Executive Officer (FUND MANAGER)

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DATE

TRUSTEE

MORGAN & CO MADE IN ZIMBABWE EXCHANGE TRADED FUND STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR PERIOD 31 DECEMBER 2024

the contract the contract to the		Inflation Adjusted		Historical	
		2024	2023	2024	2023
	Note	ZWG	ZWG	ZWG	zwg
Income		262,589	11,489,569	8,264,660	6,459,468
Dividend Income		448,710	1,274,747	327,692	716,666
Realised gains from trading equity instruments	3.2	9,034,638	40,657,336	8,249,083	22,857,669
Exchange Gains		1,029,168	444,077	783,300	249,661
Fair value loss	3.1	(10,249,927)	(30,886,591)	(1,095,414)	(17,364,529
Operating Expenses		(337,829)	(521,353)	(247,958)	(293,106)
Investment Management Fees	4	105,341	263,590	75,853	148,191
Trustees and Custodial Fees	5	32,314	80,054	23,512	45,007
Transfer Secretary Fees	354	1,832	4,584	1,319	2,577
Audit Fees		64,496	78,069	64,496	43,891
Other Operating Expenses	6	133,846	95,056	82,777	53,441
Operating (loss)/profit		(75,240)	10,968,216	8,016,703	6,166,362
Net Monetary (Loss)/Gain		(1,697,752)	17,489,405	(1,011,436)	9,832,593
(Decrease) / Increase in net assets attributable to unit holders		(1,772,992)	28,457,621	7,005,267	15,998,955

MORGAN & CO MADE IN ZIMBABWE EXCHANGE TRADED FUND STATEMENT OF CHANGES IN NET ASSETS OF UNIT HOLDERS FOR THE YEAR ENDED 31 DECEMBER 2024

	SURFICIO DE CONTROL DE	CONTRACTOR OF THE PROPERTY OF			
내용하다 하는 것이 되었다. 이번의 일반에 불어가셨다.	Units in issue	Treasury stock	Undistributed income	Total	
	ZWG	ZWG	ZWG	ZWG	
Balance as at 01 January 2023	84,654,217		(42,686,834)	41,967,383	
Redemption of units during the year	(13,572,419)		(36,801,614)	(50,374,033)	
Changes in net assets attributable to unit holders			28,457,621	28,457,621	
Balance as at 31 December 2023	71,081,798		(51,030,827)	20,050,971	
Purchase of own units	(8,060,574)	8,060,574			
Changes in net assets attributable to unit holders			(1,772,992)	(1,772,992)	
Balance as at 31 December 2024	63,021,224	8,060,574	(52,803,819)	18,277,979	
	Historical				
	Units in issue	Treasury stock	Undistributed income	Total	
	ZWG	ZWG	ZWG	ZWG	
Balance as at 01 January 2023	47,592,840		(23,998,659)	23,594,180	
Redemption of units during the year	(7,630,452)		(20,689,971)	(28,320,423)	
Changes in net assets attributable to unit holders			15,998,955	15,998,955	
Balance as at 31 December 2023	39,962,387		(28,689,676)	11,272,712	
Purchase of own units	(7,740,019)	7,740,019			
Changes in net assets attributable to unit holders			7,005,267	7,005,267	
Balance as at 31 December 2024	32,222,368	7,740,019	(21,684,409)	18,277,979	

MORGAN & CO (PRIVATE) LIMITED MADE IN ZIMBABWE EXCHANGE TRADED FUND STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2024

		Inflation A	Adjusted	Historical		
	Nata	2024 ZWG	2023	2024	2023	
CASH FLOWS FROM OPERATING ACTIVITIES	Note _	ZWG	ZWG	ZWG	ZWG	
(Decrease) / Increase in net assets attributable to unit holders		(75,240)	10,968,216	8,016,703	6,166,362	
Adjustments for: Non-cash movements						
Gain on sale of shares		(9,034,638)	(40,657,336)	(8,249,083)	(22,857,669)	
Fair value losses on equity investments		10,249,927	30,886,591	1,095,414	17,364,529	
Net operating cash flows before working capital changes		1,140,049	1,197,471	863,035	673,222	
Working capital changes						
Decrease in trade and other receivables			418,587		235,331	
(Decrease) / Increase in trade and other payables		(7,182)	6,535	40,519	3,674	
Net cash inflow from operating activities		1,132,867	1,622,593	903,554	912,226	
CASH FLOWS FROM INVESTING ACTIVITIES	12 중도 ^ 12 급하					
Purchase of investments	3.1	(9,052,269)	(13,671,706)	(8,307,605)	(7,686,272)	
Sale of investments	3.2	9,227,189	14,315,639	8,400,783	8,048,292	
Net cash inflow from investing activities		174,920	643,932	93,178	362,021	
Net Increase in Cash and Cash Equivalents		1,307,787	2,266,526	996,732	1,274,247	
Effects of IAS29		(1,697,752)		(1,011,436)		
Effects of IAS29 on currency conversion			(1,659,996)	apple 3	(933,255)	
Cash and cash equivalents at the beginning of the period		857,156	250,627	481,896	140,903	
Cash and cash equivalents at the end of the period		467,191	857,156	467,191	481,896	
	71 J. J. J. W	Walter Street			And Constitution	

MORGAN & CO MADE IN ZIMBABWE EXCHANGE TRADED FUND NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

1 General Information

1.1 Reporting entity

The Morgan & Co Made In Zimbabwe` Exchange Traded Fund is registered and domiciled in Zimbabwe. The Fund commenced trading on 16 June 2022. The investment objective of the Fund is to provide investment results that, before fees and expenses, closely correspond to the performance of the Zimbabwe Based Manufacturing Companies whose revenues are primarily derived from manufacturing processes.

1.2 Fund objectives

The objectives of the Fund are:

- · To create and issue an unlimited number of units in a portfolio established.
- To buy a basket of stocks from Zimbabwe Based Manufacturing Companies whose revenues are primarily derived from manufacturing processes.
- To ensure that the proportions are rebalanced or changed and that counters are added, removed, or kept depending on any changes in investment choices emanating from Morgan & Co's proprietary model.
- To ensure that any dividends accruing to the portfolio are distributed to the unit holders.

1.3 Fund Managers

The Fund Manager is Zimnat Asset Management Company (Private) Limited.

1.4 Fund Custodian

The Fund Custodian is CBZ Custodial Services.

1.5 Risk factor

This is a moderate risk Fund. The Fund value fluctuates in line with the share prices on the Zimbabwe Stock Exchange, whose prices are affected by the performance of the companies, the economic and political outlook environment.

1.6 Fund administration

The Collective investment scheme invests in financial assets. The Fund is exposed to a mix of financial risks resulting predominantly from the Zimbabwe Based Manufacturing listed counters on the Zimbabwe Stock Exchange and Victoria Falls Stock Exchange. Financial risk is limited by the regulatory environment. The Collective Investment Schemes Act (Chapter 24:19) has strict and specific regulations as to what instruments may and may not be held. The Fund is also governed by a Trust Deed, which commits it to a specific investment objective. The Trust Deed's investment objective is further refined into an investment mandate which requires the Fund Manager to manage the Fund in accordance with the specified mandate. As far as possible, compliance limits are built into the daily pricing systems and processes of the Fund Manager and are checked and reported on daily.

The Securities and Exchange Commission of Zimbabwe approved the creation of the Fund and reviews compliance by the Fund Manager at least annually. Regular checks are performed by the independent Trustee as well as the compliance function of the Fund Manager to ensure compliance with investment mandates and limitations specified in the Trust Deed and the regulations determined under the Collective Investments Scheme Act (Chapter 24:19). The Trustee is the custodian of units in issue as required by the Collective Investment Schemes Act (Chapter 24:19).

The Custodian is responsible for maintaining the Fund bank capital account and executing investments as directed by the Fund Manager.

2. Accounting Policies

The principal accounting policies adopted in the preparation of the financial statements of the Made In Zimbabwe ETF, which are set out below, in all material respects, conform to IFRS Accounting Standards.

2.1 Basis of preparation

The Made In Zimbabwe ETF's financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and interpretations developed and issued by the International Financial Reporting Interpretations Committee (IFRIC). In addition, these financial statements have also been prepared in the manner required by the Securities and Exchange Act (Chapter 24:25), Asset Management Act (Chapter 24:06) and Collective Investments Schemes Act (Chapter 24:19). The financial statements are restated to take account inflation in accordance with IAS 29, Financial Reporting in Hyperinflationary Economies.

The Fund Manager prepares financial statements to comply with International Financial Reporting Standards (IFRS) which comprise standards issued by the International Accounting Standards Board (IASB) and interpretations developed and issued by the International Financial Reporting Interpretations Committee (IFRIC). Compliance with IFRS is intended to achieve consistency and comparability of financial statements.

2.1.1 Determination of the functional currency

Over the past few years, there have been notable changes in monetary policy and exchange control measures that have had a positive impact on Made In Zimbabwe ETFs operations. In March 2020, SI 185 of 2020 "Exchange Control (Exclusive Use of Zimbabwe Dollar for Domestic Transactions) (Amendment) Regulations was pronounced, introducing dual pricing and displaying, quoting, and offering of prices for goods and services in both local and foreign currency. In June 2022, SI 118A of 2022 "Presidential Powers (Temporary Measures) (Amendment of Exchange Control Act) Regulations, 2022" was entrenched into law, allowing the multicurrency regime to continue till December 2025. In addition, on 27 October 2023, Statutory Instrument 218 of 2023 (SI 218/23) extended the settlement of transactions in foreign currency until 31 December 2030, providing much-needed policy clarity on the continuation of the multi-currency regime.

As a result of the above monetary and fiscal measures, the economy witnessed a substantial increase in foreign currency transactions. Management assessed as required by International Accounting Standard (IAS) 21, The Effects of Changes in Foreign Exchange Rates whether use of the Zimbabwean gold as the functional remained appropriate. In assessing the functional currency, the Directors considered the parameters set in IAS 21 as follows:

- The currency that mainly influences the sales prices for goods and services
- The currency of the competitive forces and regulations that mainly determines the sales prices of goods and services.
- The currency that mainly influences labour, material, and other costs of providing goods and services (normally the currency in which such costs are denoted and settled)

 The currency in which funds from financing activities are generated; and the currency in which receipts from operating activities are usually retained.

In light of the developments summarised above and guidance from IAS 21, the Fund Manager concluded that Made In Zimbabwe ETF's functional currency remains the Zimbabwe gold (ZWG\$), and values are rounded to the nearest ZWG\$ except when otherwise indicated.

The first quarter preceding the introduction of the ZWG\$ the ZWL\$ was the functional currency and all amounts were translated using the rate of 2498.7242

2.1.2 Application of International Accounting Standards 29, Financial Reporting in Hyperinflationary Economies ("IAS 29")

These financial results have been prepared in accordance with IAS 29 and requires that the financial statements of any entity whose functional currency is the currency of a hyperinflationary economy be stated in terms of the measuring unit current at the reporting date and that corresponding figures for the previous period also be restated in terms of the same measuring unit.

Following the pronouncement of SI 27 of 2023, Census and Statistics (General) Notice, 2023 which introduced blended inflation rates replacing the ZWL\$ inflation rates and Consumer Price Index (CPI) effective February 2023, Made In Zimbabwe ETF used a combination of the Zimbabwe consumer price index (CPI) compiled by Zimbabwe National Statistics.

Agency (ZIMSTAT) up to January 2024 and an internal estimation based on the published Total Consumption Poverty Line (TCPL) from February to December 2024 to determine the IAS 29 conversion factor. The indices and conversion factors used to restate these financials are given below.

Date	ate Currency Closing Indices		Conversion Factors
31-Dec-23	ZWL	65,703.45	6.532682
31-Mar 24	ZWL	429,291.70	1.000000
30-Apr-24	ZWG	650.30	1.77872
31-Dec-24	ZWG	1,156.70	1.00000

The procedures applied in the above restatement of transactions and balances are as follows:

- All comparative figures as at the end of the period 31 December 2023 were restated by applying the change in the index from the date of the last re-measurement to 31 March 2024 and subsequently restated to December 2024 by applying the March 2024 index.
- Monetary assets and liabilities were not restated because they are already stated in terms of the measuring unit current at the reporting date.
- Non-monetary assets and liabilities that are not carried at amounts current at the balance sheet and components of shareholders' equity were restated by applying the change in the index from the date of the transaction or, if applicable, from the date of their most recent revaluation to 31 December 2024.

 The inflation effects on cash and cash equivalents were shown separately in the reconciliation of cash and cash equivalents. Made In Zimbabwe ETF considered the broad objectives of IAS 29 and IAS 7 to appropriately present and disclose the effects of inflation on cash and cash equivalents.

IAS 29 discourages publication of historical financial statements as a supplement to inflation adjusted accounts. However, Historical financial statements have been published to allow comparability in applying the standard.

2.1.3 Net monetary gain/(loss) on historical financial statements

The historical financial statements show a net monetary gain/(loss). This arose from the currency conversion from Zimbabwean Dollar (ZWL) to the Zimbabwe gold (ZWG). The measurement of the ZWL for conversion was restated by applying the index on 5 April 2024. Refer to Note 2.1.2 above.

2.2 Significant accounting estimates and judgements

In the process of applying the Made In Zimbabwe ETF's accounting policies, management made certain judgements, assumptions and estimates that have a significant effect on the amounts recognised in the financial statements as stated below. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

2.2.1 Fair value measurement

Made In Zimbabwe ETF measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements.

Level 1: Quoted market price (unadjusted) in an active market for an identical instrument. The determination of fair values of quoted financial assets and financial liabilities in active markets are based on quoted market prices or deal price quotations.

2.3 Foreign currencies

Made In Zimbabwe ETF's financial statements are presented in Zimbabwe gold (ZWG), which is also Made In Zimbabwe ETF's functional currency. Transactions in foreign currencies are initially recorded at the exchange rate ruling on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the prevailing interbank rate published by the Reserve Bank of Zimbabwe (RBZ) at the reporting date.

Management established the auction foreign exchange rates as the appropriate spot rates during the period on the basis that Made In Zimbabwe ETF and its customers were able to buy and sell foreign currency at these official exchange rates, hence ascertaining the exchangeability principle in accordance with IAS 21.

Non-monetary assets denominated in foreign currencies that are measured in terms of historical cost are translated using the exchange rate at the date of transaction, while those at fair value are translated using the exchange rate at the date when the fair value was determined. All exchange gains/losses arising on the translation or settlement of foreign denominated monetary items are recognised in profit or loss.

MORGAN & CO MADE IN ZIMBABWE EXCHANGE TRADED FUND NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

2.4 Financial assets

2.4.1 Initial Recognition

A financial instrument is a contract that gives rise to both a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets held by Made In Zimbabwe ETF include balances with banks and cash and equity investments. When financial assets are recognised initially, they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, any directly attributable transaction costs. Transaction costs on all financial assets that are carried at fair value through profit or loss are accounted for as an expense. Made In Zimbabwe ETF determines the classification of its financial assets at initial recognition and, where allowed and appropriate, re-evaluates this designation at each financial year-end.

The Made In Zimbabwe ETF's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

2.4.2 Subsequent measurement

For purposes of subsequent measurement, the Made In Zimbabwe ETF's financial assets are classified in the following categories;

Financial assets at amortised cost

Financial assets are classified as subsequently measured at amortised cost under IFRS 9 if they meet both of the following criteria:

- Hold to collect business model test The asset is held within a business model whose objective is to hold the financial asset in order to collect contractual cash flows. The hold to collect business model does not require that financial assets are always held until their maturity. Made In Zimbabwe ETF' business model can still be to hold financial assets to collect contractual cash flows, even when sales of financial assets occur. Examples of these sales that would not contradict holding financial assets to collect contractual cash flows include selling the financial asset close to its maturity and selling the financial asset to realise cash to deal with an unforeseen need for liquidity.
- Solely payments of principal and interest (SPPI) contractual cash flow characteristics test - The contractual terms of the financial asset give rise to cash flows that are SPPI on the principal amount outstanding on a specified date. (I.e. the contractual cash flows are consistent with a basic lending arrangement).

The carrying amount of these assets is adjusted by any expected credit loss allowance recognised. Made In Zimbabwe ETF's financial assets at amortised cost mainly include trade receivable and bank balances.

ii. Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

This category includes listed equity investments which the Made In Zimbabwe ETF's had not irrevocably elected to classify at fair value through other comprehensive income ("OCI"). Dividends on listed equity investments are recognised in the statement of profit or loss when the right of payment has been established.

2.4.4 Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e., removed from the Company's statement of financial position) when:

- · The rights to receive cash flows from the asset have expired.
- The Company has transferred its rights to receive cash flows from the asset or has
 assumed an obligation to pay the received cash flows in full without material delay
 to a third party under a 'pass-through' arrangement; and either (a) the Company has
 transferred substantially all the risks and rewards of the asset, or (b) the Company
 has neither transferred nor retained substantially all the risks and rewards of the
 asset, but has transferred control of the asset.

Where the Company has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Company's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to pay.

2.5 Impairment

Financial Assets carried at Fair Value through profit or loss (FVTPL)

No impairment is recognised for financial assets measured at Fair value through profit or loss. Changes in fair value are recognised through profit or loss in as much as they affect the carrying amount of these assets. Made In Zimbabwe ETF has listed equity investments, and these are measured at FVTPL.

2.6 Financial liabilities

2.6.1 Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. Made In Zimbabwe ETF's financial liabilities include trade and other payables, unit holders' funds and other liabilities.

MORGAN & CO MADE IN ZIMBABWE EXCHANGE TRADED FUND

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

2.6.2 Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

2.6.3 Financial liabilities at amortised cost

After initial recognition financial liabilities subsequently measured at amortised cost. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the Effective Interest Rate 'EIR'. The EIR amortisation is included as finance costs in the statement of profit or loss.

2.7 Derecognition

2.7.1 Financial Liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled, or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability and the difference in the respective carrying amounts is recognised in profit or loss.

2.8 Cash and cash equivalents

Cash and cash equivalents include cash deposits with financial institutions (custodian)

2.9 Revenue

The Fund has adopted International Financial Reporting Standard 15 - Revenue from Contracts with Customers (IFRS 15). Made In Zimbabwe ETF recognises revenue from dividends and fair value measurements of the underlying counters.

Dividend Income is recognised in profit or loss on the date on which right to receive payment is established.

Fair Value gains or losses on securities are also recognised in the profit and loss as revenue

2.10 Expenses

2.10.1 Management fees

Management fees are calculated using a rate of 0.5% per annum based on fund value under management, with the accrual being done on a daily basis.

2.10.2 Trustee's fees

Trustee's fees are calculated using a rate of 0.1% per annum based on fund value under management, with the accrual being done daily and payment effected on a monthly basis.

2.10.3 Custodial fees

Custodial fees are calculated using a rate of 0.05% per annum based on fund value under management, with the accrual being done daily and payment effected on a monthly basis.

2.10.4 Transfer secretary

Transfer secretary fees are calculated using a rate on 0.01% per annum based on portfolio value under management, with the accrual being don daily and payment effected monthly.

2.10.4 Audit fees

The Fund appoints auditors to determine whether the financial statements have been prepared in accordance with IFRS Accounting standards and Generally Accepted Accounting Principles. Fees are charges as the related services are received and where the actual amount has not been provided a provision is created using historical trends and charges.

2.11 Net Assets attributable to unit Holders

Net assets attributable to unit holders consist of contribution by unit holders and undistributed income. Units in issue are initially and subsequently measured at cost. Undistributed income accumulates yearly from net income.

2.12 Going concern

Management has analysed Made In Zimbabwe ETF's going concern in the context of the current economic environment, foreign currency crunch, local currency capital erosion etc., and the impact on its continuing operations.

2.15 Standards issued but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Made In Zimbabwe ETF's financial statements are disclosed below. Made In Zimbabwe ETF intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

IAS 8.30 IAS 8.31(d) Lack of exchangeability - Amendments to IAS 21

In August 2023, the IASB issued amendments to IAS 21, The Effects of Changes in Foreign Exchange Rates, to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking.

The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments will be effective for annual reporting periods beginning on or after 1 January 2025. Early adoption is permitted but will need to be disclosed. When applying the amendments, an entity cannot restate comparative information. The amendments are not expected to have a material impact on the fund's financial statements.

2.16 Compliance with IFRS sustainability disclosure standards

The Fund Manager's financial statements and those of the counters traded within the Made In Zimbabwe Modifies Consumer Staples Exchange Traded Fund on both VFEX and ZSE have been prepared in accordance with IFRS Sustainability Disclosure Standards as issued by the International Sustainability Standards Board (ISSB).

The fund does not issue a sustainability report as it does not conduct operations as a legal persona but tracks the activities of the counters within its basket. Therefore, the Fund Manager and trustees endeavour to ensure that the basket is comprised of counters with the best sustainability practices.

Fair Value loss

Closing Balance

	Exchange Traded Fund's Investments		ZWG	ZWG	ZWG
	Quoted investments as at 31 December 2024	Number of Shares	Market Price	Inflation adjusted Market Value	Historical Market Value
	Listed shares				
	Afdis	81,988	6.91	566,537	566,537
	Amalgamated Regional Trading Holdings Ltd	2,295,555	0.33	749,499	749,49
	British American Tobacco Zimbabwe	13,849	80.36	1,112,906	1,112,90
	Delta Corporation Limited	370,908	14.00	5,193,083	5,193,08
	Hippo Valley Estates Limited	124,022	7.81	968,612	968,61
	Innscor Africa Limited	4,400	12.00	52,784	52,78
	Lafarge Cement Zimbabwe Limited	94,100	0.06	5,411	5,41
	Morgan & Co. Made In Zimbabwe	168,407,408	0.05	8,420,370	8,420,37
	Nampak Zimbabwe Limited	84	1.30	109	10
	Pro Plastics	5	1.48	7	
	Star Africa corporation Limited	39,072,500	0.02	781,450	781,45
	TSL Limited	27,798	2.22	61,781	61,78
	Zimplow	50	0.31	15	1
	Total quoted equity investments			17,912,564	17,912,56
					de la Maria
			ZWG	ZWG	ZWG
	Quoted investments as at 31 December 2023	Number of Shares	Converted price (cents)	Converted value	Historical Market Value
	Listed shares				
	Afdis	148,088	12.09	1,790,496	1,006,62
	Amalgamated Regional Trading Holdings Ltd	4,520,955	0.30	1,345,520	756,45
	British American Tobacco Zimbabwe	11,754	60.92	716,040	402,56
	Delta Corporation Limited	367,508	16.32	5,997,508	3,371,81
	Hippo Valley Estates Limited	166,322	8.84	1,469,547	826,18
	Innscor Africa Limited	4,400	12.49	54,961	30,89
	Lafarge Cement Zimbabwe Limited	94,100	0.67	62,904	35,36
	Morgan & Co. Made In Zimbabwe	3,749,137	0.04	156,911	88,21
	Nampak Zimbabwe Limited	4,455,684	1.37	6,112,467	3,436,44
	Proplastic	5	2.83	14	
	Starafricacorporation Limited	39,087,700	0.04	1,454,154	817,52
	TSL	27,798	5.12	142,196	79,94
	Zimplow	50	1.12	56	
	Total quoted equity investments			19,302,774	10,852,07
		Inflation Adjusted		Historical	
		2024	2023	2024	2023
		ZWG	ZWG	ZWG	ZWG
	Quoted Investments Reconciliations				
1					
	Opening Balance	19,302,774	60,565,010	10,852,073	34,049,81
1	Opening Balance Quoted investments purchased	19,302,774 9,052,269	60,565,010 13,671,706	10,852,073 8,307,605	34,049,81 7,686,27

28,162,492

(10,249,927)

17,912,564

50,189,365

(30,886,591)

19,302,774

28,216,602

(17,364,529)

10,852,073

19,007,978

(1,095,414)

17,912,564

		Inflation Adjusted		Historical				
		2024	2023	2024	2023			
		ZWG	ZWG	ZWG	ZWG			
3.2	Gain on disposals		a de la compa		in the late			
	Sale of Investments - Unit Redemption		50,389,049		28,328,865			
	- Cash	9,227,189	14,315,639	8,400,783	8,048,292			
	Cost price of sold Investments	(192,551)	(24,047,351)	(151,700)	(13,519,488			
		9,034,638	40,657,336	8,249,083	22,857,669			
•	Accounts Payables	101,776	108,959	101,776	61,257			
	Trade payables	12,098	8,444	12,098	4,747			
	Management Fees Provision	19,446	18,524	19,446	10,414			
	Transfer Secretary Fees Provision	1,324	2,242	1,324	1,260			
	Trustee Fees Provision	3,445	1,680	3,445	945			
	Custodial Fees Provision	968	4.5-1.	968				
	Audit Fees Provision	64,496	78,069	64,496	43,891			
,	Trustees and Custodial Fees	32,314	80,054	23,512	45,007			
	Trustee Fees	22,248	51,107	15,754	28,732			
	Custodial Fees	10,066	28,947	7,758	16,274			
	Other Operating Expenses	133,846	95,056	82,777	53,441			
	Bank Charges	168	366	115	206			
	Interest on overdraft	4,345		4,113				
	Sundry Charges	109,312	65,540	65,208	36,847			
	License Fees	20,021	29,150	13,340	16,388			
	Earnings per unit							
	(Loss)/ profit for the year	(1,772,992)	28,457,621	7,005,267	15,998,955			
	Number of unit used in calculating Earnings per unit							
	Units in issue	494,417,400	494,417,400	494,417,400	494,417,400			
	Weighted average number of units in							
	issue for basic earnings per unit	494,417,400	494,417,400	494,417,400	494,417,400			
	Weighted average number of units in issue for diluted earnings per unit	494,417,400	494,417,400	494,417,400	494,417,400			
	Basic Earnings per unit							
	Basic earnings per is calculated by dividin number of units in issue during the year	ng the net profit attr	ibutable to unit h	olders of the fund	d by the averag			
	Diluted Earnings per unit							
	Diluted earnings per unit is calculated by dividing the net profit attributable to unit holders of the fund by the weighted average number of units in issue during the year plus the weighted average number of units the							
	would be issued on conversion of all the o							
	Basic Earnings per unit (ZWG)							
7.1	Basic earnings / (loss) per unit	(0.0036)	0.0576	0.0142	0.0324			
7.2	Diluted earnings / (loss) per unit	(0.0036)	0.0576	0.0142	0.0324			

MORGAN & CO MADE IN ZIMBABWE EXCHANGE TRADED FUND NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

8. Net assets attributable to holders

Unitholders possess the following rights regarding the acquisition and disposal of units:

a) Trading units on the Zimbabwe Stock Exchange; or

 Requesting cash or in-kind creation and redemption of units via Authorized Participants (AP).

Buying and selling Units on the Zimbabwe Stock Exchange

- Unitholders can trade units on the Zimbabwe Stock Exchange, just like ordinary listed shares, by working through intermediaries such as stockbrokers or market makers.
- It's important to note that transactions in the secondary market on the Zimbabwe Stock Exchange will be conducted at market prices, which may vary from the Net Asset Value (NAV) per unit. This variance is influenced by factors such as market demand and supply, liquidity, and the trading spread of the units in the secondary market.

Apply for cash creation and redemption of Units through Authorised Participants

- Units will continue to be created and redeemed at Net Asset Value (NAV) through Authorized Participants in Creation Unit sizes or their multiples, as periodically determined.
- Transactions will occur on a Dealing Day. A Dealing Day refers to any Business Day
 when dealing activities, such as purchase, redemption, transfer, or switching of units,
 are processed. The Authorized Participant must submit Creation Applications to the
 Custodian/Trustee (with a copy to the Manager) before the Dealing Deadline on the
 specified Dealing Day. Any Creation Application received on a non-Dealing Day or after
 the deadline on a Dealing Day will be treated as if received at the start of business on
 the next Dealing Day.

The fund Manager has the right to reject, acting in good faith, any Redemption Application if, including in exceptional circumstances, where in the opinion of the fund Manager, acceptance of the Redemption Application would have an adverse effect on the fund.

Made in Zimbabwe ETF Units held as at:	31 December 2024 Number of units	31 December 2023 Number of units
Opening units	494,417,400	2,391,673,295
Creation units Redemption of units		1,897,255,895
Closing units	494,417,400	494,417,400

9. Risk management

9.1. Introduction

Morgan & Co Made in Zimbabwe ETF, through its fund Managers, adheres to risk management principles and processes. The primary focus is on identifying, measuring, monitoring, and controlling the risks inherent in its trading activities. The core objective is to protect Morgan & Co Made in Zimbabwe ETF's reputation and mitigate financial risks effectively.

9.2 Risk management framework

Morgan & Co Made in Zimbabwe ETF's risk management policies are designed to identify and analyse the risks it faces, establish appropriate risk limits and controls, and ensure continuous monitoring of risks and compliance with these limits. These policies and systems undergo regular review to adapt to changes in market conditions, as well as the products and services offered.

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FOR THE YEAR ENDED 31 DECEMBER 2024

The fund Manager of Morgan & Co Made in Zimbabwe ETF is responsible for formulating, implementing, and reviewing policies and procedures in accordance with the evolving trading environment of Morgan & Co Made in Zimbabwe ETF. Additionally, Morgan & Co Made in Zimbabwe ETF places significant emphasis on benchmarking, variance analysis, and regular management information system reports to enhance operational effectiveness and decision-making.

9.3 Key risks requiring special mention

9.3.1 Regulatory risk

Regulatory risk, defined as the risk of non-compliance with applicable laws, regulations, or supervisory requirements, or the omission of relevant regulatory provisions in operational procedures, is effectively managed and mitigated by Morgan & Co Made in Zimbabwe ETF's fund Managers through the following measures:

• Establishing comprehensive and consistent compliance policies and procedures

across Morgan & Co Made in Zimbabwe ETF;

 Maintaining a proactive and complete statement on Morgan & Co Made in Zimbabwe ETF's stance regarding ethics and compliance;

Implementing a reporting structure for the Compliance Function that ensures both

independence and effectiveness; and

 Conducting periodic compliance and awareness training aimed at employees in roles sensitive to compliance requirements.

9.3.2 Liquidity Risk

Liquidity pertains to the fund's capacity to finance asset growth and meet obligations as they become due, without incurring unacceptable losses. Market liquidity risk arises when the fund is unable to cover or settle a position without significantly impacting the market price due to limited market depth. Conversely, funding risk refers to the potential inability of the fund to efficiently address both its anticipated and unexpected cash flow needs—current or future—without compromising its financial condition. The fund's liquidity risk management framework establishes defined limits to address and mitigate these respective risks.

Liquidity profile as at:

31 December 2024					
Inflation Adjusted	1 to 7 Days	7 to 14 Days	15-21 Days	21-28 Days	Total
Assets	ZWG	ZWG 000	ZWG	ZWG 000	ZWG
Balances with banks and					
cash	467 191				467 191
Other liquid assets	17 912 564				17 912 564
Total assets	18 379 755		-		- 18 379 755
Liabilities					
Other liabilities	101 776				- 101 776
Unit Holders' Fund	18 277 979			34.00	- 18 277 979
Total liabilities	18 379 755				- 18 379 755

31 December 2023						
Inflation Adjusted	1 to 7 Days ZWG	7 to 14 Days ZWG 000	15-21 Days ZWG	21-28 Days ZWG 000		Total ZWG
Assets Balances with banks and						
cash did banks and	857 156				313() \$233	857 156
Other liquid assets	19 302 774					19 302 774
Total assets	20 159 930			· Carrier	٠.	20 159 930
Liabilities		34.1.				
Other liabilities	108 959					108 959
Unit Holders' Fund	20 050 971					20 050 971
Total liabilities	20 159 930					20 159 930

9.3.3 Market risk

This risk involves potential losses arising from unstable market prices, including interest rates, foreign exchange rates, and equity prices, which can significantly impact the fund's earnings and economic value if not effectively managed. The fund's risk management strategy is guided by its management objectives. The fund's investment goal is to deliver results that, before fees and expenses, closely align with the performance of the Market Index of Zimbabwean manufacturing entities.

The fund faced notable exposure to risks arising from fluctuations in equity prices, as its listed equity investments were adjusted for inflation. The inflation-adjusted value stood at ZWG17,912,564 [Historical ZWG17,912,564].

9.3.4 Exchange rate risk

Foreign exchange risk arises from fluctuations in exchange rates, resulting from mismatches between the values of assets and liabilities denominated in different currencies. Adverse movements in exchange rates may lead to financial losses for the fund. To manage this risk, the Trustees, in collaboration with the fund Manager, regularly conduct strategic policy reviews and benchmarking assessments of the fund's portfolio product mix. As at 31 December 2024, changes in foreign exchange rates, whether a weakening or strengthening by a specific percentage, would have impacted the fund's reported profit. This effect stems from fluctuations in the fair value of the fund's underlying assets denominated in foreign currencies, which currently consist primarily of foreign currency-denominated balances held with banks.

9.3.5 Reputation Risk

Reputation risk stems from market perceptions regarding how Morgan & Co Made in Zimbabwe ETF packages and delivers its products and services, the conduct of its staff and management, and adherence to general business ethics.

This risk is managed and mitigated through:

- Enhancing operating facilities to align with the preferences of Morgan & Co Made in Zimbabwe ETF's diverse clientele base.
- Ensuring that fund manager staff adhere to Morgan & Co Made in Zimbabwe ETF's code of conduct and general business ethics, both upon joining and throughout their tenure.
- Implementing stakeholder feedback systems to maintain proactive and effective reputation management.

MORGAN & CO MADE IN ZIMBABWE EXCHANGE TRADED FUND NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

9.3.6 Money-Laundering Risk

Money-laundering risk refers to the potential financial or reputational loss, or liability, that may arise from transactions where criminal financiers conceal the origins of funds deposited into the company and later use those funds to support illegal activities.

This risk is managed and mitigated through the following measures:

- Implementing robust Know Your Customer (KYC) procedures.
- Utilizing knowledge management systems to support learning and leverage both successes and failures.
- Employing compliance-enabling technology to strengthen anti-money laundering program management, communication, monitoring, and reporting.

Establishing early warning systems to identify potential risks proactively.

Integrating compliance into individual performance measurement and reward structures.

9.3.7 Credit risk

Credit Risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered with the fund, resulting in a financial loss. It arises from balances due from brokers or recoveries of management fees from the manager. The fund's activities may give rise to Settlement Risk. 'Settlement Risk' is the risk of loss due to the failure of an entity to honour its obligations to deliver cash or other assets contractually agreed. For the fund's transactions, the fund mitigates risk by conducting settlements through a broker to ensure that a trade is settled only when both parties have fulfilled their contractual settlement obligations.

10. Going Concern

The fund manager has assessed the company's ability to continue as a going concern by evaluating current financial performance, and other operational factors. The fund manager acknowledges these risks and remains committed to addressing them proactively. Based on the information available, the financial statements continue to be presented on a going concern basis.

11. Events after reporting date

Subsequent events are events that occur after fund's year-end period but before the release of the financial statements. Subsequent events can be adjusting or non-adjusting. Adjusting events are those that provide evidence of conditions existing at the end of the reporting period whereas non adjusting events are indicative of conditions arising after the reporting period. No adjusting events or material non adjusting events were noted for the fund.