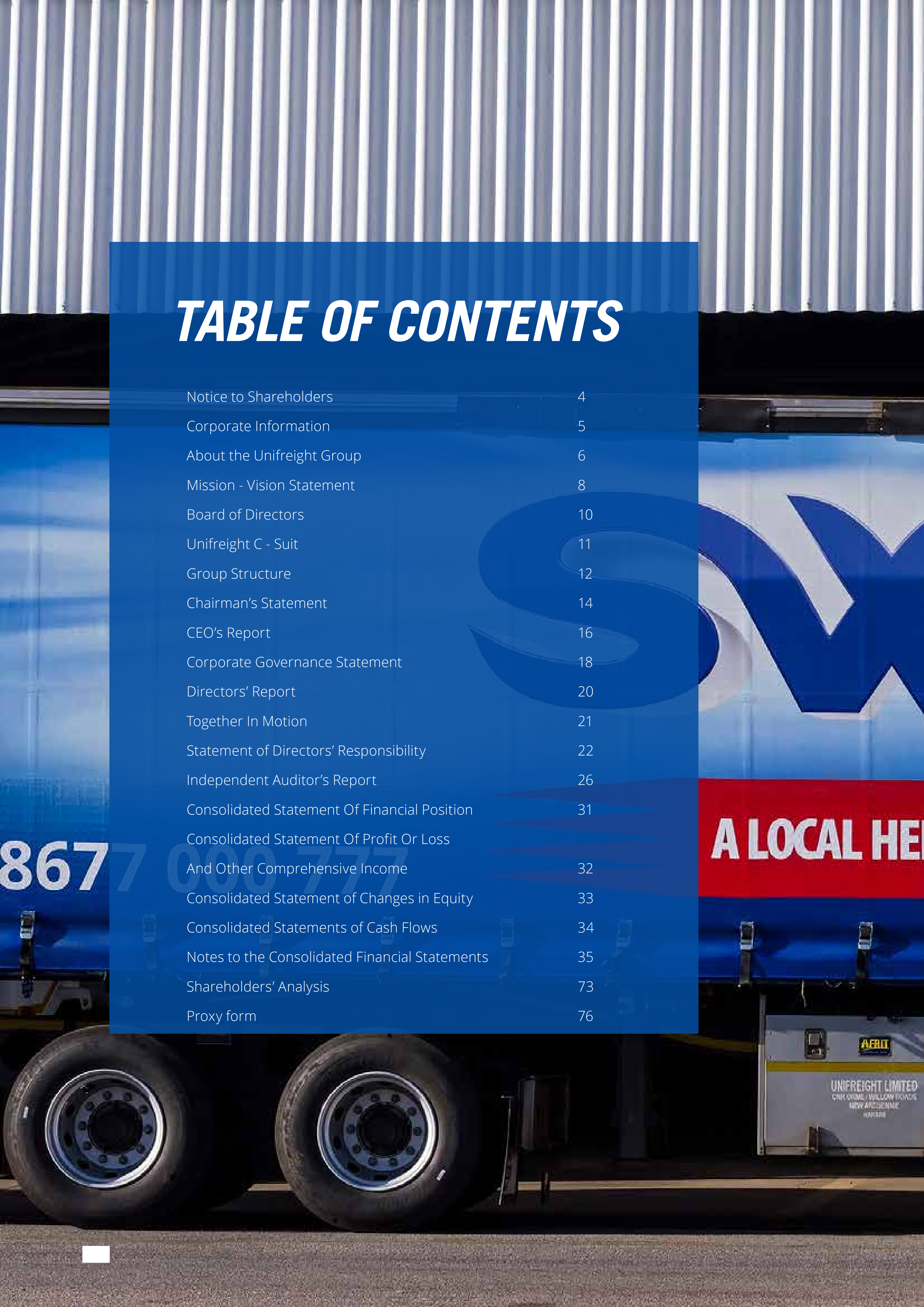
2021

ANNUAL REPORT

UNIFREIGHT AFRICA LTD



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We are the Logistics market leaders providing a full range of value distribution solutions throughout Zimbabwe.

NOTICE TO SHAREHOLDERS

NOTICE OF THE ANNUAL GENERAL MEETING OF THE MEMBERS OF UNIFREIGHT AFRICA LIMITED
Incorporated in the Republic of Zimbabwe ("Unifreight Africa" or "Company")
Registration number: 304/1970

Notice is hereby given that the 52nd Annual General Meeting of Shareholders will be held in the History Boardroom of the Harare Royal Golf Club, 5th Street Extension Josiah Tongogara Avenue, Harare on 30th September 2022 at 10.00am to conduct the following business.

ORDINARY BUSINESS

1. CONSTITUTION OF MEETING
1.1 To table forms of proxy
1.2 To declare the meeting constituted.

2. FINANCIAL STATEMENTS AND THE REPORTS OF THE DIRECTORS AND AUDITORS
2.1 To consider and adopt the financial statements for the year ended 31 December 2021 together with the reports of the Directors and Auditors.

3. DIRECTORS' FEES
3.1 To approve Directors fees for the year ended 31 December 2021.

4. DIRECTORATE
4.1. Confirmation of Directors
To confirm the appointment of Mrs Hannah Jayne Crabbe. In terms of Section 106 of the Articles of Association Mrs Hannah Jayne Crabbe retires at the Company's Annual General Meeting. She being eligible offers herself for re election.
4.2 Re-election of Directors
To re-elect Messrs Peter John Annesley and Robert Edward Kuipers. In terms of the Section 99 of the Company's Articles of Association, Messrs Peter John Annesley and Robert Edward Kuipers retire by rotation. Both being eligible offer themselves for re-election.
The Directors will be elected by a separate resolution.

5. AUDITORS
5.1 To approve the remuneration of the Auditors, Messrs EY Chartered Accountants (Zimbabwe) for the year ended 31 December 2021.
5.2 To consider the appointment of new Auditors, Messrs Grant Thornton Chartered Accountants for the year ending 31 December 2022.

6. DIVIDEND
To approve the final dividend of 59 ZWL cents per share as proposed by the Directors.

7. ANY OTHER BUSINESS
Any other business that may be transacted at an Annual General Meeting.

FORM OF PROXY
A form of proxy, in which are set out the relevant instructions for its completion, is attached hereto, for use by such shareholder of the Company who is unable to attend the AGM but who wishes to be represented thereat. Completion of a form of proxy will not preclude such shareholder of the Company from attending and voting (in preference to the appointed proxy) at the AGM.

The instrument appointing a proxy and the authority (if any) under which it is signed must be received by the Company's transfer secretaries or at the Company's registered offices (Attention: The Company Secretary) at the addresses given below no later than 48 (forty-eight hours) before the time appointed for the holding of the AGM.

OFFICE OF THE ZIMBABWE TRANSFER SECRETARIES	**REGISTERED OFFICE OF THE COMPANY**
First Transfer Secretaries (Private) Limited No 1 Armagh Avenue, Eastlea Harare	Unifreight Africa Limited Corner Orme & Willow Roads Southerton, New Ardbennie Harare

By Order of the Board

Company Secretary
30-Aug-22

CORPORATE INFORMATION

The Company is incorporated in Zimbabwe with its subsidiaries operating in Zimbabwe.

BUSINESS

The Group's core business is transport and logistics offering freight and courier services.

MAIN BOARD

P. J. Annesley - Chairman
B.N. Ndebele
M.A. Kalweit
H.J. Crabbe
R.E. Kuipers# - Chief Executive Officer

 # Executive Director

BOARD COMMITTEES

AUDIT AND FINANCE COMMITTEE

B.N. Ndebele - Chairman
P.J. Annesley
R.E Kuipers*

** (by invitation)*

HUMAN RESOURCES AND REMUNERATION COMMITTEE

M.A. Kalweit - Chairman
H.J. Crabbe
P.A. Annesley
R.E. Kuipers*

**(by invitation)*

ADMINISTRATION

SECRETARIES

First Transfer Secretaries (Pvt) Limited
No 1 Armagh Avenue
Eastlea
Harare

PRINCIPAL BANKERS

NMB Bank limited
Nedbank Bank Limited
CBZ Bank Limited

REGISTERED OFFICES

Corner Orme\Willow Roads,
Southerton Harare
Telephone: (+263) 4 621 015-21
or 08677000777
Email: solutions@unifreight.co.zw
Website: www.unifreight.co.zw

COMPANY SECRETARY

Mosi Sibanda

AUDITORS

EY Chartered Accountants (Zimbabwe)
Cnr Julius Nyerere Way / Kwame Nkrumah Avenue
P O Box 62 or 702 Harare Zimbabwe

THE COMPANY

About the Unifreight Group

Operating within Zimbabwe for 75 years, Unifreight is a listed Zimbabwean, national-transport company offering a range of end-to-end logistics services. The well-known service brands operating under Unifreight have over 100 years combined experience and expertise in the local and regional transport industry.

Unifreight specialises in courier, express-freight, full loads and consolidated freight under its primary service brand, Swift Transport. Swift transport celebrated 75 years in operation this year.

75 years in operation

Dedicated and tailored transport and logistics services covering all industries, including the option of fully maintained and monitored contract-hire fleets are managed through premier brand Bulwark.

The Unifreight global footprint is managed by the SkyNet service brand. All international courier and freight services, including local door to door premier service, are handled through the SkyNet Worldwide Express brand, ensuring Unifreight Africa Limited provides all its customers with a comprehensive logistic solution.

Unifreight Africa Limited has established contracts with some of the biggest corporations across all industries that are currently operating in Zimbabwe.

Unifreight is the only logistic-solution company in Zimbabwe that can boast a truly nationwide footprint, guaranteeing delivery of any load and logistics service to any of its major destinations within 48 hours.

The organisation has the largest depot distribution network of any other transport operator in Zimbabwe, with 24 depots, 8 satellite depots and 9 convenience outlets, strategically situated around the country. There are eight depots in Harare, two in Beitbridge, two in Bulawayo and one each in Bindura, Chegutu, Chinhoyi, Chipinge, Chiredzi, Gokwe, Gwanda, Gweru, Hwange, Kadoma, Kariba, Karoi, Kwekwe, Marondera, Masvingo, Mutare, Mutoko, Mvurwi, Rusape, Victoria Falls and Zvishavane.

Of the 24 depots, six have third-party run engineering workshops which keep the large and varied fleet of vehicles running on time. The Unifreight fleet of vehicles consists of 54 tractors, 93 Collection & Delivery vehicles, 173 trailers and five passenger coaches. Unifreight also has 119 heavy-duty vehicle operators, whose average length of service at Unifreight is seventeen (17) years.

Unifreight has a regionally recognised and reputable driving school which is not only dedicated to training Unifreight drivers on a variety of vehicles, but also offers a wide selection of driving courses for individuals and corporations alike.

Unifreight understands the importance of training and prides itself on offering staff in-house and external training opportunities across all departments, throughout the organisation.

The company is looking forward to the new business opportunities that will come about in 2022 with the introduction of an e-commerce fulfilment service and increased fleet.

UNIFREIGHT AFRICA LTD

MOVING THE INDUSTRY FORWARD

Swift Transport, Bulwark and SkyNet Worldwide Express are the three premium brands operating under the Unifreight Africa Ltd umbrella.

UNIFREIGHT CORE VALUES

Accountability:
Building and living a culture of accountability is the founding principle of our business ethos. Accountability works in all directions with unity of purpose. We hold ourselves and each other responsible to deliver on our promise, continually earning our place as a trusted and honourable part of our community.

Teamwork
Teamwork is intrinsic to our business and glues together our many operating functions and wide depot network. Building on the synergies, skills, strengths and diversity of our team makes us a cohesive unit that is far greater than the sum of its parts, and ensures we consistently deliver a world class product regardless of the environment and challenges we may face.

Going the extra mile
We aim to exceed all expectations by going beyond the call of duty, showing initiative and breaking the boundaries of mediocrity, to ensure our team and customers are presented with extraordinary results and exceptional value.

Commitment
We are committed to ensuring delivery of quality service on time, every time, to our valued customers in an ethical and profitable manner. We commit to creating an environment where we can grow mutually beneficial, long term relationships with all our partners, and where our work and our brand becomes a guarantee of excellence. We agree to, and uphold our Code of Honour.

Honesty
Honesty is what our reputation is built on, both in the words we speak and the actions we take. We deliver our service consistently in an open, transparent, straightforward, reliable and ethical way.

We see honesty as more than just telling the truth – it is acknowledging reality and facts, and seeing things as they are, not as we perceive them to be.

Our pledge is to continually strive to be a trustworthy entity in our community, country and region by promoting honesty and renouncing immoral practises.

Vision

To become the major freight and logistics company in Zimbabwe and the Southern African region.

Mission

We are the Logistics market leaders providing a full range of value distribution solutions throughout Zimbabwe. By having a passionate and inspired culture of "going the extra mile", thereby creating value and exceptional service for all our stakeholders.

Values

"WE SOLVE PROBLEMS

by

DELIVERING ON OUR PROMISES

with

UNITED FOCUSED TEAMWORK

through

OFFERING LOGISTICS SOLUTIONS"

BOARD OF DIRECTORS

Peter John Annesley - Chairman

Peter John Annesley has over 30 years' experience in financial services as well as business advisory services. Peter has held positions in an executive capacity. He holds a Degree in Mechanical Engineering and a Master's Degree in Business Administration both from the University Of Cape Town School Of Business. Peter has participated in corporate and investment banking, creation of financial instruments and capital raising initiatives, property development and infrastructure funding. Peter is also an active player in the service delivery of premium standard HealthCare in Harare whilst being a citizen of and residing in Zimbabwe.

Mark Andrew Kalweit - Non Executive Director

Mr. Mark Andrew Kalweit is a Technology Innovator and Entrepreneur. He has over twenty plus years' experience in the ICT industry. Mark's expertise is founded on a clear vision to develop successful customer relationships by delivering on projects with exceptional technical acumen in this Digital Landscape. Mark has held various executive positions in private organisations. He is a citizen of and resides in Zimbabwe.

Robert Edward Kuipers - Group Chief Executive Officer

Robert Edward Kuipers was born in Zimbabwe and educated at Falcon College. He attended the University of Pietermaritzburg, reading for a Bachelor of Commerce Degree. After some overseas travel, he went on to do Honours in Accounting, and articles with KPMG. He passed the ICAZ Board Exams on his first attempt. Rob, then worked as the Finance Manager for a large agro-business, Butler Farms. Rob then joined Pioneer Transport. As the Finance Director he took the Company through the reverse listing process from Pioneer Transport (Private) Limited into the ZSE listed Clan Holdings Limited. He then left to run his own companies in the Southern African Region. Rob returned to Zimbabwe in 2010 and joined Swift Transport as the Managing Director. He was appointed Chief Operating Officer in 2014 and Chief Executive Officer in November 2015.

Sarah Leigh Rudland - Non Executive Director

Retirements- 2021

Ms Sarah L. Rudland - Macmillan retired from the Board of Directors to pursue personal interests. The Board would like to express its gratitude to Sarah for her sterling leadership.

Hannah Jayne Crabbe - Non Executive Director

Hannah was appointed as a Non-Executive Director with effect from 1st February 2022. She holds a Bachelor of Arts with Honours Business Marketing and Management from the Oxford Brookes University Business School (United Kingdom). She has vast experience in business related areas such as strategy, product and brand management, digital marketing, operations and research methods which she attained in her past experience.

Belmont Njabulo Ndebele - Non Executive Director

Belmont has over 25 years of banking and financial services sector experience 20 of which have been held in an executive capacity. He holds a Masters of Science and a Bachelor of Science Honours degree in Economics from the University of Zimbabwe. He also holds various qualifications in Leadership, Strategy, Corporate Governance, Treasury, Trade and Structured Finance. He also sits on the boards of various listed and non-listed entities in Zimbabwe. He also serves on the Advisory board of a world renowned university based in India. He is a citizen of and resides in Zimbabwe.

UNIFREIGHT C- SUIT

Unifreight Africa Ltd. Benefits from a depth and expertise in its management team. Meet the main C-Suit Team who head the executive management support team. Together they manage operations, financials, and new business acquisitions for the whole organisation.

RICHARD CLARKE - CHIEF OPERATIONS OFFICER

Richard was educated at St Georges College and then Rhodes University to study a BSSCI (economics). He returned to Zimbabwe to work at Imara Africa as a Business Analyst for companies listed on the ZSE before joining National Tested Seeds as Business Development Manager. Richard then joined Mt Meru Group as a Regional General Manager handling their trading portfolio where he received one on one mentoring by Gazelles International and completed their Scaling Up 2.0 leadership course. He then went on to join Dallaglio where he performed a dual role as Group Procurement Manager and as General Manager of an affiliated SBU. Here Richard continued his development through the Sabre 1000 day CEO course and had the privilege of working with some of Zimbabwe's leaders of the industry.

MOSI SIBANDA - CHIEF FINANCIAL OFFICER

Mosi joined Unifreight Limited as Management Accountant in November 1989 after a stint in clerical roles with Government and ZBC. He rose through the ranks in the Finance Department assuming the roles of Financial Controller (2004) and Chief Accountant (2006). In September 2007, Mosi was appointed to the position of Finance Director heading the finance function of Unifreight Limited Operating Divisions of Swift, Bulwark and Engineering, a position he held until the acquisition in December 2013 of Unifreight business by Unifreight Africa Limited (formerly Pioneer Corporation Africa). Following re-structuring, Mosi was appointed Financial Controller and Public Accountant and Chief Financial Officer in 2020.

Mosi is an Associate member of the Institute of Chartered Secretaries and Administrators (ACIS) and registered as a Public Accountant with PAAB.

MARK DAWSON - CHIEF COMMERCIAL OFFICER

Mark was educated in Zimbabwe at St Johns College and in the UK at Giggleswick School and Leeds University, where he attained a Business Management Degree in 1995. After gaining work experience in London and travelling, Mark returned to Zimbabwe in 1999 to work for Zimbabwe Sun. In 2000 he joined Pioneer Transport as General Manager. He became Managing Director in 2005. In 2010 he went on to pursue his own interests in the mineral trade and logistics Industry. Mark joined Unifreight in 2017 in the Business Development Role.

GROUP STRUCTURE

Unifreight Africa Limited
Holding Company and Zimbabwean operating company, branded principally as Swift and Bulwark.

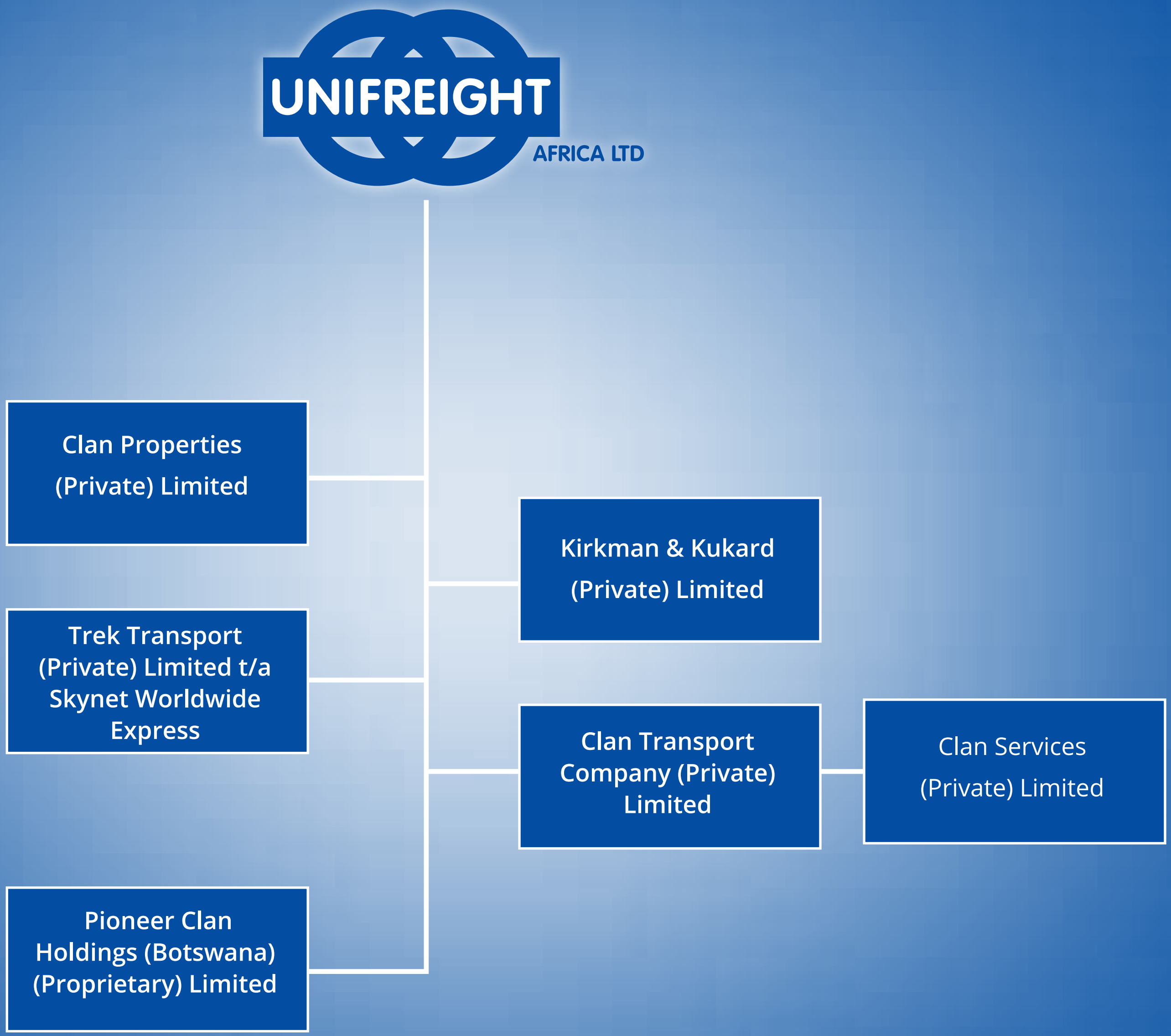
Trek Transport (Private) Limited t/a Skynet Worldwide Express

International Courier Service - Subsidiary
Clan Properties (Private) Limited, Kirkman & Kukard (Private) Limited,
Property-owning Companies - Subsidiaries

Foreign Subsidiary
Pioneer Clan (Botswana) (Proprietary) Limited
Cross border road freight haulage and logistics - Dormant Subsidiary

Investment Companies
• Clan Services (Private) Limited - Subsidiary
• Pioneer Clan Holdings (Botswana) (Proprietary) Limited - Dormant Subsidiary
• Clan Transport Company (Private) Limited - Dormant Subsidiary
• Tredcor Zimbabwe (Private) Limited - 51% Investment

*All subsidiaries are 100% owned by Unifrieght Africa Limited (2019:100%)


UNIFREIGHT AFRICA LTD
Clan Properties (Private) Limited
Kirkman & Kukard (Private) Limited
Trek Transport (Private) Limited t/a Skynet Worldwide Express
Clan Transport Company (Private) Limited
Clan Services (Private) Limited
Pioneer Clan Holdings (Botswana) (Proprietary) Limited

CHAIRMAN'S STATEMENT

Overview

The year 2021 was characterised by a rebound in economic activity as a result of the easing of restrictions that had been implemented to combat the Covid 19 pandemic. This was a welcomed development although the operating environment remained challenging. The effect of rising inflation, volatility of exchange rates, and policy inconsistencies has affected business confidence within the economy. We have implemented measures to reduce the impact on the business and we are confident the measures will secure the future of the business.

Financial performance

We are happy to present inflation-adjusted Group Revenue of ZW$3.212Billion which is 32% above prior year and 2% above budget. Despite this healthy growth in Sales, margins have been pressed by the rising in cost. This rise in cost is mainly because of exchange rate volatility and US Dollar inflation experienced during the year. Tonnage was 0.7% above budget and 22% up from the prior year. This increase in tonnage was a result of new business acquisition and average growth of 50% in volume as existing customers recovered from the impact of Covid 19 restrictions. Inflation-adjusted profit for the year was ZW$581million as compared to a ZW$123 Million Inflation Adjusted loss the prior year. (Historical Profit ZW$ 197 Million)

Outlook

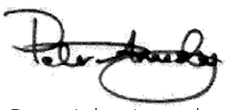
Under the circumstances, the Board is relatively happy with the results produced during the period under review, particularly the acquisition of new revenue-earning equipment, growth in the balance sheet in real terms, and the investment in Zimplow Limited which will result in the Group enjoying benefits from the synergy. The operating environment remains challenging but we are confident that the authorities will implement measures to stabilize the exchange rate and inflation. Meanwhile, as the country gears up for the 2023 elections, the Group will continue to look for opportunities to remain profitable.

Dividend

The board has recommended the declaration of a dividend of 59 cents per share, a separate announcement will be made giving details of payment.

Appreciation

On behalf of the Board, I would like to extend my sincere appreciation to our valued stakeholders. I am grateful to my fellow board members for their strategic insight, management and staff for their continued commitment and dedication.



Peter John Annesley
Chairman

28-JUNE -22


WE MEAN BUSINESS
Fleet Solutions
BULWARK
#WeDeliver
bulwark.co.zw

CEO'S REPORT

2021 was good year that will be revered as the year the Swift brand turned 75.

A remarkable achievement for a remarkable brand. A milestone we celebrated throughout the year recognising and acknowledging relationships with staff, customers, and suppliers.

We started 2021 with some lockdown restrictions still in place due to the COVID-19 pandemic, but we worked within the regulations and continued our essential service work. At the end of 2021, we finally saw the end of COVID-19 restrictions and businesses started working toward normality.

The highlights in 2021 include opening our Borrowdale hub which will become the centre of operations for our 'door to door' premium delivery service, it also operates as a standard "convenience" depot where all regular Swift and SkyNet services are available to all our customers. The introduction of convenience outlets throughout Harare and other towns has not only increased our footprint and but our service to customers who do not operate in the industrial sites.

Taking a positive view - COVID-19 could be seen as the catalyst for a new way of working and operating, a key change for our operations was with one of our major revenue generating industries, tobacco, and the movement of tobacco bales. Regionals floors emerged during the 2020 tobacco season and so our transportation and logistics shifted from bale movement from Swift depots and temporary satellite depots to full loads from commercial regional floors to warehouses in Harare. This change has streamlined the transportation and producers, particularly communal growers, no longer face the headache of getting their valuable crop directly to Harare.

Throughout the challenges faced during this time we were able to maintain our RTMS (Road Transport Management System) accreditation received in 2020, we are exceptionally proud of the fact that we are the only transporter in Zimbabwe that has attained this accreditation and have maintained the standard. As the leading transport operators in the Zimbabwe, we hope this example will inspire others to follow the same path, so our service and safety levels rise throughout the industry.

As a company we do a lot of CSR work behind the scenes supporting many charity organisations. As part of our 75th campaign we introduced the Together in Motion CSR Campaign, we donated 75 wheelchairs to charities throughout the country. This is an initiative we will continue going forward having witnessed first-hand the freedom a pair of wheels can bring a disabled person.

Looking forward – despite an uncertain economic future for the county, we are very positive that we will be able to thrive – with the addition of at least another 60 new trucks and trailers to regain some of the Full Truck Load market, but also to complement our core business of LTL (Less-than Truck Load) distribution which continues to grow.

We are heavily focussed on innovation and technology to improve service and convenience to our customers while at the same time becoming more cost effective. We will be introducing a new ruggedised Android device and app called Mobile Control which will be carried by all drivers to assist in accurate deliveries and route optimisation, as well as giving real-time feedback on delivery times. New technology will also assist with our goal of becoming E-commerce enablers with Direct to Consumer deliveries, which have traditionally been very difficult to get right at the right price points.

Another part of our strategy, we would like to see going forward is self-empowerment of our people, harnessing technology to allow them to become owner-drivers and take control of their own destinies and self-incentivise with dignity, by going the extra mile in partnership with the company.

I am very proud to be a part of the Unifreight team and of the work Unifreight has achieved during uncertain times. Our teams at our depots, throughout our operations department and in administration offices around the country, didn't waiver, and together by going the extra mile we have kept the wheels of this great organisation turning.

R.E. Kuipers
Chief-Executive Officer
28-JUNE -22

CORPORATE GOVERNANCE STATEMENT

Corporate Governance continues to be at the helm of any business operations and its importance cannot be over-emphasised. The current global environment is characterised by an increasingly complex set of pressures and demands from various stakeholder groups, heightened expectations for corporate citizenship and radical uncertainty about the future. In the face of the Covid-19 pandemic, companies struggled with numerous issues that they had to grapple with on a day-to-day basis. As a result of this, it has become common practice for management to keep the Board up-to-date on the situation regarding each stakeholder group. The continued uncertainty, has also amplified the need for deliberative discussions to effectivley deal with increased scrutiny from multiple audiences and the need to perform well for all stakeholders. As the Board works with management to chart the Company's strategy and resource allocation, there will be need for more and better information to support these discussions. The role of the Board has evolved and requires a closer working relationship with management on strategy and setting a tracker of performance measures, overseeing increased risk and compliance issues, policies and stakeholder management.

Company Secretary - Departure

The Company Secretary Ms Moreblessing Tendai Mukamba, departed from Unifreight with effect 31st December 2021 after 10 years of excelling service. The Board appreciates her unwavering assistance to the Board in the discharge of its duties.

Company Secretary-
Appointment Mosi Sibanda

Mosi Sibanda was appointed Company Secretary with effect from 1 February 2022. He is an Associate member of The Institute of Chartered Secretaries and Administrators (ACIS) and is a registered Public Accountant with The PAAB. Mosi brings invaluable experience from the transport industry together with that of the team around him. He is a citizen of and resides in Zimbabwe.

Board of Directors

Profiles of the Directors may be found on page 10 of this report. The roles of Chairman and CEO are completely separate and no individual has unfettered control over decision-making. The Board remains responsible to Shareholders for the setting of strategic direction, monitoring of operational performance and management, risk management processes and policies, compliance and setting of authority levels as well as the selection of new directors. The Board is also responsible for the integrity and quality of communication with stakeholders, including employees, regulators and shareholders. All Directors have direct access to the advice and service of the Company Secretary and to information on the Group's affairs. Each Director is elected by members in a general meeting with one-third retiring by rotation each year and in the case of new directors, at the expiry of their first year. The Board has approved fees for the coming year, which, as before, are split between a standing quarterly fee and a fee per meeting or Committee meeting attended.

Directors' Interests
Directors of Unifreight Africa Limited are required to advise in writing of any material interest in any contract of significance with the Group or its subsidiaries.

Finance, Audit & Risk Committee
An independent Non Executive Director chairs the Finance, Audit and Risk Committee. The Committee has adopted the terms of Reference recommended and envisaged in the Code of Corporate Governance. It assists the Board in the discharge of its duties relating to financial reporting to all stakeholders, compliance and effectiveness of accounting, business risks and management of information systems.

Human Resources and Remuneration Committee
This Committee is chaired by an independent Non Executive Director. The CEO is invited to its meetings but does not participate in any discussions on his remuneration. The Committee is responsible for setting the remuneration of senior executives and fixing the remuneration packages of individual directors within agreed terms of reference, in order to avoid potential conflicts of interest. The broad of the Group and to produce the required returns to its shareholders.

Directors' Interests
Directors of Unifreight Africa Limited are required to advise in writing of any material interest in any contract of significance with the Group or its subsidiaries.

Board Committees
The Board is assisted in the discharge of its responsibilities by a number of Committees which are accountable to the Board. These Committees are chaired by Non Executive Directors who exercise independent judgment.

DIRECTORS' REPORT

The Directors have pleasure in presenting their report together with the audited financial statements of the Group for the year ended 31 December 2021.

The consolidated financial statements of Unifreight Africa Limited have been prepared in accordance with International Financial Reporting Standards (IFRS's)

Share capital details	**Number of ordinary shares**
Authorised share capital : Ordinary shares @ $0.01 each	140,000,000
Issued and fully paid share capital : Ordinary shares @ $0.01 each	106,474,237
Authorised but unissued shares under the control of the Directors : Ordinary shares @ $0.01 each	33,525,763

Reserves
The movement on Capital and Reserves is reflected in the Statement of Changes in Equity.

Dividend
Members will be asked to approve payment of a final dividend of 59 ZWL cents per share as proposed by the Directors.

Directors fees
Members will be asked to approve the payment of Directors' fees in respect of the year ended 31 December 2021

Auditors
Members will be asked to approve the remuneration of the Auditors for the past year EY Zimbabwe.

Members will be aksed to confirm and appoint Grant Thornton Chartered Accountants as the Auditors for the year 2022.

For and on behalf of the Board

P. J. Annesley
Chairman

M Sibanda
Company Secretary

30-Aug-22

"Together In Motion"

The Freedom to Move

The Swift brand celebrated its 75th year of operation this year and our celebration gave us the perfect opportunity to honour and acknowledge and give back to the communities that have supported the brand and have been a big part of the development, growth, and success over that time.

Swift is Zimbabwe's leading logistics company. In the early days of operation there were only two depots, one in Harare and one in Bulawayo, but today there are 24 depots, eight satellite depots and nine convenience outlets strategically situated throughout the country. A total of 41 transport centres offering Swift's full range of transport services.

In recognition of Swift's 75th year of operating, it embarked on a national corporate social responsibility campaign to give back to those in need. An area of community outreach work that Swift has engaged in over the years has been the transport of wheelchairs for many different charity organisations. It is through this work that Swift learned of the great need for wheelchairs in many communities throughout Zimbabwe. As the leading transporter in the country, and with its wheels ploughing the roads twenty-four hours a day, seven days a week, Swift knew the most valuable gift to give would be one that could offer the gift of movement, of freedom, of wheels.

To mark the 75th year milestone, Swift gave away a total 75 wheelchairs across Zimbabwe over a period of four months. The Together in Motion campaign systematically moved across the country's 10 provinces distributing the wheelchairs. All Swift depots were involved in identifying organisations that needed assistance.

The journey of giving began on the 12th of August this year at the Swift's Main depot, in Harare, where the "Together In Motion" campaign was launched. The first 10 wheelchairs were donated to Jiaros Jiri, an organisation that has had a long-standing relationship with the Swift brand.

Rob Kuipers, Chief Executive Officer of Unifreight Africa Ltd, said: "As a logistics company, enabling movement from point A to B is our highest priority. We looked at how we can be an agent of motion to some of our most disadvantaged community members and started at wheelchairs. We are rallying individuals and corporates to join this initiative across the nation."

12 of the Swift out of Harare depots participated in the campaign, with 17 organisations receiving wheelchairs for those in need. The TIM campaign ended in November.

Stella Jongwe, a Jairos Jiri student representative and wheelchair recipient said: "It is heart-warming that Swift continues to support us through many activities. I am particularly elated with the wheelchair gesture as it really makes a huge difference when you have a disability."

The initiative will also hopefully raise awareness for the plight of those many individuals who require wheelchairs. There is an astounding shortage of 25 000 wheelchairs in Zimbabwe. Unifreight is committed to continue with this campaign each year assisting to bring freedom to those in need of wheels.

STATEMENT OF DIRECTORS' RESPONSIBILITY

The Directors are required by the Companies and Other Business Entities Act (Chapter 24:31) to prepare financial statements for each financial year giving a true and fair view of the state of affairs of the Group as at the end of the financial period as well as the profit and cash flows for the same period.

The Directors are responsible for maintaining records, which disclose with reasonable accuracy the financial position of the Group, and which enable them to ensure that the financial statements comply with the Companies and Other Business Entities Act (Chapter 24:31). The Directors are also responsible for safeguarding the assets of the Group and for preventing and detecting fraud and other irregularities.

The Directors recognize and acknowledge their responsibility for the Group's systems of internal control. These systems are adequate to provide reasonable assurance that the assets of the Group are safeguarded and that accurate records, necessary for the preparation of the financial statements, are maintained.

The Directors consider that in the preparation of these financial statements, reasonable and prudent judgments and estimates have been made. International Financial Reporting Standards have also been followed, where applicable with suitable accounting policies having been consistently applied subject to limitations imposed by statutes.

Compliance with Local Legislation

These financial statements do not comply with the Companies and Other Business Entities Act(Chapter 24.31) and Statutory Instruments (SI 33/99). These financial statements however have been prepared to comply with the Statutory Instrument 33 of 2019, issued on 22 February 2019 and the guidance issued by the Public Accountants and Auditors Board (PAAB) on 21 March 2019. Mainly, Statutory Instrument 33 of 2019 specified, among other things, that for accounting and other purposes, all assets and liabilities that were immediately before the effective date valued in United States Dollars (other than assets and liabilities referred to in section 44C (2) of the Reserve Bank of Zimbabwe Act), shall on and after the effective date, (22 February 2019) be deemed to be values in RTGS dollars at a rate of one-to-one to the United States Dollar. This Statutory Instrument, based on the Directors interpretation, prescribes parity between the US Dollar and local currency.

Compliance with IFRS

The Financial Statements are prepared with the aim of fully complying with International Financial Reporting Standards (IFRS) which comprise International Financial Reporting Standards (IFRSs) developed by the International Accounting Standards Board (IASB); International Accounting Standards (IASs) adopted by the IASB; Interpretations originated from the International Financial Reporting Interpretations Committee (IFRICs) and the former Standing Interpretations Committee (SIC).

The financial statements do not comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), due to non-compliance with IAS 21 Effects of Changes in Exchange Rates, IAS 8 Accounting Policies, Change in Accounting Estimates and Errors and IAS29 Financial Reporting in Hyperinflationary Economies, International Financial Reporting Standard IFRS11 Joint Arrangements. These financial statements are based on the statutory records that are maintained under the historical cost convention.

The financial statements for the year ended 31 December 2021 do not fully comply with IAS21 due to the matter detailed below which arose in the prior year on change in functional currency.

In February 2019, the Government of Zimbabwe issued Statutory Instrument 33 of 2019 (S.I 33), which, based on our interpretation: introduced an electronic currency called the RTGS Dollar which commenced trading on the interbank market at 1US:2.5RTGS Dollars; prescribed parity between the US$ and local currency up to the effective date of 22 February 2019, for accounting and other purposes

The financial statements for the year ended 31 December 2018 and 2019 did not achieve full compliance with IFRS, due to the requirement to comply with SI 33 of 2019. S.I 33 created inconsistencies with IAS 21, as well as with the principles embedded in the IFRS Conceptual Framework, as also enunciated in the guidance issued by the Public Accountants and Auditors Board on 21 March 2019. As a result of compliance with S.I 33, the accounting treatment adopted in the 2018 and 2019 financial statements was different from that which would have been adopted if the Group had been able to comply with IFRS.

As such, the Directors have not been able to produce financial statements which comply with IFRS and the Companies and Other Business Entities Act (Chapter 24:31). Note 2.1 seeks to provide users with more information relating to the departure.

Going concern
The Directors have assessed the ability of the Group to continue operating as a going concern and believe that the preparation of these financial statements on a going concern basis is still appropriate. The Directors have engaged themselves to continuously assess the ability of the Group to continue to operate as a going concern and to determine the continued appropriateness of the going concern assumption that has been applied in the preparation of these financial statements.

Preparation and audit of the financial statements
The financial statements have been audited by the Group's external auditors, Ernst & Young Chartered Accountants (Zimbabwe), who have been given unrestricted access to all financial records and related data, including minutes of all meetings of the Board of Directors and Committees of the Board. The financial statements were prepared under the supervision of the Finance Executive, Mr. L. Mhonda (PAAB Number: 0968). The directors confirm that all representations made to the independent auditors during the audit were valid and appropriate.

Approval of the financial statements
The financial statements for the year ended 31 December 2021 have been approved by the Board of Directors and are signed on its behalf by the Chairman of the Board, Mr P J Annesley and by the Group Chief Executive Officer, Mr. R. E Kuipers.

P. J. Annesley
Chairman
30-Aug-22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OWN
THE
DAY
R420
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A LOCAL HERO DELIVERING NATIONWIDE


RTMS
WE RUN THE NIGHT
Call us on 08677 000 777 or WhatsApp chat on +263 773 799 477 or visit our website www.swift.co.zw for more.
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UNIFREIGHT

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

Tel: +263 4 750905-14 or 750979-83
Fax: +263 4 750707 or 773842
E-mail: admin@zw.ey.com
www.ey.com

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF UNIFREIGHT AFRICA LIMITED

Report on the Audit of the Inflation Adjusted Consolidated Financial Statements

Adverse Opinion

We have audited the inflation adjusted consolidated financial statements of Unifreight Africa Limited and its subsidiaries (the Group), as set out on pages 31 to 72, which comprise the inflation adjusted consolidated statement of financial position as at 31 December 2021, and the inflation adjusted consolidated statement of profit or loss and other comprehensive income, the inflation adjusted consolidated statement of changes in equity and the inflation adjusted consolidated statement of cash flows for the year then ended, and notes to the inflation adjusted consolidated financial statements, including a summary of significant accounting policies and other explanatory notes.

In our opinion, because of the significance of the matters discussed in the Basis for Adverse Opinion section of our report, the accompanying inflation adjusted consolidated financial statements do not present fairly, the financial position of the Group as at 31 December 2021, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and Companies and Other Business Entities Act (Chapter 24:31).

Basis for Adverse Opinion

Non-compliance with IFRS: Inappropriate application of International Accounting Standard (IAS) 8 - Accounting Policies, Changes in Accounting Estimates and Errors

Historical functional currency matter

As explained in note 2.4a to the inflation adjusted consolidated financial statements, the Group changed its functional currency from the United States Dollars (US$) to Real Time Gross Settlement Dollars (RTGS$), now Zimbabwe Dollars (ZW$), on 23 February 2019 in order to comply with Statutory Instrument 33 of 2019. The inflation adjusted consolidated financial statements is presented in ZW$.

We however believe that the change occurred on 1 October 2018 in terms of International Accounting Standard (IAS 21) - The Effects of Changes in Foreign Exchange Rates given the significant monetary and exchange control policy changes witnessed in Zimbabwe from 2016 through to 2019.

Our audit opinion for the year ended 31 December 2021 was therefore modified as the matter emanating from 2020 had not been corrected.

Management has not made adjustments in current period in terms of IAS 8. The matter therefore continues to impact the following amounts on the inflation adjusted consolidated statement of financial position which still comprise of material amounts from opening balances: vehicles and equipment of ZW$ 1 289 563 000 (31 December 2020: ZW$ 1 413 221 000), investment property of ZW$ 732 707 000 (31 December 2020: ZW$ 745 196 000) and retained earnings ZW$ 614 124 000 (31 December 2020: ZW$ 41 922 000).

As opening balances enter into the determination of cash flows and performance, our audit opinion is modified in respect of the impact of this matter on the depreciation expense of ZW$ 227 355 000 (31 December 2020: ZW$ 333 213 000), operating expenses of ZW$ 3 209 945 000(31 December 2020: ZW$ 1 949 981 000) and income tax credit of ZW$ 305 828 000 (31 December 2020: expense of ZW$ 37 924 000) on the inflation adjusted consolidated statement of profit or loss and other comprehensive income and cashflows from operating activities on the inflation adjusted consolidated statement of cash flows.

Non-compliance with IFRS: Inappropriate application of International Accounting Standard (IAS) 8 - Accounting Policies, Changes in Accounting Estimates and Errors (continued)

Further to the above, corresponding amounts for inventories, non-distributable reserve, and deferred tax liabilities on the inflation adjusted consolidated statement of financial position remain misstated as they have not been corrected in terms of IAS 8. Therefore, our audit opinion on the current period's inflation adjusted consolidated financial statements is also modified because of the possible effect of this matter on the comparability of the current period's inflation adjusted consolidated financial statements.

Exchange rates used (Non-compliance with IAS 21)

For the period 1 January 2021 to 31 December 2021, management applied internally derived exchange rates to translate foreign denominated transactions and balances to the functional and reporting currency, the ZW$. We believe that the internally derived exchange rates do not meet the definition of spot rates in terms of IAS 21 and that instead, management should have adopted the spot exchange rates derived from the Foreign Currency Auction system. The following misstatements in the table below arise on the inflation adjusted consolidated statement of financial position balances:

	31 December 2021		31 December 2020	
	Disclosed amount ZW$	**Misstatement ZW$**	**Disclosed**	**Misstatement ZW$**
Inventories	193 670 000	Could not be determined	203 211 000	Could not be determined
Trade and other receivables	320 128 000	4 938 415	281 660 000	6 469 434
Cash and cash equivalents	24 739 000	722 386	81 379 000	23 603 635
Trade and other payables	240 459 000	1 897 262	190 023 000	9 372 259

In the inflation adjusted consolidated statement of profit or loss and other comprehensive income, revenues, income taxes and operating expenses are affected. However, the misstatements cannot be quantified owing to the large volume of affected transactions. Consequently, the inflation adjusted consolidated statements of changes in equity and cashflows are also impacted.

Further to the above, corresponding amounts for Vehicles and equipment, equity component of the shareholders' loan and deferred tax liabilities remain misstated as they have not been corrected in terms of IAS 8.
Therefore, our audit opinion on the current period's inflation adjusted consolidated financial statements is also modified because of the possible effect of this matter on the comparability of the current period's inflation adjusted consolidated financial statements.

Inventory Valuation not in compliance with IFRS requirements of IAS 2 - Inventories

For the period under consideration, the Group revalued their opening spare parts inventory items from their original purchase cost to a fair value determined from the open market US$ values. This revaluation was however not in compliance with IAS 2 which requires that inventories should be measured at the lower of cost, and net realizable value. As a consequence, the current year inventories balances of ZW$193 670 000 could be overstated by ZW$18 999 000, since some of the spare parts inventory items are still available as part of the year end balances.

Further to this, the First-in First-out (FIFO) method of valuing inventory has not been applied correctly by Management. Due to challenges in the valuation process during the year, the inventory at year end was valued using the last invoice received. This method assumes that all inventory items were purchased at the same time, contrary to the requirements of the FIFO method. The misstatement could however not be quantified due to the nature of the accounting records.

Consequently, operating expenses on the inflation adjusted consolidated statement of profit or loss and other comprehensive income and working capital movements on the inflation adjusted consolidated statement of cashflows are impacted.

Valuation of Investment Property for Disclosure purposes (Non-compliance with IFRS 13 – Fair Value Measurement and IAS 40 Investment Property

The Group's properties, which are accounted for at cost in terms of the Group's accounting policy, are subjected to valuation, for disclosure purposes, as per the requirements of IAS 40. The standard requires the fair value details to be disclosed as is described in Notes 7 and 10.1 to the inflation adjusted consolidated financial statements. The relevant fair value principles are set out in IFRS 13- Fair Value Measurement.

Unifreight Africa Limited Basis for Adverse Opinion (continued)

Valuation of Investment Property for Disclosure purposes (Non-compliance with IFRS 13 – Fair Value Measurement and IAS 40 Investment Property (continued)

Consistent with the prior year, these investment properties were valued as guided by management experts using historical US$ denominated inputs and converted into ZW$ at the applicable closing exchange rates as at 31 December 2021.

We have concerns over the appropriateness of using a foreign currency for the valuation and then applying a conversion rate to determine the ZW$ values of the investment property and freehold land and buildings. The translation process adopted by management would not meet the fair value measurement principles of the affected items as set out in IFRS 13 due to the following considerations:

1) With respect to the implicit investment approach, the US$ estimated rentals may not be an appropriate proxy for the ZW$ amounts in which rentals are settled.
2) While historical US$ amounts based on similar transactions have been used as a starting point in determining comparable values on the market comparable approach, it is noted that market participants consider different risk factors in determining an appropriate value in ZW$ terms which are not necessarily limited to the exchange rate.

Scope Limitation on Transactions and balances with a third party

a) Included in the inflation adjusted consolidated financial statements are the results of the contract entered into between the entity and a third party.

   In terms of the agreement, the two parties planned to expand and diversify their respective businesses by operating a Joint Venture, whereby SWIFT (a division of the company) would procure, pack and redistribute food packs through its depots with the third party selling the food packs and marketing the service. The above provisions in the contract implied that that the arrangement was to be accounted for as a joint venture under IFRS 11 -Joint Arrangements wherein the Group would have accounted for the investment in the joint venture as a noncurrent asset and subsequently recorded the profits or losses earned or incurred respectively by the joint venture as other income in inflation adjusted consolidated statement of profit or loss and other comprehensive income. We were however unable to determine whether the IFRS 11 conditions for recognition of an investment in joint venture had indeed been met as the information required to do so was not available.

   Instead, the Group accounted for the revenues and cost of sales from the arrangement as part of normal trading with unrelated parties. As the agreement became effective in 2020, the limitation of scope extends to the prior year inflation adjusted consolidated financial statements as well.

b) We were unable to obtain sufficient and appropriate evidence to support some of the revenue and cost of sales amounts recorded in relation to this arrangement as management were unable to provide the supporting information required to validate the amounts. As a result, we could not determine whether any adjustments might have been necessary in respect of the following accounts:

Account	**Total value per financial statements (ZW$)**	**Portion for which sufficient appropriate evidence could not be obtained (ZW$**
Inflation adjusted consolidated statement of profit or loss and other comprehensive income		
Revenue	3 211 716 000	177 617 061
Operating expenses	3 209 945 000	54 345 469
Income tax credit	305 828 000	Could not be determined

Inflation adjusted consolidated statement of financial position		
Trade receivables	250 821 000	15 431 586
Trade payables	138 960 000	97 833

Furthermore, the two parties did not prepare separate financial statements for the Joint Venture activities and accordingly the required accounting entries under IFRS 11 could not be established, resulting in further limitation.

Consequently, we were unable to determine whether adjustments would have been required on the Inflation adjusted consolidated statement of changes in equity and cashflows.

Application of IAS29 - Financial Reporting in Hyperinflationary Economies

Furthermore, notwithstanding that IAS 29 has been applied correctly, it is noted that its application was based on prior and current periods' financial information which was not in compliance with IAS 21 / IAS 8 and IFRS 11 as described above. Had the correct base numbers been used, the above stated accounts would have been materially different. Consequently, monetary loss of ZW$ 54 314 000 (2020: ZW$ 330 246 000) is impacted. Our opinion was also modified in respect of this matter in the prior year.

The effects of the above departures from IFRS are material and pervasive to the inflation adjusted consolidated financial statements.

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 in accordance with the International Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Zimbabwe, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse opinion.

Key Audit Matters

Except for the matters described in the Basis for Adverse Opinion section, we have determined that there are no other key audit matters to communicate in our report.

Other information

The directors are responsible for the other information. The other information comprises the Chairman's Statement, CEO's Report, Corporate Governance Statement, Directors' Report and Statement of Directors' Responsibility but does not include the inflation adjusted consolidated financial statements and our auditor's report thereon. Our opinion on the inflation adjusted consolidated financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the inflation adjusted consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the inflation adjusted consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. As described in the Basis for Adverse Opinion section above, the Group did not comply with IFRS and other matters noted therein. We have concluded that the other information is materially misstated for the same reasons

Responsibilities of the Directors for the Inflation Adjusted Consolidated Financial Statements

The directors are responsible for the preparation and fair presentation of the inflation adjusted consolidated financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies and Other Business Entities Act (Chapter 24:31), and for such internal controls as the directors determine is necessary to enable the preparation of inflation adjusted consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the inflation adjusted consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls 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 controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company and Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the inflation adjusted consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company or Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the inflation adjusted consolidated financial statements, including the disclosures, and whether the inflation adjusted consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the inflation adjusted consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

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

The engagement partner on the audit resulting in this independent auditor's report is David Gwande (PAAB Practicing Certificate Number 132).

Ernst & Young

ERNST & YOUNG
CHARTERED ACCOUNTANTS (ZIMBABWE)
REGISTERED PUBLIC AUDITORS
HARARE
7 July 2022

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 31 December 2021

		Audited		Unaudited	
		2021 Inflation Adj ZW$ 000	2020 Inflation Adj ZW$ 000	2021 Historical ZW$ 000	2020 Historical ZW$ 000
ASSETS					
Non current assets		**3,288,820**	**2,477,323**	**1,148,848**	**142,037**
Vehicles and equipment	6	1,289,563	1,413,221	168,349	84,551
Investment properties	7	732,707	745,196	18,193	18,565
Investment in equity instrument	10	810,258	-	810,258	-
Right of use of asset	9	389,111	251,725	150,548	37,421
Intangible assets	8	67,181	67,181	1,500	1,500
Current assets		**538,837**	**566,250**	**528,836**	**336,419**
Inventories	11	193,670	203,211	183,669	105,875
Income tax asset	12	300	-	300	-
Trade and other receivables	23	320,128	281,660	320,128	179,918
Cash and cash equivalents	13	24,739	81,379	24,739	50,626
Assets held for sale	30	-	72,428	-	2,046
TOTAL ASSETS		**3,827,657**	**3,116,001**	**1,677,684**	**480,502**
EQUITY AND LIABILITIES					
Equity		**3,140,642**	**2,204,455**	**1,206,415**	**258,557**
Share capital	14	47,700	47,700	1,065	1,065
Share premium	14	92,265	92,265	2,060	2,060
Non-distributable reserve	14	1,622,559	1,622,559	46,356	46,356
Fair value reserve for financial assets at FVOCI	30	363,985	-	476,994	-
Equity component of shareholders loans	16	400,009	400,009	8,931	8,931
Retained Earnings		614,124	41,922	671,009	200,145
Non current liabilities		**395,687**	**612,971**	**179,941**	**39,845**
Lease liability	9	154,020	59,635	154,020	37,590
Deferred tax liabilities	17	241,667	553,336	25,921	2,255
Current liabilities		**291,328**	**283,690**	**291,328**	**181,980**
Trade and other payables	15	240,459	190,023	240,459	123,706
Income tax payable	23	-	79,051	-	49,161
Deferred consideration	16	-	118	-	73
Lease liability	9	7,013	2,382	7,013	1,502
Loans and borrowings	16	43,856	12,116	43,856	7,538
Liabilities directly associated with the assets held for sale	30	-	14,885	-	120
TOTAL EQUITY AND LIABILITIES		**3,827,657**	**3,116,001**	**1,677,684**	**480,502**

These financial statements were approved by the Board on 28 June 2022 and signed on 07 July 2022 on it's behalf by:

P. J. Annesley
Chairman
7 - July - 22

R.E. Kuipers
Chief-Executive Officer
7 - July - 22

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the year ended 31 December 2021

	Note	Audited 2021 Inflation Adj ZW$ 000	Audited 2020 Inflation Adj ZW$ 000	Unaudited 2021 Historical ZW$ 000	Unaudited 2020 Historical ZW$ 000
Revenue	**5**	**3,211,716**	**2,440,827**	**2,561,597**	**1,038,701**
Operating costs	20	(3,209,945)	(1,949,981)	(2,392,373)	(821,640)
Movement in expected credit losses		(45,070)	(370)	(45,070)	(9,196)
Dividend Received	12	4,102	-	3,667	-
Other operating income	19	640,120	100,094	481,734	63,617
Earnings before interest, tax, depreciation and amortisation (EBITDA)		**600,923**	**590,570**	**609,555**	**271,482**
Finance costs	22	(44,464)	(11,696)	(38,748)	(12,281)
Depreciation	6,7,9	(227,355)	(333,213)	(30,740)	(13,149)
Loss on net monetary gain		(54,314)	(330,246)	-	-
Profit/(Loss) before taxation		**274,790**	**(84,585)**	**540,067**	**246,052**
Income tax credit/(expense)	23	305,828	(37,924)	(23,692)	(48,953)
Profit /(Loss) for the year		**580,618**	**(122,509)**	**516,375**	**197,099**
Other comprehensive income					
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:					
Net gain on equity instruments designated at fair value through other income	10.1	363,985	-	453,144	-
Other comprehensive ncome for the year, net of tax		**363,985**	**-**	**453,144**	**-**
Total comprehensive income/(loss) for the year, net of tax		**944,603**	**(122,509)**	**969,519**	**197,099**
Earnings per share	**24**				
- Basic earnings for the year attributable to ordinary equity holders of the parent (cents)		545.31	(115.06)	484.98	185.11
- Diluted earnings for the year attributable to ordinary equity holders of the parent (cents)		545.31	(115.06)	484.98	185.11
- Headline, earnings for the year attributable to ordinary equity holders of the parent (cents)		70.79	-	(78.48)	-

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2021

		Attributable to equity shareholders of the parent						
		Share capital Inflation ZW$ 000	Share premium Inflation ZW$ 000	Non-distributable reserves Inflation ZW$ 000	Fairvalue reserve of financial assets at FVOCI ZW$ 000	Equity portion of Shareholders loans Inflation ZW$ 000	Retained Earnings Inflation ZW$ 000	Total Equity Inflation ZW$ 000
Balance as at 1 January 2020		**47,700**	**92,265**	**1,639,122**	**-**	**400,009**	**161,396**	**2,340,492**
Loss for the year		-	-	-	-	-	(122,509)	(122,509)
Dividend	Note 25	-	-	-	-	-	(13,528)	(13,528)
Realised portion of non-distributable reserve		-	-	(16,563)	-	-	16,563	-
Balance as at 31 December 2020		**47,700**	**92,265**	**1,622,559**	**-**	**400,009**	**41,922**	**2,204,455**
Balance as at 1 January 2021		**47,700**	**92,265**	**1,622,559**	**-**	**400,009**	**41,922**	**2,204,455**
Profit for the year		-	-	-	-	-	580,618	580,618
Dividend	Note 25	-	-	-	-	-	(8,416)	(8,416)
Net gain on equity instruments designated at fair value through other comprehensive income		-	-	-	363,985	-	-	363,985
Balance as at 31 December 2021		**47,700**	**92,265**	**1,622,559**	**363,985**	**400,009**	**614,124**	**3,140,642**

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 31 December 2021

	Note	2021 ZW$ 000	2020 ZW$ 000
Net cash generated from operating activities		**158,324**	**669,056**
Cash generated from operations	26	227,703	710,744
Dividend Paid	25	(8,416)	(13,528)
Interest paid	22	(42,355)	(11,695)
Taxation paid		(18,608)	(16,465)
Net cash utilised in investing activities		**(42,294)**	**(74,583)**
Purchase of vehicles and equipment to increase operations	6	(54,469)	(87,560)
Proceeds from sale of vehicles and equipment		8,073	12,977
Dividend Received		4,102	-
Net cash generated/(utilised) in financing activities		**6,286**	**(54,947)**
Proceeds from borrowings	16	75,913	16,752
Payment of deferred consideration	16	(225)	(362)
Principal payment of lease liabilities	9	(32,932)	(2,016)
Repayments of borrowings	16	(36,470)	(69,321)
Increase in cash and cash equivalents		**122,316**	**539,526**
Cash and cash equivalents at beginning of year		81,383	58,746
Net foreign exchange differences		6,925	11,131
Effects of inflation on cash and cash equivalent		(185,885)	(528,020)
Cash and cash equivalents at end of year	**13**	**24,739**	**81,383**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 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, and a courier service. Swift the Group's principle revenue generating brand turned 70 years in 2016.

The Company is incorporated in Zimbabwe. Other entities in the Group are incorporated in Botswana. The company is listed on the Zimbabwe Stock Exchange

These Group consolidated financial statements are presented in Zimbabwean Dollars and were authorised for issue by the Board of Directors on 30 July 2021.

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied unless otherwise stated.

2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the international Accounting Standards Board (IASB) with the exception to IAS 21 Effects of Changes in Exchange Rates on accounting for change in functional currency, IAS 29 Financial reporting in hyperinflationary economies, IAS 8 Accounting policies, change in accounting estimates and errors and IFRS 13 fair value measurement. The accounting policies are applied consistently throughout the Group. The consolidated financial statements are presented in Zimbabwean dollars (ZW$) and all values are rounded to the nearest 1 000 dollars except where otherwise stated.

The consolidated financial statements are prepared using the general purchasing power of the functional currency for the purposes of fair presentation in accordance with IAS 29 (Financial Reporting in Hyperinflationary Economies) using the back stop date of 1 January 2019. This historical cost information has been restated for changes in the general purchasing power of the Zimbabwe dollar and as a result are stated in terms of the measuring unit current at the end of the reporting period. Accordingly, the inflation adjusted consolidated financial statements represent the primary financial statements of the Group. The historical cost financial statements have been provided by way of supplementary information.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 4.

2.1.1 (a) 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 reporting 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 following inflation adjustment factors derived from the monthly Consumer Price Indices as published by the Reserve Bank of Zimbabwe:

Period / Month	Factor
Prior year	1.6074
Jan-21	1.5246
Feb-21	1.4737
Mar-21	1.4412
Apr-21	1.4187
May-21	1.3835
Jun-21	1.3318
Jul-21	1.2986
Aug-21	1.2464
Sept-21	1.1901
Oct-21	1.1186
Nov-21	1.0576
Dec-21	1.0000

2 Summary of significant accounting policies (Continued)
2.1 Basis of preparation (Continued)

2.1.1 (a) Inflation adjustment

The main procedures applied for the above-mentioned restatements are as follows:

- Monetary assets and liabilities that are carried at amounts current at the reporting date are not restated because they are already expressed in terms of the monetary unit current at the reporting date. Monetary items are money held and items to be recovered or paid in money.
- Non-monetary assets and liabilities that are not carried at amounts current at the reporting date and components of shareholders' equity are restated by applying the relevant monthly conversion factors.
- Comparative financial information was converted using an adjusting factor of 1.6074 based on the Consumer Price Index (CPI) to hyper-inflate the amounts.
- All items of the income statements are restated by applying the relevant monthly, yearly average or year-end factors.

The inflation effects on cash and cash equivalents were shown separately in the reconciliation of cash and cash equivalents. The Group 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 requires that the restated amount of a non-monetary item be reduced, in accordance with the appropriate IFRSs, when it exceeds its recoverable amount. Accordingly, The Group assesses that the restated values of inventory are not above what it expects to realise from the sale of the inventory in the ordinary course of business. The restated carrying of vehicles and equipment is tested for impairment in accordance with the requirements of IAS 36, Impairment of assets.

(b) Statement of compliance

The Group's financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), promulgated by the International Accounting Standards Board (IASB) with the exception to IAS 21 Effects of Changes in Exchange Rates on accounting for change in functional currency, IAS 8 Policies, changes in accounting estimates and errors, IAS29 Financial statement reporting in hyperinflationary economies and IFRS 13 fair value measurement. Due to the inability of the Group to comply with both IAS 21 requirements and the laws and regulations stemming from Statutory Instrument ("SI") 33. SI 33 recognised RTGS dollars as a currency which was later recognised as Zimbawean dollars. For accounting purposes, the SI required all assets and liabilities that were, immediately before the effective date, valued and expressed in United States dollars on and after the effective date (22 February 2019) be deemed to be values in RTGS dollars at a rate of one-to-one to the United States dollar. This was in contravention of IAS 21 which requires the exchange rate to be market related. The consolidated financial statements therefore do not comply with the Zimbabwe Companies and other business entities Act and the Zimbabwe Stock Exchange (ZSE) Listing Requirements. The principal accounting policies applied in the preparation of these consolidated annual financial statements are except, where stated consistent with those applied in the previous annual financial statements.

(c) Going concern.

The Directors assess the ability of the Group to continue operating as a going concern at the end of each financial year. As at 31 December 2021, the Directors have assessed the Group will continue operating as a going concern in the near foreseeable future and believe that the preparation of these financial statements on a going concern basis is therefore still appropriate.

2.1.2 Changes in accounting policies and disclosures

(a) New and amended standards adopted by the Group
The Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2021. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Interest Rate Benchmark Reform – Phase 2 – Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16

Effective for annual periods beginning on or after 1 January 2021.

2 Summary of significant accounting policies (Continued)
2.1.2 Changes in accounting policies and disclosures (Continued)

On 27 August 2020, the IASB published Interest Rate Benchmark Reform – Phase 2, Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16. With publication of the phase two amendments, the IASB has completed its work in response to IBOR reform.

The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR). This amendment has no effect on the consolidated financial statements of the Group.

(a) New and amended standards adopted by the Group (Continued)

Reference to the Conceptual Framework – Amendments to IFRS 3

Effective for annual periods beginning on or after 1 January 2022.

In May 2020, the IASB issued Amendments to IFRS 3 Business Combinations - Reference to the Conceptual Framework. The amendments are intended to replace a reference to a previous version of the IASB's Conceptual Framework (the 1989 Framework) with a reference to the current version issued in March 2018 (the Conceptual Framework) without significantly changing its requirements. This amendment has no effect on the consolidated financial statements of the Group.

The amendments add an exception to the recognition principle of IFRS 3 to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37 Provisions, Contingent Liabilities and Contingent Assets or IFRIC 21 Levies, if incurred separately. The exception requires entities to apply the criteria in IAS 37 or IFRIC 21, respectively, instead of the Conceptual Framework, to determine whether a present obligation exists at the acquisition date.

At the same time, the amendments add a new paragraph to IFRS 3 to clarify that contingent assets do not qualify for recognition at the acquisition date. This amendment has no effect on the consolidated financial statements of the Group.

Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16

Effective for annual periods beginning on or after 1 January 2022.

The amendment prohibits entities from deducting from the cost of an item of property, plant and equipment (PP&E), any proceeds of the sale of items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the costs of producing those items, in profit or loss. The group is still assessing the impact on the consolidated financial statements of the Group.

Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37

Effective for annual periods beginning on or after 1 January 2022.

In May 2020, the IASB issued amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets to specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making.

The amendments apply a 'directly related cost approach'. The costs that relate directly to a contract to provide goods or services include both incremental costs (e.g., the costs of direct labour and materials) and an allocation of costs directly related to contract activities (e.g., depreciation of equipment used to fulfil the contract as well as costs of contract management and supervision). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract. The group is still assessing the impact on the consolidated financial statements of the Group.

Classification of Liabilities as Current or Non-current - Amendments to IAS 1

Effective for annual periods beginning on or after 1 January 2023.

In January 2020, the Board issued amendments to paragraphs 69 to 76 of IAS 1 Presentation of Financial Statements to specify the requirements for classifying liabilities as current or non-current.

2 Summary of significant accounting policies (Continued)

2.1.2 Changes in accounting policies and disclosures (Continued)

The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument, would the terms of a liability not impact its classification. The group is still assessing the impact on the consolidated financial statements of the Group.

2.2 Consolidation, Business Combinations and Goodwill

a) Basis of consolidation

The consolidated financial statements comprise the financial statements of Unifreight Africa Limited and its subsidiaries as at 31 December 2021. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the statement of comprehensive income and financial position from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between continuing operations of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a change of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary.
- Derecognises the carrying amount of any non – controlling interest.
- Derecognises the cumulative translation differences, recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss.
- Reclassifies the parent's share of components previously recognized in other comprehensive income to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

(b) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the acquirer measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs incurred are expensed and included in administrative expenses.

2 Summary of significant accounting policies (Continued)

2.2 Consolidation, Business Combinations and Goodwill (Continued)

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree. If the business combination is achieved in stages, the fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date and any resulting gain or loss is recognised in profit or loss.

(b) Business combinations and goodwill (Continued)

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability will be recognised in accordance with IFRS 9 either in profit or loss or as a change to other comprehensive income. If the contingent consideration is classified as equity, it should not be remeasured until it is finally settled within equity.

Goodwill is initially measured at cost being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interest over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in profit or loss as a gain on bargain purchase.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash generating unit retained.

2.3 Segment reporting

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

2.4 Foreign currency translation

(a) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

The Group adopted 22 February 2019 as the effective date for change of functional currency. SI 33 of 2019 became effective on 22 February 2019 the date it was gazetted. The spot rate as at 22 February 2019 onwards was determined as the market exchange rate at which the company was trading.

(b) Group companies

The results and financial position of all the Group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(i) assets and liabilities are translated at the closing rate at the reporting date;
(ii) income and expenses are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
(ii) all resulting exchange differences are recognised in other comprehensive income.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognised in other comprehensive income.

2 Summary of significant accounting policies (Continued)

2.5 Vehicles and equipment

Vehicles and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of property, vehicles and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the property, vehicles and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Motor vehicles	3 - 15 years
Equipment, furniture and fittings	3 - 10 years

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

An item of vehicles and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit and loss when the asset is derecognised.

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

2.6 Investment property

Property that is held for long-term rental yields or for capital appreciation or both; and that is not occupied by the companies in the Group, is classified as investment property.

Investment property is measured initially at its cost, including related transaction costs and borrowing costs. Borrowing costs include those incurred for the purpose of acquiring, constructing or producing a qualifying asset. After initial recognition, investment property is carried at cost less subsequent depreciation and impairment losses.

Investment properties are derecognised either when they have been disposed of or when the investment property is permanently withdrawn from use and no economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit and loss in the period of derecognition.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Transfers are made to (or from) investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under property, vehicles and equipment up to the date of change in use.

Investment property comprises land and buildings. Land is not depreciated. Depreciation on buildings is calculated using the straight-line method over 50 years.

Refer Note 2.19 for impairment of investment properties

2.7 Financial instruments – initial recognition and subsequent measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

2 Summary of significant accounting policies (Continued)
2.7.1 Financial assets
Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group'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.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement
For purposes of subsequent measurement, financial assets are classified as Financial assets at amortised cost.

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

- The rights to receive cash flows from the asset have expired.
  Or
- The Group 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 Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

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 Group could be required to repay.

Financial assets designated at fair value through OCI (equity instruments)
Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

2 Summary of significant accounting policies (Continued)

Financial assets designated at fair value through OCI (equity instruments) (Continued)

The Group elected to classify irrevocably its listed equity investments under this category.

Impairment of financial assets

Further disclosures relating to impairment of financial assets are also provided in the following notes:

- Critical accounting estimates and assumptions - Note 4
- Trade receivables - Note 12

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. The Group used year on year inflation and Consumer price index as forward looking factors for the purpose of calculating ECL. The Group considers a financial asset in default when contractual payments are 180 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.7.2 Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings.

Subsequent measurement

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

Financial liabilities at amortised cost

This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. 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 EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

This category generally applies to interest-bearing loans, borrowings and deferred consideration.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When 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 the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

2 Summary of significant accounting policies (Continued)

2.7.3 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.8 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average cost method for Uniforms and Stationery. Cost of Spares, Fuel, tyres, oils and lubricants is determined using the first in first out method. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

2.9 Cash and cash equivalents

Cash and short-term deposits in the statement of financial position comprise of cash, short-term deposits and bank overdraft with a maturity of three months or less.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents is as defined above net of bank overdrafts.

2.10 Share capital

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

2.11 Current and deferred tax

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

  Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

2 Summary of significant accounting policies (Continued)

2.11 Current and deferred tax (Continued)

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. The adjustment is either treated as a reduction in goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognised in profit or loss.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Value Added Tax

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

a) where the value added tax incurred on a purchase of assets or services is not recoverable from the taxation authorityt,in which case the value added tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable.

b) Receivables and payables that are stated with the amount of value added tax included.The net amount of value added tax recoverable from,or payabl to,the taxation authority is included as part of receivable or payables in the statement of financial position.

2.12 Employee benefits

(a) Pension obligations

The Group provides for pensions on retirement for all employees by means of a defined contribution pension fund which is administered by a Board of Trustees.

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

(b) Termination benefits.

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the group recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the end of the reporting period, then they are discounted.

2.13 Provisions

Provisions are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

2 Summary of significant accounting policies (Continued)

2.13 Provisions (Continued)

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

The Group's provisions is made up of expenses incurred by the group of which suppliers have not provided invoices.

2.14 Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies 2.19 Impairment of non-financial assets.

ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including insubstance fixed payments) less any lease incentives receivable.

The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Group's lease liabilities are disclosed as lease liabilities (see Note 9).

iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of land and buildings (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments below ZW$500 000 are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

2 Summary of significant accounting policies (Continued)

2.14 Leases

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

2.15 Dividend distribution

Dividend distribution to the company's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the company's board of directors.

2.16 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group's executive committee determines the policies and procedures for both recurring and non-recurring fair value measurement. The executive committee comprises of the Group CEO and heads of the various business units.

External valuers are involved for valuation of significant assets, such as properties. Involvement of external valuers is decided upon annually by the executive committee after discussion with and approval by the Group's finance and audit committee. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The executive committee decides, after discussions with the Group's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the executive committee analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group's accounting policies. For this analysis, the executive committee verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The executive committee, in conjunction with the Group's external valuers, also compares the changes in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

2 Summary of significant accounting policies (Continued)

2.16 Fair value measurement

On an interim basis, the valuation committee and the Group's external valuers present the valuation results to the finance and audit committee and the Group's independent auditors. This includes a discussion of the major assumptions used in the valuations.

2.17 Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss as the expense category that is consistent with the function of the intangible asset.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

2.18 Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment losses of continuing operations are recognised in the statement of profit or loss in expense categories consistent with the function of the impaired asset, except for properties previously revalued with the revaluation taken to OCI. For such properties, the impairment is recognised in Other Comprehensive Income up to the amount of any previous revaluation.

For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Intangible assets with indefinite useful lives are tested for impairment annually as at financial year end, as appropriate, and when circumstances indicate that the carrying value may be impaired.

2 Summary of significant accounting policies (Continued)

2.19 Discontinued operations and assets and liabilities held for sale

The Group classifies assets and liabilities as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Such assets and liabilities classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the sale, excluding the finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale or distribution is highly probable and the asset or liability is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the sale will be withdrawn. Management must be committed to the sale expected within one year from the date of the classification.

Property, vehicles and equipment and intangible assets are not depreciated or amortised once classified as held for sale.

Assets and liabilities classified as held for sale are presented separately as current items in the statement of financial position.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the profit or loss.

2.20 Revenue from contracts with customers

The Group is in the business of providing transport and logistics. Revenue from contracts with customers is recognised when goods are 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 has generally concluded that it is the principal in its revenue arrangements.

Transport and logistics services

This revenue can be disaggregated into, transport and courier, dedicated and specialised and International distribution. All these services are provided in Zimbabwe and revenue is recognised at a point in time when delivery is made to the customer. The normal credit term is 14 to 30 days upon delivery. In determining the transaction price, the Group considers the effects of variable consideration, existence of a significant financing component, noncash consideration, and consideration payable to the customer (if any).

3 Financial risk management

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk(including currency risk, interest rate risk and cash flow interest rate risk), credit risk and liquidity risk. The Group therefore adopts a non-speculative approach in managing risk whilst maximising profits.

Risk management is carried out by the Board's finance and risk Committee under policies approved by the board of directors. Group treasury identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The board provides principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of non-derivative financial instruments, and investment of excess liquidity.

(a) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, debt and equity investments and derivative financial instruments.

The sensitivity analyses in the following sections relate to the position as at 31 December in 2021 and 2020.

The following assumption has been made in calculating the sensitivity analyses:

- The sensitivity of the relevant statement of profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 December 2021 and 2020.

3 Financial risk management (Continued)
3.1 Financial risk factors (Continued)

(i) Foreign exchange risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenues or expenses are denominated in a different currency). The Group hedges this risk by borrowing Zimbabwean dollar denominated loans to finance expenses denominated in a different currency.

As at 31 December 2021, the Group had cash and cash equivalents of USD186 266 and 18 375 Rands (2020: USD76 645.10 and 22 064.50 Rands). The Group also has trade payables of USD 177 239.75 and 2 074 314.45 Rands (2020: USD86 572.50 and 546 091.24 Rands). The following table demonstrates the sensitivity to a reasonable possible change in the US$ and Rand exchange rate.

	Change in rates	Effect on profit/(Loss) before tax
2021	+10%	2,155,266
	-10%	(2,155,266)
2020	+10%	3,464,375
	-10%	(3,464,375)

(ii) Interest rate risk

The Group's interest rate risk arises from long term borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. Borrowings issued at fixed rates expose the Group to fair value interest rate risk. There is no impact on equity.

The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

The following table demonstrates the sensitivity to a reasonable possible change in the interest rates.

The following assumption has been made in calculating the sensitivity analyses:

- The sensitivity of the relevant statement of profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 December 2021 and 2020.

	Change in rates	Effect on Loss before tax
2021	1%	32,857
	-1%	(32,857)
2020	1%	52,814
	-1%	(52,814)

(b) Credit risk

Credit risk is managed on a Group basis. Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables and committed transactions. Management assess the quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set by the Audit and Finance Committee of the Board. The utilisation of credit limits is regularly monitored.

3 Financial risk management (Continued)
3.1 Financial risk factors (Continued)

Trade receivables and contract assets

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables and contract assets are regularly monitored and any freight services to major customers are generally covered by service level agreements. At 31 December 2021, the Group had 57 customers (2020: 37) that owed it more than ZW$1 million each and accounted for approximately 75% (2020: 61%) of all the receivables and contract assets outstanding. There were 3 customers (2020: 1 customers) with balances greater than ZW$10 million accounting for just over 15% (2020: 8%) of the total amounts of receivable and contract assets.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for all customers. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written-off if past due for more than one year and are not subject to enforcement activity. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 12. The Group does not hold collateral as security. The Group evaluates the concentration of risk with respect to trade receivables and contract assets as high, as its customers are located in one jurisdiction which is faced with deteriorating economy and operate in largely controlled market.

Receivables from related parties are not as a result of Revenue from contracts with customers and have not been included in the provision matrix since there is no material ECL associated with them.

There is no material ECL associated with cash and cash equivalents balance.

Set out below is the information about the credit risk exposure on the Group's trade receivables and contract assets using a provision matrix. The full extent of Covid-19 and its effect on repayments by customers has been incorporated in the determination of the provision matrix.

(b) Credit risk

31 December 2021	**Current 000**	**30 Days 000**	**60 Days 000**	**90 Days 000**	**120 Days 000**	**150 Days 000**	**180 Days 000**	**Total 000**
Expected credit loss rate	22%	31%	38%	44%	44%	44%	44%	
Estimated total gross carrying amount at default	185,158	44,405	7,705	2,019	1,993	2,688	6,853	250,821
Expected credit loss	**41,227**	**13,935**	**2,897**	**883**	**871**	**1,175**	**2,996**	**63,985**
31 December 2020								
Expected credit loss rate	4%	9%	26%	59%	100%	100%	100%	
Estimated total gross carrying amount at default	201,106	31,839	7,956	2,879	1,990	1,027	1,222	248,019
Expected credit loss	**8,044**	**2,865**	**2,069**	**1,698**	**1,990**	**1,027**	**1,222**	**18,916**

3.1 (c) Liquidity risk

Prudent liquidity risk management includes maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, Group treasury maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the Group's liquidity reserve which comprises undrawn borrowing facility, cash and cash equivalents on the basis of expected cash flow and funds from the major shareholder.

3 Financial risk management (Continued)

3.1 Financial risk factors (Continued)

The table below shows the maturity profile of the Group's liabilities based on undiscounted contractual cash flows.

At 31 December 2021	Up to 1 month ZW$ 000	2 to 6 months ZW$ 000	6 months to 1 year ZW$ 000	1 to 5 years ZW$ 000	Total ZW$ 000
Liabilities					
Trade and other payables	23,836	48,392	53,503	-	125,731
Lease liabilities	2,642	13,212	15,854	277,453	309,161
Borrowings	50,175	41,405	-	-	91,580
Total liabilities	**76,653**	**103,009**	**69,357**	**277,453**	**526,472**
At 31 December 2020					
Liabilities					
Trade and other payables	38,313	47,784	34,141	-	120,238
Deferred consideration	37	80	-	-	117
Lease liabilities	172	907	1,303	59,635	62,017
Borrowings	1,741	10,376	-	-	12,116
Total liabilities	**40,263**	**59,146**	**35,443**	**59,635**	**194,488**

3.2 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is total group borrowings less cash and cash equivalents. Total capital is the sum of Share capital and all reserves of the Group. The gearing ratio at 31 December 2020 was -2% (2019 - 0%).

	2021 ZW$ 000	2020 ZW$ 000
Total borrowings	43,856	12,116
Less: cash and cash equivalents	(24,739)	(81,379)
Net debt	19,117	(69,263)
Total equity	3,140,642	2,204,455
Total capital	3,159,760	2,135,192
Gearing ratio	**1%**	**-3%**

The group has excess cash in 2020 which will be utilised in capital expenditure.

4 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

4 Critical accounting estimates and judgements (Continued)

(a) Provision for expected credit losses of trade receivables

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by geography, product type, customer type and rating, and coverage by letters of credit and other forms of credit insurance.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the transport and logistics industry, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

(b) Income taxes

The Group is subject to income taxes in a number of jurisdictions. Significant judgement is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. Refer note 17 and note 23 for more information on income taxes.

(c) Useful lives and values of vehicles and equipment

The Group management determines the estimated useful lives and related depreciation charges for its property, equipment and vehicles and intangible assets. This estimate is based on projected lifecycles for these assets. Management will increase the depreciation charge where useful lives are less than previously estimated lives, or it will write off or write down technically obsolete or non-strategic assets that have been abandoned or sold. Refer note 6 for the carrying amount of property, vehicles and equipment and accounting policy note 2.5 for useful lives.

(d) Going concern

The Directors assess the ability of the Group to continue operating as a going concern at the end of each financial year.

Directors considered the following events or conditions that, individually or collectively, may cast significant doubt about the going concern assumption:

Financial

- Net liability or net current liability position.
- Fixed-term borrowings approaching maturity without realistic prospects of renewal or repayment; or excessive reliance on short-term borrowings to finance long-term assets.
- Indications of withdrawal of financial support by debtors and other creditors.
- Negative operating cash flows indicated by historical or prospective financial statements.

Adverse key financial ratios.

- Substantial operating losses or significant deterioration in the value of assets used to generate cash flows.
- Arrears or discontinuance of dividends.
- Inability to pay creditors on due dates.
- Inability to comply with other terms of loan agreements.
- Change from credit to cash-on-delivery transactions with suppliers.
- Inability to obtain financing for essential new product development or other essential investments.

4. Critical accounting estimates and judgements (Continued)

Operating

- Shortages of important supplies.
- Loss of key management without replacement.
- Loss of a major market, franchise, license, or principal supplier.
- Labour difficulties.

Other

- Pending legal or regulatory proceedings against the entity that may, if successful, result in claims that are unlikely to be satisfied.
- Non-compliance with capital or other statutory requirements.

As ta 31December 2021, the Directors have assessed the Group will continue operating as a going concern and believe that the preparation of these financial statements on a going concern basis is therefore still appropriate.

(e) Impairment of intangible and non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit (CGU) exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cashflow (DCF) model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to intangible assets with indefinite useful lives recognised by the Group.

(f) Determining the lease term of contracts with renewal and termination options – Group as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods 'covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered 'by an option to terminate the lease, if it is reasonably certain not to be exercised

The Group has several lease contracts that include extension options. The Group applies 'judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew ' the lease. That is, it considers all relevant factors that create an economic incentive for it to 'exercise either the renewal or termination. After the commencement date, the Group reassesses the lease 'term if there is a significant event or change in circumstances that is within its control and affects its ability 'to exercise or not to exercise the option to renew (e.g., construction of significant leasehold 'improvements or significant customisation to the leased asset).

The Group included the renewal period as part of the lease term for leases of land and buildings with 'shorter non-cancellable period (i.e., three to five years). The Group typically exercises its option to renew for 'these leases because there will be a significant negative effect on operations if a replacement asset is not 'readily available. The renewal periods for leases of land and buildings with longer non-cancellable periods '(i.e., 10 to 15 years) are not included as part of the lease term as these are not reasonably certain to be 'exercised.

(g) Property lease classification – Group as lessor

The Group has entered into commercial property leases on its investment property portfolio. The Group 'has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease 'term not constituting a major part of the economic life of the commercial property and the present value of 'the minimum lease payments not amounting to substantially all of the fair value of the commercial property, 'that it retains substantially all the risks and rewards incidental to ownership of these properties and accounts 'for the contracts as operating leases.

(h) Leases - Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

5a Revenue from contracts with customers

5a.1 Disaggregated revenue information

Set out below is the disaggregation of the Group's revenue from contracts with customers:

For the year ended 31 December 2021	Transport and Courier ZW$ 000	Dedicated and Specialised ZW$ 000	International distribution logistics ZW$ 000	Total ZW$ 000
Type of service				
Transport and logistics	2,860,052	335,070	16,595	3,211,716
Geographical Markets				
Zimbabwe	2,860,052	335,070	16,595	3,211,716
Timing of Revenue Recognition				
Services transferred at a point in time	2,860,052	335,070	16,595	3,211,716
For the year ended 31 December 2020				
Type of service				
Transport and logistics	2,001,248	416,002	23,577	2,440,827
Geographical Markets				
Zimbabwe	2,001,248	416,002	23,577	2,440,827
Timing of Revenue Recognition				
Services transferred at a point in time	2,001,248	416,002	23,577	2,440,827

5a.2 Contract Balances

	31 December 2021 ZW$ 000	31 December 2020 ZW$ 000
Trade Receivables	250,821	248,019

Trade receivables are non-interest bearing and are generally on terms of 14 to 30 days. In 2021, ZW$11 767 662 (2020: ZW$11 539 058) was recognised as provision for expected credit losses on trade receivables.

5a.3 Performance Obligations

Freight Delivery

The performance obligation is satisfied at the time of delivery of freight and payment is generally due within 7 to 30 days from delivery.

5b Segment Information

The Group has been restructured and reorganised to show a one-company-one-focus business, providing a transport and logistics solution.

The investment property companies' performance is shown as a separate segment.

5b Segment Information (Continued)

The segment results for the year ended 31 December 2021 are as follows:

	Transport and Logistics solution ZW$ 000	Investment property ZW$ 000	Consolidated ZW$ 000
Total segment revenue	3,211,716	-	3,211,716
Operating costs	(3,191,403)	(18,542)	(3,209,945)
Other income	598,463	41,657	640,120
Movement in expected credit losses	(45,070)	-	(45,070)
EBITDA	**573,706**	**23,115**	**596,821**
Net finance costs	(44,464)	-	(44,464)
Depreciation	(214,866)	(12,489)	(227,355)
Monetary Gain	(30,533)	(23,781)	(54,314)
Net profit before income tax	**283,843**	**(13,155)**	**270,688**
Income tax (charge)/ credit	239,308	66,520	305,828
Profit for the year	**523,151**	**53,365**	**576,517**
Statement of financial position as at 31 December 2021			
Assets			
Non-current assets	1,745,854	732,707	2,478,561
Current assets	506,327	32,511	538,837
Total assets	**2,252,181**	**765,217**	**3,017,398**
Liabilities			
Non-current liabilities	394,668	1,019	395,687
Current liabilities	287,091	4,238	291,328
Total liabilities	**681,759**	**5,257**	**687,016**

5b Segment Information (Continued)

The segment results for the year ended 31 December 2020 are as follows:

	Transport and Logistics solution ZW$ 000	Investment property ZW$ 000	Consolidated ZW$ 000
Total segment revenue	2,440,827	-	2,440,827
Total revenue to discontinued operations	-	-	-
Total revenue continuing operations	**2,440,827**	**-**	**2,440,827**
Operating costs	(1,935,951)	(14,031)	(1,949,982)
Other income	72,016	28078	100,094
Movement in credit losses	(370)	-	(370)
EBITD	**576,523**	**14,047**	**590,570**
Net finance costs	(11,695)	-	(11,695)
Depreciation	(312,766)	(20,448)	(333,214)
Monetary Gain	(222,627)	(107,620)	(330,247)
Net profit before income tax	**29,435**	**(114,021)**	**(84,587)**
Income tax	(43,029)	5,095	(37,934)
Profit for the year	**(13,594)**	**(108,925)**	**(122,521)**
Statement of financial position at 31 December 2020			
Assets			
Non-current assets	1,732,128	745,195	2,477,323
Current assets	549,425	16,826	566,251
Assets held for sale	-	72,428	72,428
Total assets	**2,281,553**	**834,449**	**3,116,002**
Liabilities			
Non-current liabilities	611,190	1,777	612,967
Current liabilities	280,027	3,667	283,694
Liabilities associated with assets held for sale	-	14,884	14,884
Total liabilities	**891,217**	**20,329**	**911,545**

Vehicles and equipment

6 Vehicles and equipment

	Motor vehicles ZW$ 000	Equipment, and furniture fittings ZW$ 000	Total ZW$ 000
At 1 January 2020			
Cost	2,118,875	205,472	2,324,347
Accumulated depreciation	(547,539)	(102,591)	(650,130)
Net carrying amount	**1,571,336**	**102,881**	**1,674,217**
Year ended 31 December 2020			
Opening net book amount	1,571,335	102,882	1,674,217
Additions	81,987	5,571	87,558
Disposals	(57,985)	-	(57,985)
Cost	60,954	-	60,954
Accumulated depreciation	(2,969)	-	(2,969)
Depreciation charge	(272,981)	(17,588)	(290,569)
Closing net carrying amount	**1,322,356**	**90,865**	**1,413,221**
At 1 January 2021			
Cost	2,139,909	211,044	2,350,953
Accumulated depreciation	(817,553)	(120,179)	(937,732)
Net carrying amount	**1,322,356**	**90,865**	**1,413,221**
Year ended 31 December 2021			
Opening net book amount	1,322,355	90,866	1,413,221
Additions	70,865	22,573	93,438
Disposals	(38,996)	-	(38,996)
Cost	69,650	-	69,650
Accumulated depreciation	(30,654)	-	(30,654)
Depreciation charge	(165,060)	(13,040)	(178,100)
Closing net carrying amount	**1,189,164**	**100,399**	**1,289,563**
At 31 December 2021			
Cost	2,141,122	233,618	2,374,740
Accumulated depreciation	(951,958)	(133,219)	(1,085,177)
Net carrying amount	**1,189,164**	**100,399**	**1,289,563**

7 Investment Property

	ZW$000
At 1 January 2020	
Opening net carrying amount	889,295
Depreciation charge	(48,996)
Closing net carrying amount	**840,299**
Year ended 31 December 2020	
Opening net carrying amount	840,299
Depreciation charge	(20,448)
Transfer to Assets held for sale	(74,656)
Net carrying amount	**745,195**
At 1 January 2021	
Cost	785,230
Accumulated depreciation	(40,034)
Net carrying amount	**745,195**
Year ended 31 December 2021	
Opening net carrying amount	745,195
Depreciation charge	(12,489)
Closing net carrying amount	**732,707**
At 31 December 2021	
Cost	785,230
Accumulated depreciation	(52,523)
Net carrying amount	**732,707**

The fair value of investment properties as at 31 December 2021 is ZW$608 750 163 (2020: ZW$719 893 379). Ref Note 10.1

	2021 ZW$ 000	2020 ZW$ 000
Rental income derived from investment properties	17,464	28,072
Direct operating expenses (including repairs and maintenance) generating rental income	(8,057)	(12,951)
Direct operating expenses (including repairs and maintenance) that did not generate rental income	(20,087)	(32,288)
	(10,680)	**(17,167)**

The Group has no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

8 Intangible asset

	2021 ZW$ 000	2020 ZW$ 000
Carrying amount at 1 January	67,181	67,181
Carrying amount at 31 December	**67,181**	**67,181**

The intangible asset was acquired in a business combination and relates to the intellectual property rights in relation to the SWIFT name.

8 Intangible asset (Continued)

The intangible asset has been evaluated as having an indefinite useful life as the brand name is very popular in Zimbabwe and is expected to continue as such for the foreseeable future. The Group performed its annual impairment test for its intangible assets with an indefinite useful life and there was no impairment recorded. The Group based the recoverable amount of the cash generating unit on a value in use calculation. The following key assumptions were used in the value in use calculation:

- Carrying amount of the intangible asset was allocated to the SWIFT cash generating unit
- Discount rate of 45%
- Growth rates used to extrapolate cash flows beyond the forecast period of 10%
- After incorporating any consequential effects, the assumptions change after 5 years

9 Leases

The Group has lease contracts for various land and buildings used in its operations. Leases of land and buildings generally have lease terms between 5 and 10 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning, and subleasing the leased assets. There are several lease contracts that include extension options and which are further discussed below.

The Group also has certain leases of land and buildings with lease terms of 12 months or less and leases of office equipment with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases. There are no rental payments for extension options not expected to be exercised.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

	Land and Buildings ZW$ 000
As at 1 January 2020	**63,446**
Modification	**207,762**
Depreciation expense	(19,483)
As at 31 December 2020	**251,725**
As at 1 January 2021	**251,725**
Modification	174,152
Depreciation expense	(36,766)
As at 31 December 2021	**389,111**

Set out below are the carrying amounts of lease liabilities and the movements during the period:

	2021 ZW$ 000
As at 1 January	**62,017**
Interest Accrual	26,799
Modification	174,152
Payments	(59,730)
Net monetary loss	(42,205)
As at 31 December	**161,033**
Current	7,013
Non-current	154,020

9 Leases

	2020 ZW$ 000
As at 1 January	**16,238**
Interest Accrual	6,454
Modification	207,761
Payments	(8,469)
Net monetary loss	(159,967)
As at 31 December	**62,017**
Current	2,382
Non-current	59,635

The maturity analysis of lease liabilities are disclosed in Note 3.1(c)

Weighted Average Borrowing rate of 15.9% was used to discount future lease payments.

	2020 ZW$ 000
The following are the amounts recognised in profit or loss:	
Depreciation expense of right-of-use assets	36,766
Interest expense on lease liabilities	26,799
Expense relating to short-term and low value leases	234,024
Total amount recognised in profit or loss	**297,589**
Depreciation expense of right-of-use assets	19,483
Interest expense on lease liabilities	6,454
Expense relating to short-term and low value leases	121,236
Total amount recognised in profit or loss	**147,173**

The Group had total cash outflows for leases of ZW$266 956 025 in 2021(ZW$134 661 698 in 2020).

Group as a lessor

The Group has entered into operating leases on its investment property portfolio consisting of certain office, residential and warehousing buildings (see Note 7). These leases have terms of 1 year with options to renew. All leases include a clause to enable upward revision of the rental charge on an annual basis according to prevailing market conditions. Rental income recognised by the Group during the year is ZW$41 657 394 (2020: ZW$5 982 960).

Future minimum rentals receivable under non-cancellable operating leases as at 31 December are as follows:

	2021 ZW$ 000	2020 ZW$ 000
Within one year	50,609	39,968
After one year but not more than five years	-	-
More than five years	-	-

Financial assets at amortised cost

10 Financial instruments by category

	2021 ZW$ 000	2020 ZW$ 000
Assets as per statement of financial position		
Trade and other receivables (excluding prepayments and VAT receivable)	298,583	229,634
Cash and Cash Equivalents	24,739	81,379
	323,322	**311,013**
Financial liabilities at amortised cost		
Liabilities as per statement of financial position		
Loans and borrowings	43,856	12,117
Trade and other payables	240,459	190,023
Deferred consideration	-	117
Total	**284,314**	**202,257**
Financial assets at FVOCI		
Equity instruments designated at fair value through OCI		
Listed Equity investment		
Zimplow Limited	810,258	-

10.1 Fair value measurement

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities.

Fair value hierarchy		Level 1 ZW$ 000	Level 2 ZW$ 000	Level 3 ZW$ 000	Total Fair Value ZW$ 000
Assets at fair value					
Investment property	31 December 2021	-	-	608,750	**608,750**
	31 December 2020	-	-	719,893	**719,893**
Listed Equity investment					
Zimplow Limited	31 December 2021	810,258	-	-	**810,258**
	31 December 2020	-	-	-	**-**

This investment was irrevocably designated at fair value through OCI as the Group considers these investments to be strategic in nature.

Fair value of these equity shares are determined by reference to published price quotations in an active market.

Movement in listed equity investment balance is as follows:

	2021 ZW$ 000	2020 ZW$ 000
Balance as at 1 January	**-**	**-**
Acquisition	438,845	-
Fair value movement	371,413	-
Fair value movement net of tax	363,985	-
Deferred tax	7,428	-
Balance as at 31 December	**810,258**	**-**

10.1 Fair value measurement (Continued)

Fair value of the investment properties was determined by using the implicit investment approach. This method is based on the principle that rentals and capital values are inter-related, hence given income produced by a property, its capital value can be estimated. At the date of valuation, 31 December 2021, the investment properties' fair values are based on valuations performed by Dawn Property Consultancy (Private) Limited, an accredited independent valuer. The current use of the investment properties have been evaluated as the highest and best use options for the properties.

Price per square metre
US$400-US$1,250 (2020:US$400-US$1 250)

Significant increases (decreases) in estimated price per square metre in isolation would result in a significantly higher/(lower) fair value.

Valuation Technique	Significant unobservable data	Range
Market comparable method	Rentals per square metre	US$1.75.00 US$3.00 (2020:US$2.00 US$3)

Valuers relied on USD inputs, an auction exchange rate of 108.66 was used to convert the USD values to ZW$.

	2021 ZW$ 000	2020 ZW$ 000
11 Inventories		
Spares, fuel and stationery	193,670	203,211
Write-down of inventories to net realisable value	-	-
	193,670	**203,211**

Inventories are written-off when they are either damaged or they have become wholly or partially obsolete. There were no inventory write-off for 2021 and 2020

There are no inventories pledged as security for liabilities for the year 2021 and 2020

Inventories with a carrying amount of ZW$447 679 750 (2020: ZW$225 856 389) were recognised as an expense.

12 Trade and other receivables

	2021 ZW$ 000	2020 ZW$ 000
Current		
Trade receivables	250,821	248,019
Receivables due from related parties (note 28)	7,988	6,105
Less: provision for impairment	(63,985)	(18,916)
Trade receivables - net	**194,824**	**235,208**
Prepayments	20,822	5,441
Staff debtors	187	1,042
VAT receivable	723	133
Other debtors	103,572	39,836
	320,128	**281,660**

Trade and other receivables are non-interest bearing and are generally on terms of 30 days.

As at 31 December 2021 trade and other receivables of ZW$63 984 647 (2020: ZW$ 18 547 881) were past due and impaired.

As at 31 December 2021 trade and other receivables of ZW$185 158 496 (2020: ZW$102 664 165) were not yet due

12 Trade and other receivables (Continued)

The carrying amounts of the Group's trade and other receivables are denominated in Zimbabwean Dollars (ZW$).

The maximum exposure to credit risk at the reporting date is the carrying amount of each class of receivable mentioned above.

The Group does not hold any collateral as security.

Movements on the provision for impairment of trade receivables are as follows:

	2021 ZW$ 000	2020 ZW$ 000
At 1 January	18,915	18,545
Increase for the year	45,070	370
At 31 December	**63,985**	**18,915**

The creation and release of provision for impaired receivables have been included in operational expenses in the statement of comprehensive income. Amounts charged to the allowance account are generally written off, when there is no expectation of recovering additional cash. The other classes within trade and other receivables do not contain impaired assets.

13 Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following at 31 December:

	2021 ZW$ 000	2020 ZW$ 000
Cash at banks and on hand	24,739	81,379

14 Share capital and reserves

Share capital	Number of shares	Ordinary shares ZW$ 000	Share premium ZW$ 000	Non-distributable Reserve ZW$ 000	Total ZW$ 000
At 31 December 2021	106,474,237	47,700	92,265	1,622,559	**1,762,524**
At 31 December 2020	106,474,237	47,700	92,265	1,622,559	**1,762,524**

The total number of authorised ordinary shares is 140 000 000 shares with a par value of 6.21 cents.

There are 33 525 763 unissued shares which are under the control of the directors as at reporting date. All issued shares are fully paid.

Non Distributable Reserve
The reserve arose on the conversion of United States dollar balances to the new functional currency of Zimbabwean dollars.

The Group applied a policy that if the underlying asset that caused the reserve is realised then the respective non-distributable reserve is reclassified directly to Retained earnings for possible distribution. Realisation happens when the related asset from which the reserve emanated is sold.

15 Trade and other payables

	2021 ZW$ 000	2020 ZW$ 000
Current		
Trade payables	138,960	90,561
Trade payables due to related parties (note 28)	36,752	10,027
Accrued expenses	33,212	19,650
Social security and other statutory liabilities	31,535	69,785
	240,459	**190,023**

Trade and other payables are non-interest bearing and are normally on 30 day terms.

Non-current trade and other payables are non-interesting bearing and will be settled within one to five years.

16 Borrowings

	2021 ZW$ 000	2020 ZW$ 000
Borrowings classified as equity		
Shareholders' loans at beginning of year	400,009	400,009
Transfer from shareholders' loans	-	-
	400,009	**400,009**
Other Borrowings		
Non-current		
Loans and borrowings	-	-
	-	-
Current		
Loans and Borrowings	43,856	12,116
Total borrowings	**43,856**	**12,116**

The following is the reconciliation of loans and borrowings for statement of cashflows purposes:

	2021 ZW$ 000	2020 ZW$ 000
Balance as at 1 January	**12,234**	**72,362**
Net Monetary Gain	(7,821)	(7,558)
Proceeds from borrowings	75,913	16,751
Payment of borrowings	(36,470)	(69,321)
Balance as at 31 December	**43,856**	**12,234**
Total loans and borrowings	43,856	12,116
Deferred consideration	-	118

Shareholders' loans
The loans are from the major shareholders and are denominated in US Dollars. These loans are unsecured, interest free and are not to be repaid or demanded in the near foreseeable future. The shareholder loans were used to fund the capital expenditure requirements of the business. These loans were all reclassified to equity in 2016.

Loans and borrowings
Loans and borrowings relate to arrangements entered into to finance the working capital gap. The amounts are effectively secured by cession of trade receivables in the event of default. The interest rates are between 50% and 65% and the liabilities will be repaid in full by June 2022.

Deferred consideration
In June 2014 the company issued 51,497,587 ordinary shares as consideration for the business of Unifreight Limited. The fair value of the shares is calculated with reference to the quoted price of the shares of the Company at the date of acquisition, which was ZW$ 0.05 each. The fair value of the consideration given is therefore ZW$ 71 746 861.

In addition, as part of the consideration there will be additional cash payments to Unifreight Limited of ZW$ 25,000 per month for a five (5) year period for the intellectual property rights relating to the use of the name SWIFT in perpetuity and ZW$ 19,750 per month for a three (3) year period for the information operating systems and technology relating thereto starting in 2014. In 2014 Unifreight Limited agreed that re-payments were starting in 2016.

16 Borrowings (Continued)

As at the acquisition date, the fair value of the consideration liability was estimated to be ZW$ 46 039 630. The fair value at initial recognition was determined using discounted cash flow method using the rate of 14%. This is classified as a financial liability at amortised cost.

Reconciliation of deferred consideration	2021 ZW$ 000	2020 ZW$ 000
At 1 January	118	2,005
Monetary Gain	-	(1,557)
Payments	(122)	(362)
Interest expense	4	31
At 31 December	**-**	**118**
Disclosed as:		
Deferred consideration		
Non current	-	-
Current	-	118
	-	**118**

17 Deferred tax

	Note	2021 ZW$ 000	2020 ZW$ 000
The gross movement on the deferred tax is as follows :			
At beginning of year		553,336	594,102
Movement in temporary differences current year	**23**	(319,098)	(18,147)
Movement through other comprehensive income	**10.1**	7,428	-
Rebasing of tax bases		-	(22,619)
At end of year		**241,666**	**553,336**
Disclosed as:			
Deferred tax liability		241,667	553,336
Net		**241,667**	**553,336**
Deferred tax relates to the following:			
Vehicles and equipment		101,443	306,259
Investment properties		66,520	184,073
Right of use of asset		57,475	47,358
Lease liability		(29,710)	(14,638)
Inventories		2,494	8,165
Prepayments		656	287
Assets held for sale		-	17,065
Unrealised exchange losses		38,284	9,624
Assessed loss		(2,924)	-
Investment in Equity instruments at FVOIC		7,428	-
Provisions		-	(4,858)
		241,666	**553,336**

18 Retirement benefits

18.1 Defined contribution fund

The Group operates a defined contribution plan pension scheme. A Board of Trustees administers the fund. All full time and permanent employees are eligible for membership. The plan is funded by contributions by the companies in the Group and eligible employees. The company does not carry any risk associated with the pension fund. All risk is carried by the members and the company's liability is limited to the company's contribution to the fund.

18.2 National Social Security Authority

The Group and all its employees based in Zimbabwe contribute to the National Social Security Scheme promulgated under the National Social Security Act of 1989.The Group's obligation is limited to specific contributions as legislated from time to time.

Contributions to the above funds made during the current year are disclosed in note 21.

	2021 ZW$ 000	2020 ZW$ 000
19 Other operating income		
Scrap metal disposal proceeds	535	208
Profit on disposal of investment in associate	236,278	-
Profit on disposal of investment in subsidiary	275,975	-
FOOD HAMPERS	2,169	-
Houseboat hire	-	521
Fuel sales	7,549	54,369
Vehicle repairs	94	-
Investment property income	41,657	27,063
Commission Received	-	1,456
Other income	1,968	330
Trailer hire	-	3,395
Foreign exchange gains	73,649	12,378
RBZ Export incentives	247	374
	640,120	**100,094**
20 Operating expenses		
Employee benefit expenses (note 21)	1,071,212	781,324
Vehicle operating expenses	61,082	26,008
Inventory recognised as an expense	447,680	225,856
Fuel used	507,781	322,379
Short term/ low value lease expense	234,024	121,236
Depot/site operating expenses	277,504	203,403
IT and communication expenses	34,665	25,015
Forwarding and agent expenses	233,687	129,008
Freight movement expenses	183,464	8,322
Advertising and marketing expenses	44,012	24,391
Printing and stationary	18,516	22,186
Audit fees	19,302	9,910
Loss on disposal of vehicles and equipment	15,375	38,953
Bank charges	53,333	9,873
Legal fees	8,307	2,117
	3,209,945	**1,949,981**

21 Employee benefits expense

	2021 ZW$ 000	2020 ZW$ 000
Wages and salaries (including all directors' fees and emoluments)	1,052,367	768,720
Pension contributions - Defined contribution plan	6,797	2,125
Social security contributions	12,048	10,479
	1,071,212	**781,324**
Average number of people employed	**812**	**812**

22 Finance cost

	2021 ZW$ 000	2020 ZW$ 000
Interest expense		
- bank borrowings	17,661	5,210
- Consideration liability	4	31
- lease liabilities	26,799	6,454
	44,464	**11,695**

23 Income tax

	2021 ZW$ 000	2020 ZW$ 000
Major components of income tax are:		
Normal income tax:		
- Current income tax	4,905	78,690
- Capital Gains Tax	8,365	-
Deferred tax:		
- Movement in temporary differences (note 17)	(319,098)	(18,147)
- Rebasing of tax bases	-	(22,619)
	(305,828)	**37,924**

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profit of the consolidation entities as follows :

	2021 ZW$ 000	2020 ZW$ 000
Profit before tax from continuing operations	274,790	(84,585)
	274,791	**(84,585)**
Tax calculated at 24.72%	**67,928**	**(20,909)**
Other non-taxable income	-	(12,864)
Rebasing of tax bases	-	(22,619)
Profit on disposal of investment in associate	(58,408)	-
Profit on disposal of investment in subsidiary	68,221)	-
Gain/ (loss) on net monetary position	(257,380)	94,316
Other non-deductible expenses	50	-
Tax (Credit)/ expense	**(316,031)**	**37,924**

The group has assessed tax losses of ZW$11,829,797 (2020: Nil) that are available for offsetting against future taxable profits of the companies in which the losses arose.

23 Income tax (Continued)

	2021 ZW$ 000	2020 ZW$ 000
Opening Balance	79,051	45,261
Payment	(4,367)	(16,465)
Current income tax	4,905	78,690
Monetary gain	(79,889)	(28,435)
Income tax (asset)/ payable	**(300)**	**79,051**

24 Earnings per share

Basic

Basic earnings per share are calculated by dividing the profit/(loss) attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares in issue during the year.

Diluted earnings per share are calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. In 2020 the company had no category of dilutive potential ordinary shares.

The following reflects the income and share data used in the basic and diluted earnings per share computations:

Earnings/ (Loss) attributable to ordinary equity holders of the parent:

	2021 ZW$ 000	2020 ZW$ 000
Continuing operations	580,618	(122,509)
Discontinued operations	-	-
Earnings/ (loss) attributable to ordinary equity holders of the parent for basic earnings	**580,618**	**(122,509)**

The following reflects the income and share data used in the headline earnings per share computations:

	2021 ZW$ 000	2020 ZW$ 000
Profit/ (loss) for the year from continuing operations	580,618	(122,508)
Capital gains tax on the disposal of associates and subsidiary	(8,365)	-
Profit on disposal of investment in associate	(236,278)	-
Profit on disposal of investment in subsidiary	(275,975)	-
Loss/ (Profit) on asset disposal	15,375	38,953
Earnings/ (loss) attributable to ordinary equity holders of the parent for headline earnings	**75,375**	**(83,556)**

There has been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of authorisation of these financial statements.

There are no instruments that could potentially dilute basic earnings per share in the future, but were not included in the calculation of diluted earnings per share because they are antidilutive for the periods presented.

To calculate the EPS for discontinued operations (note 31), the weighted average number of ordinary shares for both the basic and diluted EPS is as per above. The following provides the profit/(loss) amount used:

24 Earnings per share (Continued)

	2021 ZW$ 000	2020 ZW$ 000
Profit/(loss) attributable to ordinary equity holders of the parent from discontinued operations for the basic and diluted EPS calculations	-	-
Weighted average number of ordinary shares for basic, headline and diluted EPS	**106,474,237**	**106,474,237**

25 Distributions made and proposed

	2021 ZW$ 000	2020 ZW$ 000
Cash dividends on ordinary shares declared		
Final dividend for 2021: 7.90 cents per share (2020: 12.71 cents per share)	8,416	13,528

26 Cash generated from operations

	2021 ZW$ 000	2020 ZW$ 000
Profit before tax from continuing operations	274,790	(84,586)
Loss before tax from discontinued operations	-	-
Adjusted for :		
Gain on net monetary position	54,314	330,246
Dividend Received	(4,102)	-
Profit on disposal of investment in associate	(236,278)	-
Profit on disposal of investment in subsidiary	(275,975)	-
- Unrealised exchange losses	6,925	11,131
- Depreciation	227,355	333,213
- (Profit)/ Loss on disposal of property, vehicles and equipment	15,375	38,953
- Net finance cost	44,460	11,664
- Interest on consideration liability	4	32
- Increase in provision for doubtful debts expensed	45,070	370
Changes in working capital:		
- Inventories	109,544	124,085
- Trade and other receivables	(49,590)	(79,618)
- Trade and other payables	15,811	25,254
Cash (utilised)/generated from operations	**227,703**	**710,744**

27 Commitments and contingent liabilities

There are no capital commitments approved for 2021 and 2020.

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 ZW$ 895,800.The cases have been assessed and the probability of an outflow is minimal.

28 Related-party transactions

H.B.W. Rudland who is a Shareholder of the Company is also one of the majority shareholders and/ or director of the companies indicated below with whom the Group has significant contracts and common shareholding with the Group.

The following transactions were carried out with related parties:

(i) Purchase of goods and services from entities with common shareholding:

	2021 ZW$ 000	2020 ZW$ 000
- Purchase of vehicle/spares/services from Scanlink (Private) Limited	48,507	38,751
- Tyres from Tredcor	-	22,865
- Rental charges by Unifreight Limited	70,290	33,192
	118,797	**94,807**

28 Related-party transactions (Continued)

	2021 ZW$ 000	2020 ZW$ 000
Goods and services are purchased based on the price list in force and terms that would be available to third parties on an arms-length basis		
(ii) Year end balance arising from purchases of goods and services		
Payables to related parties		
- Scanlink (Private) Limited	32,446	7,550
- Trentyre	-	2,478
- Unifreight (Private) Limited	4,307	-
	36,752	**10,027**
(iii) Year end balance arising from sales of goods and services		
Receivables due from related parties		
- Scanlink (Private) Limited	4,884	1,115
- Unifreight Tyre services (Private) Limited	-	-
- Unifreight (Private) Limited	3,102	4,986
- Umfurudzi (Private) Limited	-	-
- Trentyre	2	4
	7,988	**6,105**

Related-party transactions (continued)

(v) Directors' shareholdings
R.E. Kuipers directly has a joint-shareholding of 3,391,041 shares.

All other Directors have no shareholdings either directly or indirectly.

	2021 ZW$ 000	2020 ZW$ 000
(vi) Key management compensation		
Post employment benefits	-	386
Salaries and other short term employee benefits	11,479	6,093
	11,479	**6,479**

29 Investments in subsidiaries

Operating Companies	**Business**
Pioneer Clan (Botswana) (Proprietary) Limited (100%) (2020 - 100%)	Cross border freight haulage and logistics
Clan Transport Company (Private) Limited (100%) (2020 - 100%)	Road freight within Zimbabwe
Trek Transport (Private) Limited t/a Skynet Worldwide Express (100%) (2020 - 100%)	Courier services
Clan Properties (Private) Limited (100%) (2020 - 100%)	Property-owning
Kirkman & Kukard (Private) Limited (100%) (2020 - 100%)	Property-owning
Birmingham Road Property (Private) Limited (disposed) (2020 - 100%)	Property-owning
Clan Services (Private) Limited (100%) (2020 - 100%)	Investment owning
Pioneer Clan Holdings (Botswana) (Proprietary) Limited (100%) (2020 - 100%)	Investment owning

30 Assets held for sale

31 December 2021

Disposal of investment in associate

Tredcor (Private) Limited (Tredcor)
At 7 August 2020 the board of directors resolved to dispose of its 51% investment in Tredcor (Private) Limited (Tred) which was previously classified as an associate. On 22 September 2020 an agreement was signed with Zimplow Holdings Limited (Zimplow) in terms of which the Group dispose its 51% shareholding in Tred for ZW$67 633 926.98 payable in the form of 18 399 564 newly issued Zimplow shares. This disposal is effective 30 June 2021. Due to the associate being loss making, the equity accounted investment in associate value is nil (2020:nil). The fair value of the Zimplow shares as at 30 June 2021 is 964.22 cents per share which translate to ZW$ 236 277 669 being the fair value of the consideration.

	June 2021 ZW$ 000
Equity accounted value of investment in associate	-
Consideration received - Investment in equity instrument	236,278
Profit on disposal - Other income	**236,278**

Disposal of subsidiary

Birmingham Investments (Private) Limited (Birmingham)
At 7 August 2020 the board of directors resolved to dispose of its wholly-owned subsidiary Birmingham Investments (Private) Limited (Birmingham). On 22 September 2020 an agreement was signed with Zimplow Holdings Limited (Zimplow) in terms of which the Group dispose its entire shareholding in Birmingham for a purchase consideration of ZW$57 984 401.88 payable in the form of 15 774 446 newly issued Zimplow ordinary shares. The disposal is effective 30 June 2021. The fair value of the Zimplow shares as at 30 June 2021 is 1 284.15 cents per share which translate to ZW$ 202 567 264 being the fair value of the consideration.

At 7 August 2020 Birmingham Investments (Private) Limited were classified as assets/liabilities held for sale.

The fair value of the assets and liabilities previously disclosed as assets/liabilities held for sale were as follows:

	June 2021 ZW$ 000
Assets	71,247
Liabilities	2,160
Net Assets	**73,408**
Consideration received - Investment in equity instrument	202,567
Profit on disposal of subsidiary - Other Income	**275,975**
Net cash outflow	-

31 December 2020

Tredcor (Private) Limited (Tredcor)
At 7 August 2020 the board of directors resolved to dispose of its 51% investment in Tredcor (Private) Limited (Tredcor) which was previously classified as an associate. On 22 September 2020 an agreement was signed with Zimplow Holdings Limited (Zimplow) in terms of which the Group will dispose its 51% shareholding in Trek for ZW$67 633 926.98 payable in the form of 18 399 564 newly issued Zimplow shares. This disposal is effective 30 June 2021. Due to the associate being loss making, the equity accounted investment in associate value is nil.

The following table illustrates the summarised financial information of the Group's investment in Tredcor (Private) Limited:

	2021 ZW$ 000	2020 ZW$ 000
Current assets	-	40,968
Non-current assets	-	220,384
Current liabilities	-	175,495
Non-current liabilities	-	53,756
Equity	-	(77,282)
Group's share in equity – 51%	**-**	**(39,414)**
Goodwill	-	-
Group's carrying amount of the investment	-	-

30 Assets held for sale (Continued)

Birmingham Investments (Private) Limited (Birmingham)
At 7 August 2020 the board of directors resolved to dispose of its wholly-owned subsidiay Birmingham Investments (Private) Limited (Birmingham). On 22 September 2020 an agreement was signed with Zimplow Holdings Limited (Zimplow) in terms of which the Group will dispose its entire shareholding in Birmingham for a purchase consideration of ZW$57 984 401.88 payable in the form of 15 774 446 newly issued Zimplow ordinary shares. The disposal is effective 30 June 2021.

At 7 August 2020 Birmingham Investments (Private) Limited were classified as assets/liabilities held for sale.

	2021 ZW$ 000	2020 ZW$ 000
Assets		
Properties	-	71,943
Investment in associate	-	-
Prepayments	-	482
Cash and cash equivalents	-	3
Total Assets	**-**	**72,428**
Liabilities		
Trade and other payables	-	108
Deferred tax	-	14,778
Total Liabilities	**-**	**14,886**

31 COVID-19 Impact

The Company wishes to comment on the Corona Virus (COVID-19) pandemic due to the impact it is has had to date and is expected to have in future on companies worldwide. Particularly, the impact on the appropriateness of the use of the going concern assumption in the preparation of the financial statements.

Property, Vehicles and Equipment
The entity has been trading even during the Covid shutdown thus there has been no indications of impairment due to assets lying idle.

Inventories
Most of the spare parts are sourced locally and the business has been able to get all their requirements even during Covid shut down.

The Group is not in the business of trading inventories thus they have no slow moving stock due to Covid effects.

Trade and other Receivables
The business has been able to regain its revenue and customers have started performing in paying their outstanding balances. The effect of Covid 19 on ECL calculation has been included in the forward looking adjustment of ECL.

Trade and other Payables
The business has been performing well in discharging its obligations to creditors. The Group has thus been able to meet all the payment terms of its Creditors as they fall due.

Loans and Borrowings
The Group has been able to meet all the payment terms of its loans and borrowings. In most instances, the Group has discharged the full loan balance in advance before the end of the tenure.

Shareholders' Analysis

	2021				2020				
	No. of Shareholders	%	No. of Issued Shares	%		No. of Shareholders	%	No. of Issued Shares	%
SIZE OF HOLDING									
1-1000	558	58.31%	201,828	0.19%		558	58.31%	201,828	0.19%
1001-5000	237	24.76%	525,690	0.49%		237	24.76%	525,690	0.49%
5001-10000	63	6.58%	465,624	0.44%		63	6.58%	465,624	0.44%
10001-50000	61	6.37%	1,228,266	1.15%		61	6.37%	1,228,266	1.15%
50001-500000	24	2.51%	3,822,207	3.59%		24	2.51%	3,822,207	3.59%
500001 and over	14	1.46%	100,230,622	94.14%		14	1.46%	100,230,622	94.14%
	957	**100.00%**	**106,474,237**	**100.00%**		**957**	**100.00%**	**106,474,237**	**100.00%**
SHAREHOLDERS BY TYPE									
Banks and Nominees	26	2.72%	3,626,768	3.41%		26	2.72%	3,626,768	3.41%
Insurance Companies	2	0.21%	1,210	0.00%		2	0.21%	1,210	0.00%
Other Corporates	153	15.99%	93,230,092	87.56%		153	15.99%	93,230,092	87.56%
Pension Funds	1	0.10%	5,000	0.00%		1	0.10%	5,000	0.00%
Resident Individuals	741	77.43%	7,839,238	7.36%		741	77.43%	7,839,238	7.36%
Non Resident Shareholders	27	2.82%	1,759,544	1.65%		27	2.82%	1,759,544	1.65%
Deceased Estates	7	0.73%	12,385	0.01%		7	0.73%	12,385	0.01%
	957	**100.00%**	**106,474,237**	**100.00%**		**957**	**100.00%**	**106,474,237**	**100.00%**
TOP SHAREHOLDERS									
Unifreight Limited			51,497,587	48.37%	Unifreight Limited			51,497,587	48.37%
Drop Hill Investments P/L			10,586,714	9.94%	Drop Hill Investments P/L			10,586,714	9.94%
High Wind Investments P/L			9,125,366	8.57%	High Wind Investments P/L			9,125,366	8.57%
Earnbridge Investments P/L			7,161,452	6.73%	Earnbridge Investments P/L			7,161,452	6.73%
Holdsworth Holdings P/L			4,069,131	3.82%	Holdsworth Holdings P/L			4,069,131	3.82%
Robert Kuipers + Shane Beamish			3,391,041	3.18%	Robert Kuipers + Shane Beamish			3,391,041	3.18%
Ramsway P/L			3,388,897	3.18%	Ramsway P/L			3,388,897	3.18%
Stanbic Nominees P/L			3,271,865	3.07%	Stanbic Nominees P/L			3,271,865	3.07%
Heathier-way Investments P/L			3,200,000	3.01%	Heathier-way Investments P/L			3,200,000	3.01%
Other			10,782,184	10.13%	Other			10,782,184	10.13%
			106,474,237	**100.00%**				**106,474,237**	**100.00%**


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(A public company incorporated in the Republic of Zimbabwe under company registration number 304/1970)
("Unifreight Africa Limited" or "the Company")

Proxy Form

For use by the Company's shareholders at the Annual General Meeting of shareholders to be held in the History Boardroom of the Harare Royal Golf Club, 5th Street Extension/Joisah Tongogara Avenue, Harare on 30th September 2022 at 10.00am to conduct the following business.

Each member entitled to attend and vote at the AGM is entitled to appoint one person as his/her proxy, who need not be a member of the Company, to attend, speak and vote in his/her stead at the AGM.

I/We ____
(Name in block letters)

Of ____

Being the holder of ____shares in the Company hereby appoint

1.______________________________________ of ____________________or failing him/her

2.______________________________________of ____________________or failing him/her

3. the Chairman of the AGM

As my/our proxy to act for me/us at the AGM for the purpose of considering and, if deemed fit, passing, with or without modification, the resolutions to be proposed thereat, and at each adjournment or postponement thereof, and to vote for and/or against the resolutions and/or abstain from voting in respect of the shares in the issued share capital of the Company registered in my/our name in accordance with the following instructions:

INSTRUCTIONS FOR SIGNING AND LODGING THIS PROXY FORM

1. A shareholder may insert the name of a proxy or the names of two alternative proxies of the shareholder's choice in the space provided, with or without deleting "the Chairman of the AGM", but any such deletion must be initialled by the shareholder. The person whose name appears first on the form of proxy will, unless his/her name has been deleted, be entitled to act as proxy to the exclusion of those whose names follow.

2. A shareholder's instructions to the proxy must be indicated by the insertion of the relevant number of votes exercisable by that shareholder in the appropriate space/s provided as well as by means of a cross whether the shareholder wishes to vote, for, against or abstain from the resolutions. Failure to comply with the above will be deemed to authorise the proxy to vote or abstain from voting at the AGM as he/she deems fit in respect of all the shareholder's votes exercisable threat. A shareholder or his/her proxy is not obliged to use all the votes exercisable by the shareholder or by his/her proxy, or cast them in the same way.

3. A deletion of any printed matter and the completion of any blank spaces need not be signed or initialled. Any alteration or correction must be initialled by the signatory/ies.

4. The Chairman shall be entitled to decline to accept the authority of a person signing the proxy form:

   i. under a power of attorney
   ii. on behalf of a company

   unless that person's power of attorney or authority is deposited at the offices of the Company's transfer secretaries, or the registered office of the Company, not less than 48 hours before the meeting.

5. If two or more proxies attend the meeting then that person attending the meeting whose name appears first on the proxy form and whose name is not deleted, shall be regarded as the validly appointed proxy.

6. When there are joint holders of shares, any one holder may sign the form of proxy. In the case of joint holders, the senior who tenders a vote will be accepted to the exclusion of other joint holders. Seniority will be determined by the order in which names stand in the register of members.

7. The completion and lodging of this form of proxy will not preclude the member who grants this proxy form from attending the AGM and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof should such member wish to do so.

8. In order to be effective, completed proxy forms must reach the Company's transfer secretaries or the registered office of the Company not less than 48 hours before the time appointed for the holding of the AGM.

9. Please ensure that name(s) of the member(s) on the form of proxy and the voting form are exactly the same as those on the share register.

10. Please be advised that the number of votes a member is entitled to be determined by the number of shares recorded on the share register 48 hours before the time appointed for the holding of the meeting.


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