AFRICAN SUN

Feel Special

A new season
under the African Sun

African Sun Limited
Integrated Annual Report
2024

Contents

AFRICAN SUN
Feel Special

The leading Hotel Asset Management Company in Zimbabwe

Financial Highlights

Continuing operations	**31 December 2024**	31 December 2023
Revenue	**USD 53.98 million**	USD 46.98 million
Occupancy	**59%**	55%
EBITDA	**USD 9.88 million**	USD 8.20 million
(Loss)/profit for the year	**(USD 0.69) million**	USD 0.05 million
Average daily room rate (ADR)	**USD 119**	USD 115
Total revenue per available room	**USD 131**	USD 119
Basic loss per share for the year	**(0.02) USD cents**	(0.02) USD cents
Cash reserves	**USD 9.77 million**	USD 10.87 million

Corporate Profile

African Sun Limited, also referred to as the Company, African Sun or the Group, is a prominent Hotel Asset Management Company based in Zimbabwe. We take pride in offering a competitive and preferred product in the market, positioning ourselves as a leading provider in hospitality and leisure operations across Zimbabwe.

Operations

At present, the Group manages nine hotels strategically located throughout Zimbabwe. Additionally, we have a Real Estate arm that complements our core business. Of the nine, the Company owns six properties (Holiday Inn Mutare, Monomotapa Hotel, Troutbeck Resort, Elephant Hills Resort, Hwange Safari Lodge, and Caribbea Bay Resort) and leases three properties (Holiday Inn Harare, Holiday Inn Bulawayo, and The Victoria Falls Hotel). Effective 1 April 2025, the Great Zimbabwe Hotel was disposed.

Hotels and Resorts

Our portfolio comprises four hotels located in major cities of Zimbabwe, three of which are affiliated with Intercontinental Hotels Group (IHG): Holiday Inn Harare, Bulawayo, and Mutare. The fourth is the iconic Monomotapa Hotel in the capital city of Harare.

Furthermore, we operate five hotels in tourist destinations, including two prominent properties in the tourism hub of Victoria Falls: Elephant Hills Resort and Conference Centre, and The Victoria Falls Hotel, which is jointly managed with Meikles Hospitality (Private) Limited. Our home-grown brands consist of Troutbeck Resort, nestled in the scenic Eastern Highlands Mountains of Nyanga, and Caribbea Bay Resort, situated on the picturesque shores of Lake Kariba. Additionally, we proudly own and manage Hwange Safari Lodge, adjacent to the renowned Hwange National Park, home to a diverse range of wildlife and bird species.

Real Estate

Our Real Estate division focuses on the maintenance, renovation, and construction activities pertaining to our hotel infrastructure. This division also manages the Group's land banks, ensuring future growth and expansion opportunities, as well as the development of residential stands for sale.

The Group has strategically streamlined its operations to ensure future sustainability. Our commitment to growing shareholder value is underpinned by four pillars: Processes, People, Promotion, and Product.

By prioritizing excellence in these areas, African Sun remains dedicated to delivering exceptional service, fostering growth, and maximizing value for our stakeholders.

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OWNED HOTELS

LEASED HOTELS

OTHER OPERATIONS

EXPERIENCE. EXPLORE. ENJOY.

Business Overview

Statement of Vision

To be a leading provider in hospitality and leisure operations within Zimbabwe.

Mission

We strive to provide outstanding hospitality experiences that our guests love.

- **To our Guests**
  Exceeding their expectations through the provision of a delightful service, as they are our reason for existence.
- **To our Employees**
  Creating opportunities for personal growth and balanced lifestyles for all our staff to enable them to positively influence lives around them and delight our guests.
- **To our Community and Environment**
  To be a model corporate citizen in the society in which we operate from where we derive our identity and being.
- **To our Business Partners**
  Establishing ethical and honest relationships with our business partners and suppliers who enable us to meet and exceed our guest expectations.
- **To our Shareholders**
  Deliver real value growth to our shareholders.

Our Core Values and Beliefs

Our five-point "ExCite" value system forms the basis of our belief system within the organization

We will do so through:

- **Excellence** - Delivering experiences beyond expectation.
- **Care -** We are each other's carer and are mindful of the well-being of all.
- **Innovation** - We explore ideas and encourage different mindsets that facilitate continuous improvement.
- **Teamwork** - We believe together we achieve more.
- **Enjoyment -** We are passionate and take delight in enjoying everything we do.

Our Strategic Pillars

The Company aims to improve its offering through refurbishment, expansion of existing operations and increasing value added activities before refocusing to growth and expansion. Thus far, the Company has endeavoured in the refurbishment of Troutbeck Resort and Hwange Safari Lodge. The Company is committed to consistently growing annual revenue, achieving a Profit Before Tax Margin of 18% and 90% customer satisfaction index, through it's unique proposition of prime hospitality assets, coupled by providing outstanding hospitality experiences.

HOTEL PORTFOLIO SUMMARY	LOCATION	ROOMS	CONFERENCE CAPACITY	RESTAURANTS
Owned Hotels*				
Elephant Hills Resort and Conference Centre	Victoria Falls	276	1 080	3
Monomotapa Hotel	Harare	243	752	2
Hwange Safari Lodge	Hwange	99	30	1
Holiday Inn Mutare	Mutare	96	620	1
Troutbeck Resort	Nyanga	70	420	1
Caribbea Bay Resort	Kariba	84	320	1
Leased Hotels				
The Victoria Falls Hotel	Victoria Falls	149	60	3
Holiday Inn Harare	Harare	201	690	1
Holiday Inn Bulawayo	Bulawayo	157	835	1
Total	**9**	**1 375**	**4 807**	**14**
OTHER				
Dawn Properties Limited	Property investments and development			

*The Group disinvested from Great Zimbabwe Hotel effective 1 April 2025.

Historical Highlights

Our Journey Thus Far

- **1952 –** Rhodesia and Nyasaland Hotels (Private) Limited is formed as a wholly-owned subsidiary of Rhodesian Breweries (Private) Limited.
- **1968 –** Sable Hotels (Private) Limited is established.
- **1973 –** Government grants first casino licence for The Victoria Falls Hotel.
- **1974 –** Development of the first four world-class hotels: Monomotapa Hotel in Salisbury, The Wankie Safari Lodge in Wankie, Caribbea Bay in Kariba, and the Elephant Hills Country Club in Victoria Falls.
- **1979 –** Meikles Southern Sun Hotels is established, becoming the largest hotel chain in Southern and Eastern Africa, with control of 13 major properties in the country.
- **1980 –** Meikles Southern Sun Hotels (Private) Limited changes its name to Zimbabwe Sun Hotels (Private) Limited after Zimbabwe's independence.
- **1988 –** Zimbabwe Sun Hotels (Private) Limited merges with Touch the Wild Safari Operations (Private) Limited, later sold to Rainbow Tourism Group on 30 April 1998.
- **1990 –** Zimbabwe Sun Limited is listed on the Zimbabwe Stock Exchange ("ZSE"), at the time being the largest initial public offer in Zimbabwe, with 70 million shares offered to the public, which was over-subscribed by 28%.
- **1990 –** Opening of the timeshares built in Troutbeck, Nyanga and at Caribbea Bay, Kariba which received "Gold Crown Resorts" status from the Resort Condominium International ("RCI") in 1999.
- **1991 –** First Holiday Inn franchise in Harare.
- **1992 –** The Elephant Hills Resort and Conference Centre officially opens its doors.
- **1994 –** First regional office for reservations is established in Johannesburg.
- **1999 –** Makasa Sun is re-developed into The Kingdom at Victoria Falls.
- **2002 –** Zimbabwe Sun Limited is unbundled from Delta Corporation Limited.
- **2003 –** Dawn Properties Limited is unbundled from Zimbabwe Sun Limited and is listed as the first property company on the Zimbabwe Stock Exchange.
- **2003 –** The Hospitality Training Academy ("HTA") is re-launched.
- **2004 –** Zimbabwe Sun Limited acquires The Grace Hotel in Rosebank, South Africa, ranked among the "Top Ten" hotels in Africa and the Middle East by Condé Nast Traveller (USA) in its first year of operation.
- **2008 –** Zimbabwe Sun Limited adds The Lakes Hotel and Conference Centre, in Johannesburg, South Africa to its portfolio.
- **2008 –** Zimbabwe Sun Limited rebrands its name to African Sun Limited, to reflect its regional expansion strategy.
- **2008 –** African Sun Limited adds Obudu Mountain Resort in Nigeria to its regional portfolio.
- **2008 –** African Sun Limited takes over management of Holiday Inn Accra Airport.
- **2009 –** The Company raises US$10 million through a Rights Offer.
- **2010 –** Best Western Ikeja – Lagos Nigeria opened its doors to the public on 1 October 2010.
- **2011 –** Best Western Homeville, Benin City, Nigeria opened its doors to the public on 1 October 2011.
- **2011 -** African Sun Limited closes The Grace in Rosebank and The Lakes Hotel and Conference Centre in South Africa.
- **2012 -** African Sun Limited exits the Holiday Inn Accra Airport Hotel management contract.
- **2012 –** African Sun Amber Residence GRA Ikeja, Lagos Nigeria opened its doors to the public on 2 November 2012.
- **2013 -** African Sun exits Obudu Mountain Resort after expiry of management contract.
- **2013 -** African Sun Amber Hotel Accra Airport, Ghana opened its doors to the public on 10 December 2013.
- **2014 -** African Sun Airport Hotel Lagos, Nigeria opened its doors to the public on 15 December 2014.
- **2015 -** The Group exited all foreign operations to focus on Zimbabwe operations.
- **2015 -** Engaged a regionally based, renowned hotel management company, Legacy Hospitality Management Services Limited, to manage five hotels in Zimbabwe.
- **2019 -** Separation with Legacy Hospitality Management Services Limited.
- **2021 -** African Sun Limited acquired Dawn Properties Limited.
- **2022 –** African Sun Limited exits The Kingdom at the Victoria Falls Hotel.
- **2023 –** African Sun Limited delists from the Zimbabwe Stock Exchange and lists on the Victoria Falls Stock Exchange by introduction.
- **2023 –** African Sun closes the last of its casino operations and its property consultancy division, Dawn Property Consultancy (Private) Limited.
- **2025 –** The Company disposes of Great Zimbabwe Hotel.

Message from the Chairman

LLOYD MHISHI
Chairman

Introduction

On behalf of the Board of Directors of African Sun Limited ("African Sun" or "the Company") and its subsidiaries, (collectively, "the Group") I am pleased to present the audited, condensed, consolidated financial statements for the year ended 31 December 2024.

Operating Environment

The local economy was a tale of mixed fortunes in 2024. The year began with lingering inflationary pressures, leading to the transition from the Zimbabwean Dollar ("ZWL") to the Zimbabwe Gold ("ZWG") currency in April 2024. The economy stabilized until September 2024, when the ZWG suffered a sharp devaluation of 43%. This drastic shift, resulted in significant foreign exchange losses, affecting the Group's short term monetary position.

In response to the monetary policy challenges, including inflation and currency volatility, the Ministry of Finance introduced substantial fiscal policy changes on 1 January 2024, in order to broaden the country's tax base. These changes included adjustments to Value Added Tax ("VAT") and a new sugar excise duty levied on manufactured beverages. Furthermore, increases in power and internet tariffs contributed to a substantial rise in the Group's operating costs.

Despite the complex trading environment, the Group achieved positive volume growth across all its segments. The hotels' continuing operations recorded an occupancy of 59% up from 55% in the prior year and the real estate segment increased its Group revenue contribution to 6% from 2% in the prior year.

Financial Performance

The Group's performance improved compared to the prior year, with enhanced earnings before interest, tax, depreciation, and amortization ("EBITDA") recorded as operations were streamlined through divestment of non-core assets that do not align with the Group's strategic objectives.

Revenue

The Group's revenue from continuing operations at USD 53.98 million increased by 15% compared to the prior year. The revenue growth was supported by growth in occupancy and stronger Average Daily Rates ("ADR"), which increased by 3% to USD 119, compared to USD 115 in the prior year. Continuing operations revenue was further bolstered by the Real Estate segment's contribution of USD 3.02 million, primarily driven by residential stand sales.

Revenue from the Group's discontinued operations, which consists of the Great Zimbabwe Hotel, Monomotapa Hotel and Sun Leisure Tours amounted to USD 8.24 million.

Total Group revenue, including discontinued operations, amounted to USD 62.22 million, representing a 14% growth from the prior year.

Operating expenses

Operating expenses, excluding depreciation, increased by 15% to USD 43.56 million. The increase is largely due to increased business volumes driving variable costs and cost push inflationary pressures, particularly fiscal policy measures to adjust the VAT status of certain products in the market. Increased power and internet tariffs also led to a substantial rise in the Group's operating costs.

Profitability

EBITDA from continuing operations amounted to USD 9.88 million, a 21% increase compared to the previous year. In the same vein, profit before tax ("PBT") from continuing operations amounted to USD 4.07 million, a 104% increase compared to prior year. The improvement of both EBITDA and PBT is largely driven by the improving topline during the comparable periods.

Liquidity

The Group maintained a strong liquidity position, with cash and cash equivalents of USD 10.2 million, with 96% (USD 9.77 million) attributable to continuing operations as of 31 December 2024 (2023: 10.87 million). In addition, the Group holds USD 1.15 million in equity financial instruments, which are available to support working capital requirements.

Sustainability Reporting

Sustainability principles are integral to the Group's overall business strategy, where practical and possible, guiding our decision-making and operations. During 2024, African Sun intensified its sustainability efforts to drive positive impacts and long-term value. In line with the guidance of the Victoria Falls Stock Exchange ("VFEX"), the Group applied guidance from the Global Reporting Initiative Standards for Sustainability Reporting. This framework enables us to transparently disclose our sustainability performance and progress toward our goals.

The Group will continue to seek ways to promote the Environment, Social and Governance ("ESG") principles within our operations, among business partners, and associated value chains, with much of our societal initiatives focused on maximizing positive community impact. Overall, we continue to push and improve our diversity metrics as we fill vacancies throughout our organization and we remain focused on the initiatives to eliminate single-use plastics throughout our properties.

Through these efforts, we aim to contribute to a more sustainable future, while driving business growth and resilience.

The 2024 Sustainability Report, can be found on page 145 of this 2024 Integrated Annual Report.

Portfolio Transformation

The Group achieved notable progress in its refurbishment initiatives during the year, which primarily included the completion of public area renovations at Hwange Safari Lodge. Plans for 2025 include commencing the refurbishments of Holiday Inn Harare, Elephant Hills Resort, Troutbeck Timeshare Lodges and the second phase of renovations at The Victoria Falls Hotel. The downside of these refurbishments is the reduced rooms inventory for the Group for the 2025 financial year. These strategic capital investments aim to enhance guest experiences and grow the portfolio's market share.

Message from the Chairman (Continued)

Additionally, the Group will embark on the second phase of the Marlborough Sunset Views residential development, targeting 55 stands. This project is expected to bolster revenue and liquidity.

Discontinued Operations

As part of its strategy the Board approved the sale of a number of non-core assets, and the Great Zimbabwe Hotel and Monomotapa Hotel were earmarked for sale. Subsequent to year end, the sale of the Great Zimbabwe Hotel has been consummated, and ownership of this hotel was transferred with effect from 1 April 2025.

Sun Leisure Tours, the travel, transfers and tours division, was discontinued on 31 March 2024.

Dividend Declaration

Interim dividend
An interim dividend of USD 0.0003381 per share, amounting to a total of USD 500 000, was declared and paid out during the year.

Final dividend
The Board authorised a final dividend of USD 0.0006763 per share, amounting to a total of USD 1 000 000, to be paid out of retained earnings. This brings the total dividend for the year to USD 1 500 000.

Outlook

As we move into 2025, we remain optimistic about the recovery of the tourism sector, building on the progress made in the local market and the ongoing rebound of international travel. The UN Tourism Organization forecasts a 5% growth in international tourist arrivals, driven by the full recovery of the Asia and Pacific markets and robust growth across most other regions.

The tourism sector does however face significant risks from economic and geopolitical challenges. The suspension of foreign aid funding by the United States is expected to negatively impact business from Non-Governmental Organizations ("NGOs") and other government-funded programs. Locally, business activity is expected to remain subdued, due to tight liquidity and low Government expenditure.

Directorate Changes

Constantine Chikosi retired from the board effective 26 June 2024. I was honored to succeed him as Chairman, effective 8 July 2024. Simon Village joined the Board as a Non-Executive Director on 22 March 2024.

On behalf of the Board, I would like to extend my heartfelt gratitude to Constantine for his dedicated service and wish him the very best in his future endeavors. I also warmly welcome Simon to the Board and look forward to his valuable contributions.

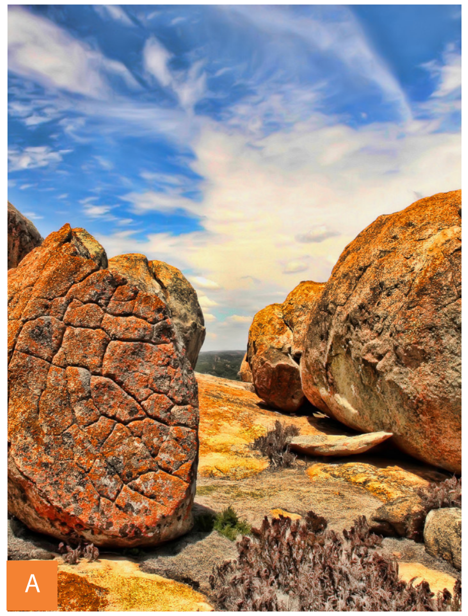
Appreciation

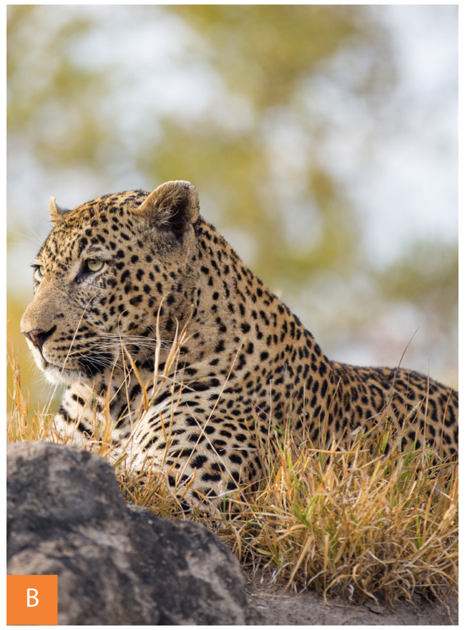
I extend sincere gratitude to our Board, executive team, staff, shareholders, and all our valued stakeholders and suppliers. Your unwavering support and commitment to our vision have been pivotal to our success. We deeply appreciate your continued patronage and trust as we work together toward achieving sustainable growth and shared prosperity.

L. Mhishi
Chairman

30 April 2025

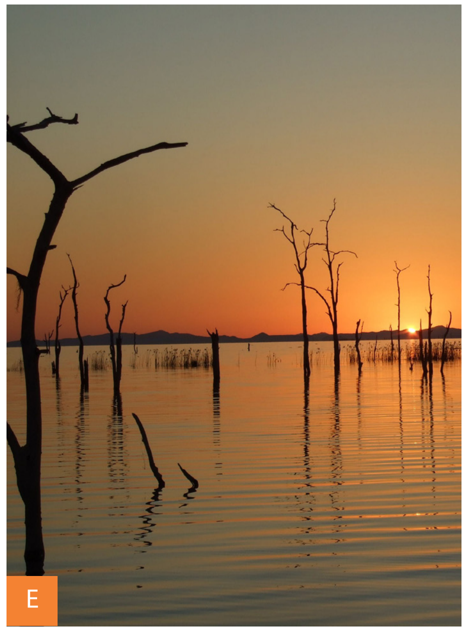
Our Locations in Pictures





A new season under the African Sun

- A Matopos Hills,
- B Leopard at Nyanga National Park,
- C Victoria Falls,
- D Elephant at Hwange National Park, and
- E Kariba Dam Sunset.



Chief Executive Officer's Operations Review

Business Environment

The global hospitality industry experienced pleasing growth in 2024 and a strong recovery from the pandemic. Global tourism reached 1.10 billion travelers in the first nine months of 2024, an 11% increase from 2023 levels.

Emerging trends continued to evolve towards technology integration, including Artificial Intelligence (AI), the adoption of more meaningful sustainability practices, "bleisure" (blending of business and leisure travel), wellness tourism, and the Gen Alpha impact where by "digital" travelers began influencing family destination preferences.

Sub-Saharan African hospitality aligned closely with global trends, projecting positive growth at a rate of 5.21%

Locally, the year continued with lingering inflationary pressures from 2023, culminating in the transition from the Zimbabwean Dollar (ZWL) to the Zimbabwe Gold (ZWG) currency in April 2024.

Our Strategy

The Group's strategy is centered on optimizing our portfolio by focusing on a smaller, more profitable selection of hotels, that prioritize quality and guest experiences. This vision will continue to gain momentum in 2025. Our approach involves divesting of non-core assets and concentrating resources on high-performing properties in prime locations. By streamlining operations and enhancing service standards, the Company aims to deliver consistent experiences that align with evolving guest expectations. Additionally, our strategy allows for greater investment in innovative technologies, sustainability initiatives, and most importantly, improved profitability through cost efficiency measures and Group procurement initiatives. Ultimately, our refined portfolio will drive profitability, while reinforcing the Group's reputation for hospitality excellence.

In keeping with this thrust, the Group has sold the Great Zimbabwe Hotel and ear-marked Monomotapa Hotel and Caribbea Bay Resort for sale. These disposals will allow for the prioritization of the refurbishment of the remaining properties within the portfolio, as well as allocating funds for the development of phase 2 of the Marlborough Sunset Views residential stands.

Environment, Social, and Governance ("ESG")

The Company remains committed in its implementation of ESG, with focus on economic and environmental sustainability in terms of Global Reporting Initiative (GRI) standards, as governed by the new ZSE (VFEX) reporting requirements applicable from January 2024. The period under review marked implementation of these sustainability practices.

One of our core pillars is to "deliver exceptional hospitality experiences that not only exceed guest expectations but also contribute positively to the environment and society within which we operate". Looking ahead, we are committed to implementing sustainability-related considerations, where possible and practical, into every aspect of our operations. By integrating environmental, social, and governance priorities into our service delivery, we aim to deepen our impact, align with global best practices, and ensure enduring value for both our business and the ecosystems in which we operate. We also realise that creating a supportive community starts with fostering a positive work environment at African Sun, and added focus will continue with uplifting our surrounding communities and our staff well-being.

Our 2024 ESG Report speaks to our commitments and achievements which can be found from page 145 to 153 of this integrated annual report

Capital Allocation and Portfolio Transformation

2024 saw an acceleration of our strategy of rebranding and refurbishing the portfolio. As at 31 December 2024, the Group spent a further USD 1.80 million on refurbishments, funded from internal resources (adding to the USD 7.40 million invested in prior years).

During the year under review, the Group completed the following projects:

- Public area renovations at Hwange Safari Lodge; and
- Soft refurbishment of the Executive Suites at Monomotapa Hotel.

In 2025 the Group undertakes to start on the following key projects:

- Refurbishments at Holiday Inn Harare, Holiday Inn Bulawayo and Elephant Hills hotels;
- Second phase of renovations at The Victoria Falls Hotel; and
- Second phase of Marlborough Sunset Views residential stand development.

To enable the Group to meet its renovation commitments, the Board approved the sale of non-core assets, which included Sun Leisure Tours, the Great Zimbabwe Hotel, the Monomotapa Hotel and Caribbea Bay Resort.

The discontinuation of Sun Leisure Tours was effected on 31 March 2024, while the sale of Great Zimbabwe Hotel was completed after reporting period, being 1 April 2025.

Business Information Systems

Digital transformation remains essential to our strategy. To date we have made significant progress since successfully implementing the Opera Cloud Property Management System (PMS), Micros Symphony Point of Sale (POS), Sales & Events (OSEM), and Materials Control (MC) at the Elephant Hills Resort (EHR) as the chosen pilot site, as well as at Head Office.

In 2025, our IT governance priorities include completing these transformations to all properties, while ensuring cybersecurity, data privacy, and best practice compliance.

People and Culture

The Company is committed to fostering a people-first culture by embracing innovative training and effective workforce management to align with its streamlined portfolio. Through the adoption of modern, technology-driven training programs, our employees will be equipped with the skills needed to excel in a fast-evolving hospitality landscape. This approach not only enhances operational efficiency and profitability but also aims to empower staff to deliver exceptional guest experiences.

Chief Executive Officer's Operations Review (Continued)

Simultaneously, the Company will look at right-sizing to reflect the reduction in portfolio assets and hotel key count, ensuring optimal staffing levels, while maintaining a focus on guest well-being and employee career development that aims to create a resilient, motivated team that drives long-term success.

One of our top priorities remains our leadership development through our Graduate Development Programme. Of the 27 trainees engaged in 2023, 26 of the students successfully graduated and were placed within various departments within our hotels and at Head Office. A further 24 students have been engaged in 2025, and are gaining work experience at our business units and are due to finish their rounding and grounding in January 2026.

Financial Perfomance

The Group's performance for 2024 was pleasing, showing improved revenue performance over 2023. However, positive gains in revenue, occupancies and rates were eroded by even higher associated costs of doing business, plus once off, non-recruiting expenditures resulting in a marginal loss for the year. The Group continues to maintain a strong balance sheet, reflected by our solid liquidity and solvency positions that will support planned future refurbishments.

This report will primarily focus on the financial performance of the hospitality segment, as the Group's financial commentary is included in the Chairman Statement contained on pages 8 to 11.

The Hotel's top three performers for the 2024 financial year were Elephant Hills Resort and Conference Centre, Holiday Inn Harare and Holiday Inn Bulawayo. These contributed 54% to the Group's total revenue for the year. The hospitality portfolio achieved a combined annual occupancy of 59% for the period under review, a 7% improvement from the 55% achieved in 2023. This equated to almost 15,854 additional room nights sold during 2024.

The following is a summary of key performance indicators ("KPIs") for the hospitality division over the past five years:

	2024 USD	2023 USD	2022 USD	2021* USD	2020* USD
Occupancy	**59%**	55%	46%	31%	23%
Average Daily Rate (ADR)	**119**	115	79	100	86
Total Revenue	**53 979 172**	46 981 522	42 141 611	37 483 696	22 496 988
EBITDA	**9 882 457**	8 200 488	17 855 291	7 409 210	5 363 504

The figures for 2022, 2021, and 2020 presented in the table have been extracted from the Group's inflation-adjusted financial statements from prior years and converted into US Dollars for comparison purposes.
* 2020 and 2021 numbers were depressed by the impacts of the COVID-19 pandemic

The ADR for the year was 4% higher than prior-year, reflecting the positive impacts of negotiated rate increases and rate yielding opportunities during peak periods. This was also driven by the increase in the Victoria Falls Hotel ADR from USD 404 to USD 414, a testimony to the markets willingness to pay higher rates for refurbished rooms.

The three branded InterContinental Hotels Group ("IHG") hotels, namely, Holiday Inn Harare, Holiday Inn Bulawayo, and Holiday Inn Mutare continue to meet all the requirements of the IHG brand standards, having all passed compliance audits in 2024. Additionally, the lease of both the Holiday Inn Harare and Holiday Inn Bulawayo properties were extended for a further 20-year period.

2025 Outlook

We look forward to 2025 as the global tourism sector is anticipated to keep growing – with the UN Tourism Organization forecasting a 5% growth. We however anticipate that occupancies and margins will remain depressed during the period of refurbishments and due to the re-alignment of our portfolio, as the Group will have less rooms available for sale as a consequence of both these factors

Local conferencing activity is also likely to take a knock due to the suspension of funding of foreign aid to NGOs by the United States.

We however expect demand for our hotels to remain stable, as we focus on being the leader in the hospitality industry within Zimbabwe and the steps to upgrade our properties will undoubtably assist with this realisation.

It is anticipated that our Real Estate division will contribute marginally to the Group's revenues, profitability and cash generation during 2025, as the Dawn Properties endeavours to sell non-core assets, excess land holdings and develop the next phase of residential stands.

Appreciation

As we reflect on the achievements of the past year, I extend my deepest gratitude to our dedicated staff, whose commitment, hard work and unwavering positive spirit have been the cornerstone of our success. To our Board members, thank you for your visionary guidance and steadfast support as we navigate through the portfolio realignment. To our valued guests and customers, we are immensely grateful for your support and loyalty, which inspire us to continually raise the bar in delivering exceptional stay experiences. Finally, to our partners, investors, and stakeholders, your collaboration and belief in our vision have been instrumental in driving sustainable growth. Together, we have laid a strong foundation for the future, and we are confident that our collective resilience and shared purpose will propel us to greater heights and profitability in the years to come. Thank you all for all being an integral part of our journey.

L. Ward
Chief Executive Officer

30 April 2025

Accounting Philosophy

African Sun is dedicated to achieving meaningful and responsible reporting through comprehensive disclosure and explanation of its financial results. This is done to ensure objective corporate performance measurement, to enable returns on investment to be assessed against the risks inherent in their achievement and to facilitate appraisal of the full potential of the Group.

The core determinant of meaningful presentation and disclosure of information is its validity in supporting management's decision-making process. While the accounting philosophy encourages new disclosure techniques, it endorses the fundamental concepts underlying both the financial and management accounting disciplines as enunciated by the Public Accountants and Auditors Board of Zimbabwe ("PAAB"), the Institute of Chartered Accountants of Zimbabwe ("ICAZ"), the International Accounting Standards Board ("IASB") and the International Federation of Accountants ("IFAC"). The Group is committed to the regular review of financial reporting standards and to the development of new and improved accounting practices. This is practiced to ensure that the information reported by management and to stakeholders of the Group continues to be internationally comparable, reliable and relevant. This includes, the early adoption of financial reporting standards, wherever it is considered appropriate.

The Group adopts all accounting standards and interpretations applicable that are issued by the IASB and the International Financial Reporting Interpretations Committee ("IFRIC"). Unless otherwise stated, these standards are applied consistently to enhance comparability of financial information relating to different financial periods.

Certificate by the Company Secretary and Governance Executive

I, the undersigned, in my capacity as the Company Secretary and Governance Executive, hereby confirm, to the best of my knowledge and belief, that for the year ended 31 December 2024, the Company has complied with the Victoria Falls Stock Exchange Listing Requirements, lodged with the Registrar of Companies all returns required of a public company in terms of the Companies and Other Business Entities Act (Chapter 24:31) and that all such returns are true, correct and up to date. I also confirm that the Memorandum and Articles of Association of the Company are in line with the provisions of the Companies and Other Business Entities Act (Chapter 24:31).

V. T. Musimbe

V. Musimbe
Company Secretary and Governance Executive

30 April 2025

Directors' Report

For the year ended 31 December 2024

The Directors hereby present the audited financial statements of African Sun Limited ("the Company") and its subsidiaries ("the Group") for the financial year ended 31 December 2024.

All figures in USD	31 December 2024	31 December 2023
Results		
Earnings before interest, tax and depreciation ("EBITDA")	**9 882 457**	8 200 488
Loss for the year	**(274 067)**	(364 589)
Headline earnings/(loss)	**358 966**	(261 526)

Dividend Declaration

Interim dividend

An interim dividend of USD 0.0003381 per share, amounting to a total of USD 500 000, was declared and paid out during the year.

Final dividend

The Board authorised a final dividend of USD 0.0006763 per share, amounting to a total of USD 1 000 000, to be paid out of retained earnings. This brings the total dividend for the year to USD 1 500 000.

All figures in USD	31 December 2024	31 December 2023
Capital commitments		
Authorised by Directors and contracted for	**944 984**	1 800 000
Authorised by Directors but not contracted for	**21 953 840**	9 219 317
Total commitments	**22 898 824**	11 019 317
Investments		
As at 31 December 2024, the Company held equity investments in the following subsidiaries, with the respective ownership percentages indicated below:		
African Sun Zimbabwe (Private) Limited	**100%**	100%
African Sun South African Branch	**100%**	100%
Dawn Properties Limited	**100%**	100%
The Victoria Falls Hotel Partnership	**50%**	50%

Share Capital

As of 31 December 2024, the total issued share capital and share premium amounted to USD 16 513 619 (2023: USD 16 485 711). Additional shares were issued during the year ended 31 December 2024 as a result of the exercise of share options.

Reserves

The changes in the reserves of the Group are presented in the consolidated statement of changes in equity, along with detailed information provided in the relevant notes to the consolidated financial statements.

Directors

Mr. C. Chikosi retired from the Board and as Chairman on 26 June 2024. Mr. L. Mhishi was appointed as the Chairman on 8 July 2024. Mr. P. Saungweme retired from the Company and as Chief Executive Officer on 19 January 2024. Mr. L. Ward was appointed as the substantive Chief Executive Officer on 1 July 2024.

Pursuant to the Company's Memorandum and Articles of Association, all non-executive Directors will be subject to re-election at the Annual General Meeting. All being eligible the non-executive Directors will offer themselves for re-election at the Annual General Meeting.

Independent Auditor

Members will be asked to approve the re-appointment of Grant Thornton Chartered Accountants (Zimbabwe) as the independent external auditor for the Group and the auditor's remuneration for the year ended 31 December 2024.

Annual General Meeting

The Fifty-third Annual General Meeting of Shareholders of African Sun Limited will be held virtually on Thursday, 26 June 2025 at 1200 hours.

By order of the Board

L. Mhishi **Chairman**	**L. Ward** **Chief Executive Officer**	**V. Musimbe** **Company Secretary and Governance Executive**

30 April 2025

Corporate Governance Charter

The African Sun Charter

African Sun personnel are committed to a long-published code of ethics which runs through the whole Group. This incorporates the Group's operating, financial and behavioral policies in a set of integrated values, including the ethical standards required of members of the African Sun family in their interface with one another and with all stakeholders.

There are detailed policies and procedures in place across the Group, covering the regulation and reporting of transactions in securities of the Company by the Directors and officers. The Group adheres to corporate Governance policies and recommendations as enunciated in the King Reports on Governance.

Stakeholders

For many years, African Sun has had a formalized stakeholder philosophy and structure(s) of corporate governance to manage the interface with the various stakeholder groups. African Sun has in place responsive systems of governance and practice which the Board and management regard as entirely appropriate to ensure that our commitment to good governance remains underpinned by the pillars of responsibility, fairness, transparency, and accountability to all stakeholders. These pillars preserve our long-term sustainability, thereby delivering value to all stakeholders.

Directorate

The Board of Directors of African Sun Limited is constituted with an equitable ratio of executive to non-executive directors and meets regularly. A non-executive director chairs the African Sun Board.

Roles of the Chairman and Chief Executive Officer

The roles of the Chairman and the Chief Executive Officer are independent of each other and they function under separate mandates issued by the Board. This differentiates the division of responsibility within the Company and ensures a balance of authority. The Chairman is responsible for providing leadership to the Board, overseeing its efficient operation and ensuring good corporate governance practices.

The Chief Executive Officer of the Group is responsible for the management of the Group's day-to-day operations and affairs in line with the policies and strategic objectives set out and agreed to by the Board. The Chief Executive Officer is supported by the Group's Executive Committee which he chairs and where the Group's results, performance and prospects are reviewed. At each Board meeting, the Chief Executive Officer provides a strategic update and reports on performance and future prospects.

Independence of the Board

The Board maintains its independence through:

- keeping the roles of Chairman and Chief Executive Officer separate;
- the non-executive Directors not holding fixed-term service contracts and their remuneration not being tied to the financial performance of the Group;
- all Directors having access to the advice and services of the Company Secretary;
- all Directors, with prior permission from the Board, being entitled to seek independent professional advice on the affairs of the Group at the Group's expense;
- functioning Board Committees comprising mainly non-executive Directors; and
- the appointment or dismissal of the Company Secretary being decided by the Board as a whole and not by any individual director.

Independent Non-executive Directors

The criteria used to determine whether a Director is an independent, non-executive Director are an assessment of independence in fact and in the perception of a reasonably informed outsider. The independence of an independent non-executive Director is assessed annually by the Board on the following criteria:

- is not a representative of a Shareholder who can control or significantly influence management;
- does not have a direct or indirect interest in the Company (including any parent or subsidiary in a consolidated Group with the Company) which is either material to the Director or the Company. (A shareholding of 5% more is considered material);
- has not been employed in any executive capacity for the preceding three financial years by the Company or the Group;
- is not a member of the immediate family of an individual who is, or has been in any of the past three financial years, employed by the Company or the Group in an executive capacity;
- is not a professional adviser to the Company or the Group;
- is free from any business or other relationship that could be seen to interfere materially with the individual's capacity to act independently; and
- does not receive remuneration contingent upon the performance of the Company.

The Board is satisfied with the status of the independent non-executive Directors.

Insurance

A suitable Directors' liability insurance policy has been taken out by the Group. No claims have been lodged under this policy up to the date of this report.

Directors' Interests

As provided by the Zimbabwe Companies and Other Business Entities Act (Chapter 24:31) and the Company's Articles of Association, the Directors are bound to declare at any time during the year, in writing, whether they have any material interest in any contract of significance with the Company, which could give rise to a conflict of interest.

Internal Control

The Board of Directors is responsible for the Group's systems of internal control. These systems are designed to provide reasonable, but not absolute, assurance as to the integrity and reliability of the financial statements and to safeguard, verify and maintain accountability of its assets and to detect and minimize significant fraud, potential liability, loss and material misstatement while complying with applicable laws and regulations.

The controls throughout the Group concentrate on critical risk areas. All controls relating to the critical areas in the hotel operating environment are closely monitored by the directors and subjected to internal audit reviews. Furthermore, assessments of the information technology environment are also performed.

Corporate Governance Charter (Continued)

An Audit Services Manager, who reports directly to the chair of the Risk and Audit Committee, heads the Internal Audit Department. The Internal Audit Department is designed to serve management and the Board of Directors through independent evaluations and examinations of the Group's activities and resultant business risks.

Board Meetings

The Board meets regularly during each financial year in order to monitor, consider and review, inter alia, matters of a strategic, financial, non-financial and operational nature. Special Board meetings may be convened on an ad hoc basis, when necessary, to consider issues requiring urgent attention or decision.

The Board works to a formal agenda prepared by the Company Secretary in consultation with the Chairman and the Chief Executive Officer, which, inter alia, covers operations, finance, capital expenditure, acquisitions and strategy. Any Board member may request the addition of an item to the agenda and will liaise with the Company Secretary in this regard.

Board papers comprising the agenda, minutes of Board and Board committee meetings and the relevant supporting documentation are circulated to all Directors in advance of each meeting in order that they can adequately prepare and participate fully, frankly and constructively in Board discussions and bring the benefit of their particular knowledge, skills and abilities to the table.

Board Committees

The Board is authorized to form committees to assist in the execution of its duties, powers and authorities. The Board has the following committees, namely:

- Risk and Audit;
- Investments;
- Human Resources and Remuneration;
- Marketing and Sales; and
- Nominations.

The terms of reference and composition of the committees are determined and approved by the Board and have been adopted by the Board for the reporting period.

The Risk and Audit Committee

The Risk and Audit Committee incorporates the audit and risk oversight functions. The Committee deals, inter alia, with compliance, internal control and risk management. It is regulated by specific terms of reference and is chaired by a non-executive Director. All members of the Committee not being less than three (3) at any given time are non-executive Directors. Executives of the Group attend the meeting by invitation.

It meets with the Company's independent auditor to discuss accounting, auditing, internal control, and financial reporting matters. The independent and internal auditors have unrestricted access to the Risk and Audit Committee.

The Committee's terms of reference include but are not limited to the assessment, and review of the following;

- Financial controls, accounting systems and reporting;
- Independent auditors;
- Internal auditors;
- Recommendations to the Board on the declaration and payment of dividends;
- At all times give due consideration to the relevant provisions of the Companies and Other Business Entities Act (Chapter 24:31) read with the Regulations, the Listings Requirements, and the Board's approved delegation of authority framework
- Legal, regulatory, and statutory compliance of the Group;
- Compliance with the Group's code of conduct;
- Ensures that there is confidentiality, integrity, and availability of the functioning of the system,
- Ensures that there is authenticity of system information
- Assurance that the system is usable, useful, and relevant to the business needs of the Company.
- Ensure that prudent and reasonable steps have been taken for IT governance.

The Investments Committee

The Investment Committee consists of a non-executive Chairman and at least two other non-executive Directors and is regulated by specific terms of reference. The Committee deals primarily with the review and preliminary approval of major investment decisions of the Group.

The Committee's terms of reference include but are not limited to the assessment, and review of the following;

- Treasury and funding;
- Investment decisions;
- Recommendations on proposed acquisitions and/or disposals of assets and any capital expenditure.

The Human Resources and Remuneration Committee

The Human Resources and Remuneration Committee, is made up of a non-executive Chairman, and at least two other non-executive Directors. Executive Directors and management attend its meetings by invitation. The Committee acts in accordance with the Board's written terms of reference to review remuneration of all African Sun Executive Directors, senior management and other members of staff.

The Committee's terms of reference include but are not limited to the assessment, determination and review of the following;

- Remuneration and emoluments of the Company's executives, and to review the levels thereof from time to time;
- Grant options to acquire shares in the Company, on terms and conditions as prescribed in such share option schemes as approved by the Company's shareholders in General Meetings from time to time;
- Prescribed parameters of remuneration and other employment emoluments of executive personnel of the Group, for the guidance of management in its reviews and determinations of such remuneration and emoluments;
- Monitoring the Group's compliance with all relevant labor legislation, with special reference to employee remuneration, terms and conditions of service, and allied issues; and
- Monitoring the operations of the Group's pension and group life assurance, and medical aid schemes.

Corporate Governance Charter (Continued)

Marketing and Sales Committee

The Marketing and Sales Committee comprises a non-executive Chair and at least two other non-executive Directors. Executive Directors and management attend its meetings by invitation. The Committee is responsible for the review of all marketing and sales programmes, overseeing the development, policy formulation and annual review of the Corporate Social Responsibility plan.

The Committee's terms of reference include but are not limited to the assessment and review of the following;

- Participation in the development of the Group's marketing policy and strategy;
- The performance of the Group in terms of its marketing strategy;
- Supervises all innovation and applicable Information Communication Technology (social media) of the Group;
- Marketing policy to include all elements of the marketing mix undertaken by the Group;
- Corporate profile strategy and issues related to branding and the image of the Group;
- Providing overall guidance and direction for the Group's marketing communications, including publications and promotional programmes, and contribute towards their implementation;
- Advising the Board on the appropriate form of marketing infrastructure best suited to serve African Sun.
- Sets and monitors the implementation of the Group's CSR strategy and budget;
- Ensuring that the CSR plan is widely disseminated throughout the Group and integrated into the day-to-day activities of African Sun; and
- Reviewing the Sustainability Report that is included in the Integrated Annual Report to ensure that same is timely, comprehensive, and relevant.

The Nominations Committee

The Nominations Committee is now a standing, as opposed to an ad hoc, committee, pursuant to the recommendations made in the King reports. It is made up of a non-executive Chairman and at least two other non-executive Directors. It assists with the identification and recommendations of potential Directors to the Board.

The Committee's terms of reference include but are not limited to the assessment and regular review of the following;

- The structure, size, and composition (including the skills, knowledge, experience, and diversity) of the Board and make recommendations to the Board with regard to any changes;
- Consideration to succession planning for Directors and other senior executives in the course of its work, taking into account the challenges and opportunities facing the Company, and the skills and expertise needed on the Board in the future;
- The leadership needs of the organization, both executive and non-executive, with a view to ensuring the continued ability of the organization to compete effectively in the marketplace;
- Making recommendations to the Board concerning the formulation of plans for succession for both executive and non-executive Directors and in particular for the key roles of Chairman and Chief Executive Officer; and
- Determining suitable candidates for the role of senior independent Director, membership of the audit and remuneration committees, and any other Board committees as appropriate, in consultation with the chairs of those committees.

Executive Committee

The Executive Committee ("EXCO") works with the Chief Executive Officer in carrying out his responsibilities for the day-to-day management of the Group's operations and consists of eight members as follows;

- the Chief Executive Officer;
- the Chief Finance Officer;
- the Hospitality Executive:
- the Human Resources Executive;
- the Real Estate Executive;
- the Commercial Executive;
- the Legal Executive; and
- the Company Secretary and Governance Executive.

The EXCO is delegated with the powers conferred upon the Directors by the Articles of Association and is responsible for the following from a Company perspective:

- the implementation of strategies and policies;
- managing the day-to-day business affairs;
- prioritizing the allocation of capital and technical and human resources;
- establishing the best management practices and functional standards;
- enterprise-wide risk management;
- ensuring that regular detailed reports are submitted to the Board on each of the Company's investments; and
- performing such other duties and responsibilities as may be directed from time to time.

National Works Council and Workers' Committees

The Group holds National Works Council meetings at least twice a year. Each hotel within the Group has a Works Council representative who attends these meetings, which is a forum where employees participate in discussing employees' concerns with top management. The Group believes in and practices worker participation throughout the different levels. All hotels have Workers' Committees, which serve as a communication channel between management and shop floor employees.

Annual General Meeting

The Annual General Meeting provides a useful interface with private shareholders, many of whom may also be our customers.

The Chairman of the Board and the Chief Executive Officer are available at the Annual General Meeting to answer questions. Information about the Group is maintained and available to shareholders at *www.africansuninvestor.com*.

Corporate Governance Charter (Continued)

Directors' Attendance of Meetings in 2024

Individual Director attendance at Board and Committee meetings are tabled below. Where a Director has not been able to attend a Board meeting, any comments, which he or she had arising out of the papers to be considered at that meeting are relayed in advance to the Chairman of the Board or Committee.

	Main Board	Human Resources and Remuneration Committee	Risk and Audit Committee	Marketing and Sales Committee	Investment Committee	Information Technology Committee	Nominations Committee
Number of meetings	**5**	**5**	**5**	**4**	**4**	**2**	**1**
G. Chikomo	5	5	5	-	4	-	1
C. Chikosi	2	1	-	-	-	-	1
B. Childs	5	-	5	4	4	-	-
V. Lapham	5	-	5	-	4	2	-
L. Mhishi	5	3	3	-	2	-	1
T. Denga	5	5	-	4	-	2	-
A. Siyavora	5	5	2	4	-	2	1
S. Village	3	3	-	2	2	-	-
L. Ward	5	5	5	4	4	2	-
L. Chikara	5	5	5	4	4	2	-

- Attendance of meetings is reflective of the reconstition of the Committees as well as movements in the directorships (Executive and Non-Executive) of the Company during the course of the year.
- During the year the Information Technology Committee was amalgamated with the Risk and Audit Committee.

Information and Technology ("IT") Governance and Management

The Group recognises the importance of Information Systems and the need to co-opt the systems into the strategy of the business with the risks involved in Information and Technology Governance becoming significant. The King reports have highlighted that there are operational risks when one deals with a service provider because confidential information leaves the Group exposed. In IT governance and management, the Group seeks confidentiality, integrity, and availability of functioning systems, authenticity of systems information, and assurance that the systems are usable, useful, and secure. In this regard, in exercising the duty of care, Directors ensure that prudent and reasonable steps have been taken with respect to IT governance and management.

Principles Relating to I&T Governance and Management

In monitoring implementation and adherence to proper IT Governance and management the Group is guided by the following principles;

1. **Board Responsibility**
   This embraces establishing and promoting an ethical governance culture as well as gaining independent assurance on the effectiveness of the internal controls. The structures, processes, and mechanisms that are required and guided by the IT governance framework are implemented, controlled, and monitored by;
   - Strategic Direction;
   - Evaluation; and
   - Monitoring of the use of IT to support business strategy.

2. **Performance and Sustainability**
   IT is a business enabler to the Group's operations and aligns with the business's strategic objectives and goals. Business goals are cascaded into IT goals that in turn are translated into IT processes and procedures. Through effective controls, IT ensures that its processes are aligned with business objectives, which in turn ensures that the Group operates in a sustainable and well-governed manner. Management has implemented strategic IT planning processes that are integrated with the business strategy development process and framework.

3. **IT Governance Framework**
   The Board delegates to management the responsibility for the implementation of an IT governance framework for the Group, while still retaining accountability for overall IT governance.

4. **IT Investments and Expenditure**
   The Board's responsibilities include:
   - Monitoring and evaluating the extent to which IT actually sustains and aligns with the business strategic objectives;
   - Monitoring and evaluating the acquisition and use of IT resources to ensure that they support business requirements;
   - Monitoring and evaluating the acquisition and appropriate use of technology, processes, and people;
   - Monitoring and evaluating the IT-related strategic, legal, and operational risks; and
   - Overseeing IT investment to ensure that IT expenditure is in proportion to the delivery of business value.

5. **Risk Management**
   Risk identification does not rely solely on the perceptions of a select group of managers. African Sun adopts a thorough approach to risk identification with consideration being given to reputation risk and IT legal risks.

6. **Information Security**
   According to King reports, "information security deals with the protection of information assets, in its electronic and paper-based forms, as it progresses through the information lifecycle of capture, processing, acceptable use, storage, and destruction". For this reason, the Group's information security has been designed to address people, processes, and technology-related dimensions.

   The key core principles of information security that the Group abides by are encapsulated in the following three components;
   - Confidentiality - ensuring that information is accessible only to those authorized to have access;
   - Integrity – safeguarding the accuracy and completeness of information and processing methods; and
   - Availability - ensuring that authorised users have access to information and processing methods.

Corporate Governance Charter (Continued)

7. Cybersecurity

According to a report published by Internet Security Alliance (ISA) and National Association of Co-operate Directors (NACD), there are 5 key principles to approaching cyber risk that should be turned into action points:

- Cyber-risk is a key component of enterprise risk management requiring Board-level oversight;
- Cyber-risks have important legal ramifications which need to be understood by both the Board and management;
- Cyber-risk should be a topic of regular discussion and engagement with expertise to address cyber-related risks;
- Implementation of an effective cyber-risk framework for the business; and
- Assessment of cyber-risks, determination of cyber-risks to accept, avoid, mitigate or insure against.

8. Governance Structures

The Risk and Audit Committee assists the Board in carrying out its IT responsibilities as follows;

- Ensures that IT risks are adequately addressed and documented;
- Considers IT as it relates to financial reporting and business continuity of the Group;
- Obtains appropriate assurance that controls are in place and effective in addressing IT risks; and
- Considers the use of technology to improve audit coverage and efficiency.

Directors' Responsibility for Financial Reporting

African Sun Limited directors are required by the Zimbabwe Companies and Other Business Entities Act (Chapter 24:31) to maintain adequate accounting records and to prepare financial statements for each financial year, which present a true and fair view of the state of affairs of the Group at the end of the financial year, and of the profit or loss and cash flows for the year then ended. Reasonable and prudent judgements and estimates have been made. The financial statements incorporate full and responsible disclosure in line with the accounting philosophy of the Group stated on page 18.

The Directors have reviewed the Group's budget and cash flow forecast for the 12 months to 31 December 2024. On the basis of the reviewed forecasts and in light of the current financial position, the Directors are satisfied that the Group is a going concern and have continued to adopt the going concern basis in preparing the consolidated annual financial statements.

The Group has an Internal Audit Department, which has the objective of assisting the Risk and Audit Committee in the discharge of its responsibilities, and which monitors the effectiveness of the accounting system and related internal financial controls on a continuing basis. The Internal Audit Department performs a critical examination of the financial and operating information for management, and reports its findings and its recommendations to management and to the Risk and Audit Committee.

The Risk and Audit Committee reviews the IT governance framework and monitors the IT function against risk and performance imperatives. In exercising its duty of care, the Committee ensures that prudent and reasonable steps have been taken in regard to IT governance.

In addition, the Group's Independent Auditor reviews and tests appropriate aspects of the internal financial control systems during the course of their statutory audit of the financial statements of the Group.

Both the Internal and Independent Auditors have unlimited access to the Risk and Audit Committee.

The Group's Risk and Audit Committee met with the Independent and Internal Auditors to discuss their reports on the results of their work, which include assessments of the relative strengths and weaknesses of key control areas.

Given the size, complexity and geographical diversity of the Group, it may be expected that occasional breakdowns in established control procedures may occur. No breakdowns involving material loss have been reported to the Directors in respect of the period under review and it is believed that none of these exists, except as indicated on note 33.1.

The Group's Independent Auditor, Grant Thornton Chartered Accountants (Zimbabwe), has audited the financial statements and their report appears on pages 34 to 37.

The financial statements for the twelve months ended 31 December 2024 which appear on pages 38 to 135 have been approved by the Board of Directors and are signed on their behalf by:

G. Chikomo **Risk and Audit Committee Chairperson**	**L. Chikara** **Chief Finance Officer**

30 April 2025

Directors' Declaration

For the year ended 31 December 2024

In the opinion of the Directors of African Sun Limited, the consolidated financial statements and accompanying notes, which are presented on pages 38 to 135, have been prepared in accordance with the International Financial Reporting Standards (IFRS). Additionally, the financial statements have been prepared in compliance with the requirements of the Zimbabwe Companies and Other Business Entities Act (Chapter 24:31). The Directors assert that the financial statements provide a true and fair view of the Group's financial position as at 31 December 2024, as well as the results of the Group's performance and its cash flows for the year ended on that date. This statement indicates the Directors' belief that the financial statements accurately represent the Group's financial standing and performance in accordance with relevant accounting standards and regulatory requirements.

The Directors confirm that, based on their assessment, the Group has sufficient resources to continue its operations for the foreseeable future. They believe that the Group will remain a viable going concern in the year ahead.

L. Mhishi **Chairman**	**L. Ward** **Chief Executive Officer**	**V. Musimbe** **Company Secretary and Governance Executive**

30 April 2025

Declaration by the Chief Finance Officer

For the year ended 31 December 2024

I, as the Chief Finance Officer of the Group, hereby confirm that the annual financial statements presented on pages 38 to 135 have been prepared under my supervision. I affirm that I am a member of the Institute of Chartered Accountants of Zimbabwe (ICAZ) and registered with the Public Accountants and Auditors Board, holding a Public Accountant Certificate with the number 05347.

As a member of ICAZ and a registered professional with the Public Accountants and Auditors Board, I have met the necessary qualifications and standards required for financial reporting and supervision. I have applied my professional expertise and judgement to ensure the accuracy and completeness of the financial statements. By providing this confirmation, I take responsibility for the preparation and supervision of the financial statements in accordance with the applicable accounting standards and regulatory requirements.

L. Chikara
Chief Finance Officer

30 April 2025

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Independent Auditor's Report

To the members of African Sun Limited and its subsidiaries

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of African Sun Limited and its subsidiaries, which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and the notes to the consolidated financial statements, including a summary of the Group's significant accounting policies.

In our opinion, the consolidated annual financial statements present fairly, in all material respects, the financial position of African Sun Limited and its subsidiaries as at 31 December 2024, its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Annual Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

Change in presentation of expenses from a classification based on their function to a classification based on their nature

Without modifying our opinion, we draw attention to note **2.1.3** of the consolidated financial statements, which details the change in the presentation of expenses from a classification based on their function to a classification based on their nature, effective 1 January 2024. The prior year expenses have been reclassified accordingly.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of the most significance in our audit of the consolidated financial statements for the current year. These matters were addressed in the context of our audit of the consolidated financial statements, and in forming our opinion thereon, and we did not provide a separate opinion on these matters. The key audit matters noted below relate to the annual consolidated financial statements:

Key Audit Matters (continued)

Key Audit Matter	How our audit addressed the Key Audit Matter
IFRS 15 - Revenue from Contracts with Customers • ISA 240 - The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements provides that the auditor is required, based on a presumption that there are risks of fraud in revenue recognition, to evaluate which types of revenue, revenue transactions or assertions give rise to such risks. • The risk is exacerbated by the fact that the Group's revenue streams are characterised by high volumes of transactional data which is generated in an automated environment across the Group's several revenue sources which have varying recognition criteria such as: i. Sale of room nights; ii. Sale of food and beverages; iii. Conferencing; iv. Property and related consultancy services; and sundry revenue v. Rental income and vi. Revenue from the sale of stands. • Revenue recognition was identified as a significant risk area and accordingly a key audit matter.	Our audit procedures included the following: • Reviewed that the revenue recognition criteria are appropriate and in line with the requirements of IFRS 15. • Tested the design, existence and operating effectiveness of internal controls implemented as well as test of details to ensure accurate processing of revenue transactions. • We identified key controls and tested these controls to obtain satisfaction that they were operating effectively for the year under review. • Furthermore, we performed analytical procedures and assessed the reasonableness of explanation provided by management. • Performed cut-off tests on year end balances to ensure revenue is recognized in the correct period. • Inspected reversals and credit memos performed in the period subsequent to year end and established if they were for valid revenue transactions. Based on the audit work performed, we satisfied ourselves that the Group's revenue recognition is appropriate and in compliance with the requirements of IFRS 15 - Revenue from Contracts with Customers.
Compliance with International Accounting Standard (IAS) 21 "The effects of Changes in Foreign Currency Rates" on estimation of appropriate exchange rate • As described in Note 3.2, the entity's monetary assets and liabilities denominated in Zimbabwe Gold (ZWG), were translated to USD using an estimated exchange rate due to lack of exchangeability. • The Group early adopted the amendments to IAS 21 (Lack of Exchangeability), effective 1 January 2024 to estimate the appropriate spot rate that faithfully represents the Group's economics. • The estimation process involved a lot of management's judgement and reliance on alternative market data. Accordingly, the matter was identified as a key audit matter.	Our audit procedures included the following: • Tested management's application of the exchange rate estimation process for compliance with IAS 21 and the related amendments; • Obtained and reviewed the detailed technical write-up from management explaining their process of estimation in determining the exchange rates; • Obtained an understanding of the assumptions used and assessed the reasonableness of the assumptions used therein; • Reviewed management's methodology and assessment of their application of the estimated appropriate spot rates and compared the application to compliance with IFRS. • Tested the inputs to management's calculation or estimation of the appropriate spot rate for accuracy; • Recompute the estimated exchange rates used for a selection of transactions and compared it to management's computation; • Performed technical consultations on the appropriateness of estimating an exchange rate in the context of the requirements of IAS 21; • Verified that the exchange rates utilised throughout the period were in line with the estimated rates by testing foreign exchange transactions and balances; and • Assessed the disclosures made by management against the requirements of IAS 21. Based on the audit work performed, we concluded that the accounting treatment and disclosures were appropriate and in compliance with the requirements of IAS 21.

Independent Auditor's Report (continued)

Other Information

The Directors are responsible for the other information. The other information comprises the 'Corporate information', 'Directors' report, 'Corporate governance', 'Chairman's report', and 'Chief Executive Officers' report', which we obtained prior to the date of this auditor's report. The other information does not include the consolidated financial statements and our auditor's report thereon. Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance or conclusion thereon.

In connection with our audit of the 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 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 on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Consolidated financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (continued)

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion.
- Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the 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 consolidated financial statements. We are responsible for the direction, supervision and performance of the Group's audit. We remain solely responsible for our audit opinion.

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

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

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

Report on Other Legal and Regulatory Requirements

In our opinion, the consolidated financial statements have been properly prepared, in all material respects in accordance with the requirements of the Companies and Other Business Entities Act (Chapter 24:31).

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

Grant Thornton

Edmore Chimhowa
Partner
Registered Public Auditor (PAAB No: 0470)

Grant Thornton
Chartered Accountants (Zimbabwe)
Registered Public Auditors
HARARE

30 April 2025

Consolidated Statement of Financial Position

As at 31 December 2024

		GROUP	
All figures in USD	Note	**31 December 2024**	31 December 2023
ASSETS			
Non-current assets			
Property and equipment	7.1	**67 667 591**	85 553 941
Investment property	10	**8 452 800**	10 680 900
Right of use assets	16.1	**16 015 536**	17 368 760
Other receivables	13.3	**1 020 248**	136 674
Biological assets	9	**332 692**	334 581
Total non-current assets		**93 488 867**	114 074 856
Current assets			
Assets classified as held for sale	8.2	**22 772 980**	3 600 000
Inventories	12	**5 096 219**	6 806 249
Other financial assets	13.4	**1 153 346**	617 557
Trade receivables	13.1	**2 440 094**	1 938 603
Other receivables	13.3	**2 987 943**	4 425 453
Cash and cash equivalents	14	**9 767 082**	10 869 828
Total current assets		**44 217 664**	28 257 690
Total assets		**137 706 531**	142 332 546
EQUITY AND LIABILITIES			
Equity attributable to owners of the parent			
Share capital	15.1.2	**2 484 229**	2 476 768
Share premium	15.2	**14 029 390**	14 008 943
Equity settled share based payment reserve	20	**-**	223 300
Foreign currency translation reserve	15.3.2	**8 373 916**	8 346 540
Revaluation reserve	15.3.1	**32 596 404**	32 596 404
Retained earnings		**41 008 658**	42 293 531
Total equity		**98 492 597**	99 945 486
Liabilities			
Non-current liabilities			
Deferred tax liabilities	21.2.4	**11 686 407**	12 309 226
Lease liabilities	16.2	**13 505 597**	14 438 109
Total non-current liabilities		**25 192 004**	26 747 335

		GROUP	
All figures in USD	Note	**31 December 2024**	31 December 2023
Current liabilities			
Liabilities associated with assets held for sale	8.3	**1 412 829**	-
Trade and other payables	17	**10 008 820**	13 200 844
Current tax liabilities	18	**1 686 672**	490 530
Provisions	19	**635 950**	1 783 416
Lease liabilities	16.2	**277 659**	164 935
Total current liabilities		**14 021 930**	15 639 725
Total liabilities		**39 213 934**	42 387 060
Total equity and liabilities		**137 706 531**	142 332 546

The notes on pages 46 to 135 are an integral part of these financial statements.

These consolidated financial statements were approved by the Board of Directors on 30 April 2025 and signed on its behalf by:

G. Chikomo
Risk and Audit Committee Chairperson

L. Chikara
Chief Finance Officer

Company Statement of Financial Position

As at 31 December 2024

All figures in USD	Note	COMPANY 31 December 2024	31 December 2023
ASSETS			
Non-current assets			
Property and equipment	7.2	**8 964**	13 744
Investments	11.2	**12 426 229**	12 426 229
Total non-current assets		**12 435 193**	12 439 973
Current assets			
Receivables	13.3	**3 897 721**	1 875 372
Cash and cash equivalents	14	**268**	354
Total current assets		**3 897 989**	1 875 726
Total assets		**16 333 182**	14 315 699
EQUITY AND LIABILITIES			
Equity attributable to owners of the parent			
Share capital	15.1.2	**2 484 229**	2 476 768
Share premium	15.2	**14 029 390**	14 008 943
Equity settled share based payment reserve	20	**-**	223 300
Revaluation reserve	15.3.1	**68 875**	68 875
Accumulated losses		**(268 875)**	(3 244 645)
Total equity		**16 313 619**	13 533 241
Liabilities			
Non-current liabilities			
Deferred tax liabilities	21.2.4	**402**	3 398
Total non-current liabilities		**402**	3 398
Current liabilities			
Trade and other payables	17	**19 161**	778 987
Current tax liabilities	18	**-**	73
Provisions	19	**-**	-
Total current liabilities		**19 161**	779 060
Total liabilities		**19 563**	782 458
Total equity and liabilities		**16 333 182**	14 315 699

The notes on pages 46 to 135 are an integral part of these financial statements.

These consolidated financial statements were approved by the Board of Directors on 30 April 2025 and signed on its behalf by:

G. Chikomo
Risk and Audit Committee Chairperson

L. Chikara
Chief Finance Officer

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2024

		GROUP	
All figures in USD	Note	**31 December 2024**	31 December 2023
Revenue	22	**53 979 172**	46 981 522
Rooms related costs		**(1 349 098)**	(1 147 036)
Cost of food and beverages sold		**(5 793 974)**	(5 018 856)
Hotel occupancy costs		**(3 576 483)**	(2 949 725)
Repairs and maintenance costs		**(1 598 523)**	(1 307 828)
Property related costs		**(1 295 679)**	(391 392)
Employee benefits expense		**(17 809 834)**	(16 990 038)
Net impairment (losses)/reversal on financial assets	13.6	**(44 600)**	326 907
Other operating expenses	26	**(12 090 562)**	(9 628 815)
Other expenses	24	**(537 962)**	(1 674 251)
Earnings before interest, tax, depreciation and amortisation		**9,882,457**	8,200,488
Depreciation and amortisation	27	**(4 485 000)**	(5 069 398)
Operating profit before finance income/(costs)		**5 397 457**	3 131 090
Finance income	25.1	**132 106**	221 505
Finance costs	25.2	**(13 091)**	(9 951)
Finance costs - lease liabilities	16.3	**(1 444 194)**	(1 344 478)
Profit before tax		**4 072 278**	1 998 166
Tax expense	21.1	**(4 761 440)**	(1 947 418)
(Loss)/profit for the year from continuing operations		**(689 162)**	50 748
Profit/(loss) for the year from discontinued operations	8.1.8	**415 095**	(415 337)
Loss for the year		**(274 067)**	(364 589)
Other comprehensive income - net of tax			
Items that may be subsequently reclassified to profit or loss			
Exchange differences on translation of foreign operations	15.3.2	**27 376**	77 324
Items that may not be subsequently reclassified to profit or loss			
Revaluation surplus	15.3.1	**-**	5 266 482
Total other comprehensive income - net of tax		**27 376**	5 343 806
Total comprehensive(loss)/income for the year		**(246 691)**	4 979 217
Loss attributable to:			
Owners of the parent		**(274 067)**	(364 589)
Total comprehensive (loss)/income attributable to:			
Owners of the parent		**(246 691)**	4 979 217
(Loss)/earnings per share attributable to:			
Owners of the parent during the year (USD cents)			
Basic and diluted loss per share	28	**(0.02)**	(0.02)
Headline earnings/(loss) per share	28	**0.02**	(0.02)

*The Group restated the prior year's comparative figures to show the effects of discontinued operations and changed the presentation format from a function-based approach to a nature-based approach, which resulted in the reclassification of expenses. For more details on the reclassification of expenses, refer to note 2.1.3.

Consolidated Statement of Cash Flows

For the year ended 31 December 2024

		GROUP	
All figures in USD	Note	**31 December 2024**	31 December 2023
Operating activities			
Cash generated from continuing and discountinued operations	29.1	**8 909 709**	7 998 867
Finance income	25.1	**132 106**	229 036
Finance costs	25.2	**(13 091)**	(9 951)
Finance costs - lease liabilities	16.3	**(1 444 194)**	(1 344 478)
Tax paid	18	**(2 784 228)**	(1 361 627)
Cash from operating activities		**4 800 302**	5 511 847
Investing activities			
Proceeds from sale of subsidiary	8.1.10	**-**	309 293
Purchase of property and equipment	7.1	**(5 586 797)**	(5 585 513)
Purchase of equity investments	13.4.1	**(1 234 669)**	(569 234)
Proceeds from sale of equity investments	13.4.1	**136 905**	-
Proceeds from disposal of investment property		**1 472 235**	788 905
Dividend income		**40 870**	-
Proceeds from disposal of property and equipment	29.2	**687 976**	200 084
Cash utilised in investing activities		**(4 483 480)**	(4 856 465)
Financing activities			
Proceeds from issue of shares		**22 384**	-
Repayment of lease liabilities		**(178 032)**	(106 887)
Dividend paid		**(840 715)**	(1 076 679)
Cash utilised in financing activities		**(996 363)**	(1 183 566)
Decrease in cash and cash equivalents for the year		**(679 541)**	(528 184)
Cash and cash equivalents at the beginning of the year		**10 869 828**	11 463 432
Exchange loss on foreign currency translations		**-**	(65 420)
Cash and cash equivalents at the end of the year		**10 190 287**	10 869 828
Cash and cash equivalents included in disposal group	8.2	**(423 205)**	-
Cash and cash equivalents for continuing operations	14	**9 767 082**	10 869 828

Consolidated Statement of Changes in Equity

For the year ended 31 December 2024

All figures in USD	Share capital	Share premium	Equity settled share based payment reserve	Foreign currency translation reserve	Revaluation reserve	Retained earnings	Total equity
Year ended 31 December 2023							
Balance as at 1 January 2023	2 476 768	14 008 943	213 296	8 269 216	27 543 868	44 270 888	**96 782 979**
Loss for the year	-	-	-	-	-	(364 589)	**(364 589)**
Other comprehensive income/(loss):							
Exchange differences on translation of foreign operations	-	-	-	77 324	-	-	**77 324**
Transfer to retained earnings	-	-	-	-	(213 946)	213 946	**-**
Revaluation surplus - net of tax	-	-	-	-	5 266 482	-	**5 266 482**
Total comprehensive income/(loss) for the year	-	-	-	77 324	5 052 536	(150 643)	**4 979 217**
Transactions with owners in their capacity as owners:							
Share options cost	-	-	10 004	-	-	-	**10 004**
Dividends	-	-	-	-	-	(1 826 714)	**(1 826 714)**
Balance as at 31 December 2023	2 476 768	14 008 943	223 300	8 346 540	32 596 404	42 293 531	**99 945 486**
Effects of initial application of the Lack of Exchangeability amendments (IAS21) - note 2.1.5	-	-	-	-	-	(387 867)	**(387 867)**
Restated balance as at 31 December 2023	2 476 768	14 008 943	223 300	8 346 540	32 596 404	41 905 664	**99 557 619**
Year ended 31 December 2024							
Balance as at 1 January 2024	2 476 768	14 008 943	223 300	8 346 540	32 596 404	41 905 664	**99 557 619**
Loss for the year	-	-	-	-	-	(274 067)	**(274 067)**
Other comprehensive income/(loss):							
Exchange differences on translation of foreign operations	-	-	-	27 376	-	-	**27 376**
Transfer to retained earnings	-	-	(217 776)	-	-	217 776	**-**
Total comprehensive (loss)/income for the year	-	-	(217 776)	27 376	-	(56 291)	**(246 691)**
Transactions with owners in their capacity as owners:							
Shares issued	7 461	20 447	(5 524)	-	-	-	**22 384**
Dividends	-	-	-	-	-	(840 715)	**(840 715)**
Balance as at 31 December 2024	2 484 229	14 029 390	-	8 373 916	32 596 404	41 008 658	**98 492 597**

Notes to the Financial Statements

For the year ended 31 December 2024

1 GENERAL INFORMATION

African Sun Limited (the "Company") is a Zimbabwean corporation, operating together with its subsidiaries, collectively referred to as the "Group". The Group's primary activities involve managing nine hotels, operating two Lodges in Zimbabwe under a timeshare model, and operating a sales and marketing office in South Africa that focuses on international and regional sales. In addition to its hospitality operations, the Group also has a real estate division. This division owns six hotel buildings that are operated by the hotel division. Furthermore, the Group holds more than 3 100 hectares of land across Zimbabwe, with 2 630 hectares primarily held for capital appreciation or future development purposes.

As a Zimbabwean corporation, the Company is incorporated and domiciled in Zimbabwe. It is publicly listed on the Victoria Falls Stock Exchange (VFEX). The majority shareholder of the Company is Brainworks Capital Management (Private) Limited, whose registered address is 26 Endeavor Crescent, Mount Pleasant Business Park, Harare, which owns 60.39% (2023: 60.42%) of the ordinary share capital of the Company.

The Company's registered address is Monomotapa Hotel, Number 54 Parklane Road, Harare, Zimbabwe.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following are the key accounting policies that have been consistently applied in the preparation of these financial statements, unless stated otherwise.

2.1 Basis of preparation

2.1.1 Statement of compliance

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) and the interpretations provided by the IFRS Interpretations Committee (IFRSIC) applicable to companies reporting under IFRS. These financial statements also comply with the requirements of the Zimbabwe Companies and Other Business Entities Act (Chapter 24:31) and present a true and fair view of the Group's financial position as of 31 December 2024, as well as the performance results and cash flows for the year ended on that date.

The financial statements are prepared using the historical cost convention as the primary basis, but certain assets such as investment property, biological assets, financial assets, and property and equipment are measured at fair value.

In preparing the consolidated financial statements, management makes critical accounting estimates and exercises judgement in applying the Group's accounting policies. Note 4 of the consolidated financial statements provides disclosure on areas that involve a higher degree of judgement or complexity, including assumptions and estimates that are significant to the financial statements.

2.1.2 Going concern

The Directors have assessed the ability of the Group to continue as going concern and are of the view that, the preparation of these consolidated financial statements on a going concern basis is appropriate.

In their going concern assessment, the Directors considered the projected performance of the tourism industry, the cash flow and liquidity projections, including key commitments for a period exceeding 12 months from the reporting date. Despite experiencing after tax losses, the Group remains financially stable and remains optimistic about its ability to recover. The following key factors support its going concern status:

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of preparation (continued)

2.1.2 Going concern (continued)

(i) The Group is entirely debt-free, which eliminates the risk of debt repayment obligations or interest burdens that could strain liquidity.

(ii) As of 31 December 2024, the Group holds a healthy cash position of USD 9.77 million, providing a strong liquidity buffer to fund its operations and planned recovery initiatives.

(iii) The Group has consistently generated positive cash flows from operating activities during the year, amounting to USD 4.80 million. This demonstrates the Group's ability to meet its operational obligations and sustain its day-to-day operations without reliance on external funding.

The Group has implemented several key recovery initiatives aimed at driving financial performance and returning to profitability. These include:

(i) Refurbishing key properties to enhance the guest experience and attract premium clients. The completion of the Hwange Safari Lodge refurbishment is expected to boost performance..

(ii) Sale of non-core properties to free up capital for reinvestment in high-yield projects.

(iii) Rebranding with the focus on repositioning our hotels in the key markets.

Based on management's detailed financial forecasts, the Group expects to return to profitability within the next 12 months. The forecasts are underpinned by:

(i) Improved hotel occupancy rates as tourism recovers.

(ii) Cost optimization initiatives reducing operating expenses by 5%.

2.1.3 Change in presentation of expenses

During the financial year ended 31 December 2024, the Group made a change in the presentation of expenses in the consolidated financial statements from presentation by function to presentation by nature. This change in presentation is in line with IAS 1, "Presentation of Financial Statements", which permits permits the presentation of expenses recognised in profit or loss using a classification based on either their nature or their function.

The Group's statement of comprehensive income has historically been presented based on function. The Directors reassessed the relevance of the current presentation of the statement of comprehensive income and concluded that the presentation of expenses by nature is more reliable and relevant for a hospitality business for the following reasons:

- The presentation of expenses by their nature is widely adopted by hospitality businesses in the region particularly industry peers in South Africa and Botswana. Aligning presentation of the statement of comprehensive income with regional practices enhances consistency and facilitates industry-wide comparisons.
- The nature of expense method offers insights into the fundamental resources consumed by the business, providing granular information for financial analysis. By highlighting direct costs related to production, operations, and core activities, this method enhances transparency in financial statements allowing stakeholders to easily grasp the components of expenses without the complexity of functional allocations.
- The function-based presentation of expenses involves subjective allocation of costs to functions. In contrast, a nature-based presentation enhances the relevance and reliability of presenting costs, leading to improved predictions about future cash flows and margins.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of preparation (continued)

2.1.3 Change in presentation of expenses (continued)

Based on this assessment Directors resolved to change the presentation of the statement of comprehensive income from presentation by function to presentation by nature for the reporting period beginning 1 January 2024 and beyond.

The change in presentation has no impact on the Group's total operating expenses, net income, or earnings per share for the current or prior periods; however, it has resulted in a reclassification of amounts previously presented.

The effect of the change in presentation had the change been effected for the twelve months ended 31 December 2023 would be as follows:

	31 December 2023		
All figures in USD	As presented	Reclassification	Reclassified
Cost of sales	13 522 174	(13 522 174)	-
Operating expenses	30 655 165	(30 655 165)	-
Total operating expenses	44 177 339	(44 177 339)	-
Rooms related costs	-	1,147 036	1 147 036
Cost of food and beverages sold	-	5 018 856	5 018 856
Hotel occupancy costs	-	2 949 725	2 949 725
Repairs and maintenance costs	-	1 307 828	1 307 828
Property related costs	-	391 392	391 392
Employee benefits expense	-	16 990 038	16 990 038
Other operating expenses	-	9 628 815	9 628 815
Other expenses	-	1 674 251	1 674 251
Depreciation and amortisation	-	5 069 398	5 069 398
Total operating expenses	-	44 177 339	44 177 339

The prior year's comparative information has been restated to conform to the new presentation format. The total operating expenses remain unchanged, but individual expense categories have been reclassified as outlined above.

Management believes this change in the presentation of expenses provides better information to stakeholders and enhances the understandability of the Group's financial statements. There are no adjustments to the reported profit or loss or the financial position as a result of this change in presentation.

2.1.4 Change in depreciation estimate

During the financial year ended 31 December 2024, the Group reviewed its depreciation estimation for buildings in accordance with IAS 16: Property, Plant, and Equipment. Following this review, the Group revised the residual value of its buildings from 0% to 25% of the buildings' cost. This change reflects management's updated expectation of the value recoverable at the end of the buildings' useful lives, based on current market conditions and historical trends in property values.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of preparation (continued)

2.1.4 Change in depreciation estimate (continued)

The revision was made to better align the Group's accounting estimates with the expected recoverable value of buildings at the end of their useful lives. Previously, the Group assumed no residual value for its buildings; however, market evidence now indicates that a significant portion of the buildings' value is likely to be recoverable at the end of their useful lives due to factors such as land appreciation and the durability of building structures.

This change in estimate is in line with the requirements of IAS 16, which requires residual values to be reviewed periodically and adjusted when necessary to reflect current conditions.

This change in accounting estimate was applied prospectively from 1 January 2024. As a result, the depreciation expense for the current year has decreased compared to prior periods. The table below summarizes the financial impact of the change:

All figures in USD	Before change	After change	Effect of change
Depreciation Expense - Buildings	904 899	648 250	256 649
Net Carrying Amount - Buildings	47 117 201	47 373 850	(256 649)

The adjustment to the residual value has no impact on prior periods, as the revision represents a change in accounting estimate and not a correction of an error or a change in accounting policy.

2.1.5 Lack of exchangeability - use of estimated spot rate

The Group operates in a multi currency economy and transacts largely in United States dollar ("USD"), the functional currency and to a lesser extent the Zimbabwe Gold ("ZWG"), the local currency. The ZWG transactions are converted to the USD functional currency at the spot exchange rate on the transaction date, while ZWG monetary assets and liabilities are translated to USD using the closing spot rate as of the reporting date.

Since the introduction of the local currency in 2019, the Group has encountered challenges in converting ZWG to USD through the formal foreign exchange market. In 2020, the Foreign Exchange Auction Market was established and operated until December 2023. During this period the Group was unable to fully participate in this market due to restrictions on entities holding USD balances in their bank accounts. In December 2023, the Auction Market was replaced by the "Willing Buyer, Willing Seller" (WBWS) system , with the aim of liberalizing the foreign exchange market and enabling price discovery through market forces.

Although the Group is now eligible to participate in the WBWS Interbank market, regulatory restrictions have significantly limited the amounts it can obtain. These restrictions prioritize the importation of critical goods, with most of the Group's obligations falling outside the import priority list.

Considering these factors, directors assessed the exchangeability of the ZWG currency for USD and concluded that there is a permanent lack of exchangeability between the two currencies. The Group can only obtain an insignificant amount of USD due to import priority restrictions, and the delays in acquiring USD go beyond normal administrative timelines.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of preparation (continued)

2.1.5 Lack of exchangeability - use of estimated spot rate (continued)

Following the Directors assessment, the Group opted for early adoption of the amendments to IAS 21, "The Effects of Changes in Foreign Exchange Rates" (Lack of Exchangeability), effective 1 January 2024, ahead of the official effective date of 1 January 2025.

The IAS 21 amendments require the Group to estimate the exchange rate to reflect the rate at which an orderly exchange transaction would occur between market participants under current economic conditions. The Group adopted an estimation technique that relies on data from trade suppliers, adjusted for market imperfections, as there are no observable exchange rates in the market that meet the specified objectives of IAS 21.

The Group estimated the exchange rates based on the following steps:

1. Market scan: A daily market scan is conducted to gather insights on prevailing market conditions.
2. Analysis: The information is reviewed and analyzed by management to ensure accuracy.
3. Average exchange rate: An average trading exchange rate is determined based on the data collected.
4. Adjustment for market imperfections: The average trading rate is adjusted for market imperfections using a predetermined adjustment factor.

Alternative exchange rates observed in the market, especially from suppliers, are incorporated into the valuation method alongside market

The Group uses the estimated exchange rate to translate ZWG-denominated revenues, expenses, receipts, and payments. Transactions are translated daily using the estimated daily spot exchange rates. Similarly, ZWG monetary assets and liabilities are translated using the estimated rate as of the closing measurement date.

ZWG Balances Translated into USD as of 31 December 2024:

	ZWG	USD
Assets		
Financial assets	44 980 503	1 153 346
Trade receivables	32 416 965	831 204
Other receivables	712 043	18 258
Cash and cash equivalents	44 898 432	1 151 242
Total assets	**123 007 943**	**3 154 050**
Liabilities		
Current tax liabilities	993 124	25 465
Trade and other payables	74 348 892	1 906 382
Total liabilities	**75 342 016**	**1 931 847**

The Group did not restate comparative information when applying the Lack of Exchangeability amendments for the first time.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of preparation (continued)

2.1.5 Lack of exchangeability - use of estimated spot rate (continued)

The effects of initially applying the estimated exchange rates on the local currency balances as at 01 January 2024 was determined as follows:

	Balance before translation ZWL	Balance translated at interbank rate USD	Balance translated at estimated rate USD	**Effect of change in exchange rate USD**
Financial assets	4 256 799 649	616 035	383 495	**232 540**
Trade and other receivables	1 601 508 038	231 767	144 280	**87 487**
Cash and cash equivalents	9 578 324 256	1 386 154	862 912	**523 242**
Trade and other payables	(8 081 693 012)	(1 169 565)	(728 080)	**(441 485)**
Current tax liabilities	(254 675 275)	(36 856)	(22 944)	**(13 912)**
Lease liabilities	(71 902)	(11)	(6)	**(5)**
Total	**7 100 191 754**	**1 027 524**	**639 657**	**387 867**

The impact of the initial application, amounting to USD 387 867, was recorded as an adjustment to the opening balance of retained earnings.

The lack of exchangeability of the ZWG currency exposes the Group to several risks, including:

- Foreign exchange risk arising from unpredictable exchange rate fluctuations impacting all monetary assets and liabilities and affecting pricing balances and operational costs
- Limited access to foreign currency creates liquidity risks for the Group, as it hampers the ability to fulfill foreign currency obligations.
- The Group faces operational risks due to potential disruptions in daily operations, stemming from reliance on imports that demand foreign currency.
- Financial reporting and valuation risks exposure from the inherent subjectivity of exchange rate estimation, which complicates financial reporting and undermines reliability.
- Uncertainty in foreign currency availability undermines long-term planning, forcing less efficient local operations.

2.1.6 Change in functional and presentation currency

As of 1 January 2023, the Group made a change in its functional currency and presentation from Zimbabwe Dollars (ZWL) to United States Dollars (USD).

In accordance with the requirements of IAS 21, "The Effects of Changes in Foreign Exchange Rates," management assessed the currency that best reflected the underlying transactions, events, and conditions relevant to the Group. The assessment considered the following factors:

(i) USD became the primary currency used in settling transactions related to rooms, food and beverages, and residential properties, accounting for over 60% of the Group's total revenue as of 31 December 2022.

(ii) Due to hyperinflation of the ZWL currency, prices of rooms, food, beverages, and properties were indexed against the USD. The Group's pricing policies were mainly influenced by USD inputs.

(iii) The Group experienced a rise in USD expenditures for materials, labour, and other costs associated with providing goods and services, driven by increased USD receipts and demand from suppliers.

(iv) Due to ZWL currency devaluation, the Group preferred to retain USD receipts generated from its operating activities while disposing of ZWL currency as soon as it was generated.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of preparation (continued)

2.1.6 Change in functional and presentation currency (continued)

Based on these factors, the Group concluded that there was a change in its functional currency from ZWL to USD, effective from 1 January 2023. The change in functional currency was applied prospectively.

Additionally, African Sun Limited, listed on the VFEX on 14 April 2023, and adopted USD as its presentation currency in compliance with the VFEX listing requirements, which mandate financial statements to be presented in USD.

2.1.7 New or revised standards or interpretations issued and effective in the current financial period

2.1.7.1 Amendment to IFRS 16 - leases on sale and leaseback

The amendments to IFRS 16 add subsequent measurement requirements for sale and leaseback transactions that satisfy the requirements in IFRS 15 to be accounted for as a sale. The amendments require the seller-lessee to determine 'lease payments' or 'revised lease payments' such that the seller-lessee does not recognise a gain or loss that relates to the right of use retained by the seller-lessee, after the commencement date. The amendments do not affect the gain or loss recognised by the seller-lessee relating to the partial or full termination of a lease. Without these new requirements, a seller-lessee may have recognised a gain on the right of use it retains solely because of a remeasurement of the lease liability (for example, following a lease modification or change in the lease term) applying the general requirements in IFRS 16. This could have been particularly the case in a leaseback that includes variable lease payments that do not depend on an index or rate. As part of the amendments, the IASB amended an Illustrative Example in IFRS 16 and added a new example to illustrate the subsequent measurement of a right-of-use asset and lease liability in a sale and leaseback transaction with variable lease payments that do not depend on an index or rate.

The Group does not have transaction affected by this change in the current year.

Effective date

1 January 2024

2.1.7.2 Amendments to IAS 7 and IFRS 7 on supplier finance arrangements

The amendments add a disclosure objective to IAS 7 stating that an entity is required to disclose information about its supplier finance arrangements that enables users of financial statements to assess the effects of those arrangements on the entity's liabilities and cash flows. In addition, IFRS 7 was amended to add supplier finance arrangements as an example within the requirements to disclose information about an entity's exposure to concentration of liquidity risk. The term 'supplier finance arrangements' is not defined. Instead, the amendments describe the characteristics of an arrangement for which an entity would be required to provide the information.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of preparation (continued)

2.1.7 New or revised standards or interpretations issued and effective in the current financial period (continued)

2.1.7.2 Amendments to IAS 7 and IFRS 7 on supplier finance arrangements (continued)

To meet the disclosure objective, an entity will be required to disclose in aggregate for its supplier finance arrangements:

- The terms and conditions of the arrangements. The carrying amount and associated line items presented in the entity's statement of financial,
  position, of the liabilities that are part of the arrangements.
- The carrying amount, and associated line items for which the suppliers have already received payment from the finance providers,
- Ranges of payment due dates for both those financial liabilities that are part of a supplier finance arrangement and comparable trade payables that are not part of a supplier finance arrangement.
- Liquidity risk information.

The Group does not have transactions affected by this change in the current year.

Effective date

1 January 2024

2.1.7.3 Amendments to IAS 1 (presentation of financial statements) – classification of liabilities as current or non-current

The amendments to IAS 1 published in January 2020 affect only the presentation of liabilities as current or non-current in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items.

The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services. The Group does not have balances affected by this change in the current year.

Effective date

1 January 2024

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of preparation (continued)

2.1.7 New or revised standards or interpretations issued and effective in the current financial period (continued)

2.1.7.4 Amendments to IAS 1 (presentation of financial statements)—non-current liabilities with covenants

The amendments specify that only covenants that an entity is required to comply with on or before the end of the reporting period affect the entity's right to defer settlement of a liability for at least twelve months after the reporting date (and therefore must be considered in assessing the classification of the liability as current or non-current). Such. covenants affect whether the right exists at the end of the reporting period, even if compliance with the covenant is assessed only after the reporting date (e.g. a covenant based on the entity's financial position at the reporting date that is assessed for compliance only after the reporting date).

The IASB also specifies that the right to defer settlement of a liability for at least twelve months after the reporting date is not affected if an entity only has to comply with a covenant after the reporting period. However, if the entity's right to defer settlement of a liability is subject to the entity complying with covenants within twelve months after the reporting period, an entity discloses information that enables users of financial statements to understand the risk of the liabilities becoming repayable within twelve months after the reporting period. This would include information about the covenants (including the nature of the covenants and when the entity is required to comply with them), the carrying amount of related liabilities and facts and circumstances, if any, that indicate that the entity may have difficulties complying with the covenants. The Group does not have balances affected by this change in the current year.

Effective date

1 January 2024

2.1.8 New standards, amendments and interpretations issued but not effective for the financial period beginning on 1 January 2024 and are relevant to the Group

2.1.8.1 Amendments to IAS 21: lack of exchangeability

The IASB's amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates require disclosure of information that enables users of financial statements to understand the impact of a currency not being exchangeable. The Group has opted for early adoption of the new amendments. Refer to note 2.1.5 for full disclosure note.

Effective date

1 January 2025

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Consolidation

(a) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which the Group obtains control and deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for all business combinations. The consideration transferred for the acquisition of a subsidiary comprises the following:

- Fair values of the assets transferred.
- Liabilities incurred to the former owners of the acquired business.
- Equity interests issued by the company and its subsidiaries.
- Fair value of any asset or liability resulting from a contingent consideration arrangement.
- Fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognizes any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

If settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as of the date of exchange. The discount rate used is the Group's incremental borrowing rate, which is the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value, with changes in fair value recognized in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognized in profit or loss.

Inter-company transactions, balances, and unrealized gains or losses on transactions between group companies are eliminated.

When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

All subsidiaries in the Group have 31 December year end and are consolidated in the presented financial statements.

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less accumulated allowance for impairment.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Consolidation (continued)

(b) Changes in ownership interests in subsidiaries without change of control
The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest leads to an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference in the amount of the adjustment to non-controlling interest recognized is recorded as a separate reserve within equity attributable to the owners of the parent.

(c) Disposal of subsidiaries
When the Group ceases to have control over a subsidiary, any retained interest in the entity is re-measured to its fair value at the date control is lost. The change in carrying amount is recognized in profit or loss. The fair value at the date control is lost becomes the initial carrying amount for subsequently accounting for the retained interest as an associate, joint venture, or financial asset. Additionally, any amounts previously recognized in other comprehensive income related to the entity are accounted for as if the Group had directly disposed of the associated assets or liabilities. This may involve reclassifying amounts previously recognized in other comprehensive income to profit or loss.

(d) Joint arrangements
Investments in joint arrangements are classified as either joint operations or joint ventures, depending on the contractual rights and obligations of the joint arrangement in which the Group is involved. The Group has determined that its investment in The Victoria Falls Hotel Partnership, jointly controlled with Meikles Hospitality (Private) Limited, is a joint operation based on their contractual agreement of sharing control.

For joint operations, the Group accounts for the assets, liabilities, revenues, and expenses relating to its interest in the joint operation in accordance with the accounting standards applicable to the specific assets, liabilities, revenues, and expenses. When a Group entity transacts with a joint operation in which a Group entity is a joint operator (e.g., sale or contribution of assets), the transaction is considered to be conducted with the other parties to the joint operation. Gains and losses resulting from these transactions are recognized in the Group's financial statements only to the extent of the other parties' interests in the joint arrangement. When a Group entity transacts with a joint operation in which a Group entity is a joint operator (e.g., purchase of assets), the Group does not recognize its share of gains and losses until it resells those assets to a third party.

The accounting policies of the joint arrangements are adjusted when necessary to ensure consistency with the policies adopted by the Group.

In the Company's separate financial statements, joint arrangements are accounted for at cost less accumulated allowance for impairment.

2.3 Segment reporting

Segment reporting is conducted in a manner consistent with the internal reporting provided to the chief operating decision maker. In this case, the chief operating decision maker is identified as the "Executive Committee," comprising the Chief Executive Officer, Chief Finance Officer, Human Resources Executive, Legal Executive, Hospitality Executive, Real Estate Executive and Company Secretary. This executive committee is responsible for allocating resources and assessing the performance of the operating segments. The segment reporting disclosures align with the information reviewed and utilized by the executive committee in their decision-making processes.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.4 Foreign currency translation

(a) Functional and presentation currency
Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates, referred to as the "functional currency." The financial statements are presented in United States of America dollars (USD), which is the Group's functional and presentation currency.

Refer to note 4(g) for the judgment made in determining the functional currency.

(b) Transactions and balances
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the transaction dates. Foreign exchange gains or 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 recognized in the statement of comprehensive income.

Upon consolidation, exchange differences arising from the translation of any net investment in foreign entities, as well as borrowings and other financial instruments designated as hedges of such investments, are recognized in the Group's other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss as part of the gain or loss on sale.

(c) Group companies
The results and financial position of a group entity that has a functional currency different from the functional currency of the Group (none of which has the currency of a hyper-inflationary economy) are translated into the functional currency of the Group as follows:

(i) Assets and liabilities for each statement of financial position presented are translated at the closing foreign exchange rate at the date of that statement of financial position.

(ii) Income and expenses for each statement of comprehensive income are translated at average foreign exchange rates, unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates. In such cases, income and expenses are translated at the rates on the dates of the transactions.

(iii) All resulting exchange differences are recognized in other comprehensive income.

Upon consolidation, exchange differences arising from the translation of the net investment in foreign operations, as well as the borrowings and other currency instruments designated as hedges of such investments, are taken to the foreign currency translation reserve in equity. When a foreign operation is partially disposed of or sold, exchange differences that were recorded in equity are recognized in the statement of comprehensive income as part of the gain or loss on sale.

Goodwill and fair value adjustments arising from the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing foreign exchange rate. Foreign exchange differences arising are recognized in other comprehensive income.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.5 Property and equipment

All property and equipment are initially recognised at cost. The cost includes expenditures directly attributable to the acquisition of the items.

Subsequently, property and equipment, with the exception of service stocks, leasehold improvements and capital work in progress, are stated at revalued amounts less subsequent accumulated depreciation and accumulated allowance for impairment. The revalued amount is based on yearly, but at least annual, valuations by external valuers, less subsequent accumulated depreciation and impairment losses. Any accumulated depreciation at the date of revaluation is offset against the gross carrying amount of the asset, and the net amount is restated to the revalued amount of the asset. Revaluations are performed with sufficient regularity to ensure that the carrying amounts do not materially differ from those determined using fair values at the end of each reporting year.

Increases in the carrying amount resulting from the revaluation of property and equipment are credited to a revaluation reserve in shareholders' equity. Decreases that offset previous increases of the same asset are charged against the revaluation reserve directly in equity, up to the extent of any credit balance existing in the revaluation surplus for that specific asset. Any decreases that exceed the previously recognized revaluation surplus of a particular asset should be recognized as an expense in the profit and loss statement. Increases in the carrying amount arising from revaluation are recognized in the profit and loss statement to the extent that they reverse a previously recognized revaluation decrease of the same asset.

The revaluation surplus included in equity for an item of property and equipment is transferred directly to retained earnings when the asset is derecognized. No transfer is made from the revaluation reserve to retained earnings except when an asset is derecognized.

Subsequent costs are recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be reliably measured. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to the profit or loss statement in the reporting year in which they are incurred.

Service stocks and capital work in progress were not revalued and continue to be subsequently carried and measured at cost less subsequent accumulated depreciation and accumulated impairment.

Depreciation is recognized using the straight-line method to write off the cost of assets or revalued amounts (except for land) less their residual values over their useful lives.

The estimated useful lives are as follows:

Leasehold properties	8-25 years
Equipment	6-15 years
Freehold properties	50 years
Motor vehicles	5 years
Service stocks	2 years

Capital work in progress comprises items of property and equipment that are not yet commissioned and is not depreciated. Depreciation of an asset begins when it is available for use, i.e., when it is in the location and condition necessary for it to operate as intended by management.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.5 Property and equipment (continued)

The useful lives and residual values of assets are reviewed and adjusted if appropriate at each reporting date, with the effect of the change in estimate accounted for on a prospective basis. If the residual value of an asset increases to an amount equal to or greater than the asset's carrying amount, depreciation ceases to be charged on the asset until its residual value subsequently decreases to an amount below its carrying amount. Vehicles carry a 20% residual value and buildings changed residual value to 25% during the year (note 2.1.4).

Profits or losses arising from the disposal of property and equipment are determined by comparing the proceeds with the carrying amount. These are included in the statement of comprehensive income within other income or other expenses.

The Group capitalizes borrowing costs directly attributable to the construction of new projects where the construction or redevelopment (refurbishment) of existing hotels takes a substantial period between 6 and 12 months to complete.

2.6 Fair value measurements

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, regardless of whether that price is directly observable or estimated using another valuation technique. When estimating the fair value of an asset or liability, the Group considers the characteristics of the asset or liability if market participants would take those characteristics into account when pricing it at the measurement date. Fair value for measurement and disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions, leasing transactions, and measurements that have similarities to fair value but are not classified as fair value, such as net realizable value in 'inventories' or value in use in 'impairment of assets.'

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, Level 2, or Level 3 based on the degree of observability of the inputs and their significance to the fair value measurement as a whole. The categories are described as follows:

Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date. The valuation methodology relies on unadjusted quoted prices for identical assets or liabilities in active markets that the Group can access.

Level 2: Inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly. The valuation methodology includes quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in inactive markets, and inputs other than quoted prices that are observable for the asset or liability. Additionally, inputs derived primarily from or corroborated by observable market data through correlation or other means are considered.

Level 3: Inputs are unobservable inputs for the asset or liability. The valuation methodology relies on unobservable inputs that are significant to the fair value measurement.

The fair value hierarchy for property and equipment, investment property and biological assets valuations has been disclosed in notes 30, and 9, respectively.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.7 Biological assets

The Group is actively engaged in agricultural activities, particularly in the management of a Timber plantation located in the Eastern Highlands. The Timber from this plantation is sold upon harvesting.

Timber plantation
Timber plantations are measured at their fair value less estimated point-of-sale costs. The fair value of timber plantations is determined by a professional valuer, who considers fair values for various stages of forest development. Changes in the carrying value of the biological asset are directly recognized in the statement of comprehensive income.

2.8 Impairment of assets

Goodwill and intangible assets with an indefinite useful life are not subject to amortization and undergo annual impairment testing. Additional impairment tests may be conducted more frequently if events or changes in circumstances indicate potential impairment. Other assets are tested for impairment whenever events or changes in circumstances suggest that the carrying amount may not be recoverable. An impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is determined as the higher of the asset's fair value less costs of disposal and its value in use.

For impairment assessment purposes, assets are grouped at the lowest levels where separately identifiable cash inflows exist, which are largely independent of the cash inflows from other assets or groups of assets (referred to as cash-generating units). Non-financial assets, excluding goodwill, that have incurred impairment are reviewed periodically for potential reversal of the impairment at the end of each reporting year.

2.9 Trade receivables

Trade receivables represent amounts owed by customers for food, beverages, rooms, property rentals, and property sales made during the normal course of business. These receivables are typically settled within 30 days and are therefore categorized as current assets. Initially, trade receivables are recognized at the unconditional amount of consideration. The Group holds these receivables with the objective of collecting the contractual cash flows and subsequently measures them at amortized cost using the effective interest method, net of allowance for credit losses. The effective interest method is used to calculate the amortized cost of a financial asset or liability and to allocate the interest income or expense over the relevant period.

Note 3.1 provides a description of the Group's impairment policies.

2.10 Financial instruments

Financial assets and financial liabilities are recognized in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

(a) Classification
The Group classifies its financial assets into the following measurement categories:

- Those to be measured subsequently at fair value (either through other comprehensive income ("FVOCI") or through profit or loss ("FVPL")).
- Those to be measured at amortized cost.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.10 Financial instruments (continued)

(a) Classification (continued)
The classification is based on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

Assets held for the collection of contractual cash flows, where those cash flows consist solely of payments of principal and interest, are measured at amortized cost.

Assets held for the collection of contractual cash flows and for selling the financial assets, where the cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income.

Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss.

Financial assets held by the Group during the year and as of the year-end were classified as measured at fair value through profit or loss and measured at amortized cost.

(b) Measurement
At initial recognition, financial assets classified at amortized cost are measured at their fair value plus transaction costs directly attributable to the acquisition of the asset. Interest income from financial assets is included in finance income using the effective interest rate method. Any gain or loss arising from derecognition is recognized directly in profit or loss and presented as other gains/(losses), along with foreign exchange gains and losses. Impairment losses are presented as a separate line item in the statement of profit or loss.

If the transaction price differs from the fair value at initial recognition, the difference is accounted for as follows:

- If fair value is based on a quoted price in an active market for an identical asset or a valuation technique that uses only data from observable markets, the difference is recognized in profit or loss on initial recognition (i.e., day 1 profit or loss).
- In all other cases, the fair value is adjusted to align with the transaction price (i.e., day 1 profit or loss is deferred by including it in the initial carrying amount of the asset or liability). After initial recognition, the deferred gain or loss is realised to profit or loss on a rational basis, only to the extent that it arises from a change in a factor (including time) that market participants would consider when pricing the asset or liability.

(c) Recognition and derecognition
Regular-way purchases and sales of financial assets are recognised on the trade date, which is the date the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or been transferred, and the Group has transferred substantially all the risks and rewards of ownership.

(d) Off-setting financial instruments
Financial assets and liabilities are offset, and the net amount is reported in the statement of financial position when there is a legally enforceable right to offset the recognized amounts, and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.10 Financial instruments (continued)

(e) Impairment of financial assets

The Group recognizes an allowance for expected credit losses on financial assets measured at amortized cost. At each reporting date, the Group measures the expected credit loss allowance for the financial asset at an amount equal to the lifetime expected credit losses ("ECL") if the credit risk on the financial asset has significantly increased since initial recognition. If, at the reporting date, the credit risk of the financial asset has not increased significantly since initial recognition, the Group measures the expected credit loss allowance at an amount equal to twelve-month expected credit losses.

The Group assesses all available information, including on a forward-looking basis, to determine the expected credit loss associated with their assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. To assess this, the Group compares the risk of default on the asset as of the reporting date with the risk of default at the date of initial recognition, based on all available information and reasonable forward-looking information. A default on a financial asset occurs when the counterparty fails to make contractual payments within 120 days of the due date.

Expected credit losses on financial assets carried at amortized cost are reversed in subsequent years if the credit loss amount decreases and the decrease can be objectively linked to an event occurring after the impairment was recognized.

The Group monitors all financial assets and contracts subject to the impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk, the Group measures the loss allowance based on lifetime expected credit losses rather than 12-month ECL.

In assessing whether the credit risk on a financial instrument has significantly increased since initial recognition, the Group compares the risk of default on the instrument at the reporting date, considering the remaining maturity, with the anticipated risk of default for the remaining maturity at the initial recognition date. This assessment takes into account both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information based on the Group's historical experience and expert credit assessment.

Multiple economic scenarios are used to determine the probability of default at initial recognition and subsequent reporting dates. Different economic scenarios may result in different probabilities of default. The weighting of these scenarios forms the basis of a weighted average probability of default used to determine whether the credit risk has significantly increased.

Financial assets are written off when the Group has no reasonable expectation of recovery (either in full or in part). This occurs when the Group determines that the borrower lacks assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. A write-off constitutes a derecognition event.

2.11 Inventories

Inventories, which include foodstuffs, beverages, maintenance consumables, and other properties, are reported at the lower of cost and net realizable value. Cost is determined using the weighted average cost method. Net realizable value is the estimated selling price in the ordinary course of business, minus the estimated costs required to complete the sale.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.12 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash, and are subject to an insignificant risk of changes in value. Bank overdrafts in the statement of financial position are presented within borrowings.

2.13 Share capital

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

2.14 Trade payables

Trade payables represent the obligations to pay for goods or services that a company has acquired from suppliers in the ordinary course of business. These trade payables are classified as current liabilities if the payment is due within one year or less (or within the normal operating cycle if longer). If the payment is not due within the next year, they are presented as non-current liabilities.

Initially, trade payables are recognized at their fair value, which is typically the amount owed to the suppliers. Subsequently, they are measured at amortized cost using the effective interest method. This method takes into account the time value of money and calculates the carrying amount of the trade payables based on the original amount owed, the contractual payment terms, and the effective interest rate.

By measuring trade payables at amortized cost using the effective interest method, the company reflects the actual cost of the outstanding obligations over time, considering the timing of payments and the interest implications. This approach provides a more accurate representation of the liabilities on the company's financial statements.

2.15 Income tax

The income tax expense for the year comprises current income tax and deferred tax. Tax is recognized in the statement of comprehensive income, except for items recognized in other comprehensive income or directly in equity. In such cases, the tax is also recognized in other comprehensive income or directly in equity, respectively.

The current income tax expense is calculated based on the tax laws enacted or substantively enacted at the end of the reporting year in South Africa and Zimbabwe, where the Group's subsidiaries operate and generate taxable income. Management evaluates positions taken in tax returns regarding situations where applicable tax regulations are subject to interpretation. Liabilities are established where appropriate based on the amounts expected to be paid to the tax authorities.

Deferred tax is provided in full, using the liability method, for temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred tax is also not accounted for if it arises from the initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, does not affect either accounting or taxable profit or loss.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.15 Income tax (continued)

Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting year and are expected to apply when the related deferred tax asset is realized or the deferred tax liability is settled. Deferred tax assets are recognized only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax assets are recognized for deductible temporary differences arising from investments in subsidiaries, associates, and joint arrangements only to the extent that it is probable the temporary difference will reverse in the future and there is sufficient taxable profit available against which the temporary difference can be utilized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities, and when the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.16 Provisions

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

When there are multiple similar obligations, the likelihood of an outflow being required for settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow for any specific item within the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation. This is done 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" over time, due to the passage of time, is recognized as interest expense.

2.17 Employee benefits

(a) Pension obligations

The Group contributes to five defined contribution plans. One of the contributions is mandatory and publicly administered, while the others are contractual and privately administered. The publicly administered pension benefits scheme is administered by the National Social Security Authority ("NSSA"), which is a national scheme introduced through the NSSA Act (Chapter 17:04). A defined contribution plan is a pension plan in which the Group makes fixed contributions into a separate entity. The Group has no legal or constructive obligations to make further contributions if the fund does not hold sufficient assets to pay all employees the benefits related to their service in the current year and prior years. The contributions are recognized as an employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or reduction in future payments is available.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.17 Employee benefits (continued)

(b) Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognizes termination benefits at either of the following dates:

(i) when the Group can no longer withdraw the offer of those benefits, or

(ii) when the Group recognizes costs for a restructuring that falls within the scope of IAS 37 'Provisions, Contingent Liabilities, and Contingent. Assets' and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting year are discounted to their present value.

(c) Bonus plans

The Group recognizes liabilities and expenses for bonuses based on a formula that takes into consideration key performance indicators measured quarterly. The Group recognizes a provision where it is contractually obliged or where a past practice has created a constructive obligation.

(d) Share Options

The Group issued share options to managerial employees. The options are valued at fair value on the grant date. The fair value determined is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest. The liability is disclosed in a share options reserve, which is part of equity. At the end of each reporting year, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision, if any, is recognized in profit or loss, adjusting the cumulative expense to reflect the revised estimate, with a corresponding adjustment to the share options reserve. The fair value on the grant date was calculated using the Volume Weighted Average Price ("VWAP") for the Group on the Victoria Stock Exchange (VFEX) over a 30-day period. The strike price was determined taking into account the expected volatility of the Group's share price.

According to the share option rules, the options vest three years after grant and may be exercisable in whole or in part no later than one year from the vesting date. If the options remain unexercised after four years from the grant date, they expire. Options are forfeited if the employee leaves the Group before the options vest. Each employee share option converts into one ordinary share of African Sun Limited upon exercise.
The accrued value of employee services is credited to the equity-settled share-based payments reserve until the options are exercised. The value transferred to the equity-settled share-based reserve is amortized to retained earnings as the related share options are exercised or forfeited.

2.18 Revenue recognition

The Group's revenue is derived from the sale of room nights, food, beverages, gaming, conferencing, properties, and other sundry revenues. Revenue is recognized when the Group satisfies performance obligations by transferring a good or service to a customer. The Group has determined that it generates revenue both at a point in time and over time. Revenue is measured based on the consideration specified in the different contracts with customers, net of value-added tax, rebates, and discounts.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.18 Revenue recognition (continued)

(a) Revenue from sale of room nights
This revenue is recognized each night when the Group has satisfied the performance obligations related to the revenue. This involves providing the specified room to the customers, at which point the performance obligation to the customer is satisfied. The transaction price is specified to the customer when they make a reservation or a booking. Customers generally pay upfront for the service, except for customers on account who pay according to pre-agreed conditions.

(b) Revenue from sale of food and beverages
The Group recognizes revenue when a customer takes possession of the ordered food or beverage. The performance obligation is considered satisfied at that point. The transaction price is specified on the price list provided at the various points of sale or menus. The contract with the customer follows customary business practice for the sale of food and beverages.

(c) Revenue from gaming
Gaming income consists of the net table and slot machine win derived from casino operations with gambling patrons. According to accounting standards, betting transactions concluded under gaming operations meet the definition of derivatives. Therefore, income from gaming operations represents the net position arising from financial instruments. The net gaming win is measured as the net cash received from betting transactions in casino operations. Due to the short-term nature of the Group's casino operations, all income is recognized immediately in profit or loss at fair value.

(d) Revenue from conferencing
The Group provides conference facilities at its respective hotels and derives revenue from them. Revenue is recognized when the performance obligation is satisfied, which occurs when the Group has provided a conference facility to the customer as per their request and the Group's capability. The conference package may include food and beverages, which are allocated to revenue from the sale of food and beverages in accordance with the revenue recognition policy described in note 2.18 (b) above.

(e) Revenue from properties and related consultancy services
The Group operates a subsidiary in the real estate industry that primarily focuses on acquiring, developing, and selling residential properties. Revenue is generated through both property leasing and sales. Recognition of revenue takes place when the performance obligation is fulfilled, which happens when the title to a property is transferred to a buyer and when the services outlined in the contract terms have been completed. Generally, revenue from property sales is recognized at a specific point in time. However, for timeshare properties, revenue is typically recognized over a period of time.

(f) Sundry revenue
This comprises various ancillary activities performed at the Group's hotels. Although the nature of the income varies, the performance obligations are satisfied at a point in time. These activities include, among others, guest laundry, horse riding, and game drives. The transaction price for each activity is specified on the price list accessible to the customer before they utilize the given service.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.19 Cost of sales

The cost of sales includes the purchase price of goods and other costs incurred in bringing the inventories to the location and condition ready for use or sale. These costs encompass expenses related to purchasing, storing, and transportation to the extent that it pertains to preparing the inventories for use or sale.

Additionally, the salaries and wages of employees directly involved in the sale of room nights, food, and beverages are included in the cost of sales.

2.20 Leases

The Group has entered into various lease agreements for properties, equipment, and other assets, primarily in the form of operating leases where the lessor retains ownership of the leased asset. These leases cover a range of assets such as office buildings, hotel buildings, Land, and residential houses, each with distinct terms and conditions including lease periods, renewal options, and rental escalation clauses.

The Group applies the requirements of IFRS 16 - Leases to all lease arrangements, except for leases of low-value assets and short-term leases (leases with a lease term of 12 months or less). The Group assesses whether a contract contains a lease at the inception date. A lease is defined as a contract that conveys the right to control the use of an identified asset for a period of time in exchange for consideration. At the commencement date of the lease, the Group recognise a right-of-use asset and a lease liability.

Lease liabilities are initially measured at the present value of lease payments, discounted using the incremental borrowing rate at the lease. The following are the lease payments that are consider in determining the initial lease liability balance:

- Fixed payments, including in-substance fixed payments, minus any lease incentives receivable.
- Variable lease payments based on an index or a rate.
- Amounts expected to be paid by the lessee under residual value guarantees.
- The exercise price of a purchase option if the lessee is reasonably certain to exercise it.
- Penalties for terminating the lease, if the lease term incorporates the lessee exercising that option.

Subsequently, lease liabilities are increased by interest expense and decreased by lease payments made.

The Group determines the incremental borrowing rate to discount lease payments, representing the rate the Group would have to pay to borrow funds necessary to acquire a similar asset in a comparable economic environment under similar terms and conditions.

ROU assets and lease liabilities are initially recognized at the lease commencement date based on the present value of lease payments, including any initial direct costs, lease incentives, and estimated restoration costs. ROU assets are measured at cost, which includes the initial recognition amount, lease payments made at or before the commencement date, initial direct costs, and lease incentives received. Subsequently, ROU assets are depreciated over the shorter of the lease term or the useful life of the underlying asset.

If there are modifications to the lease agreement that result in a change in the lease scope, lease term, or lease payments, the Group reassesses the lease classification and accounts for the modification as a separate lease if necessary.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.20 Leases (continued)

Variable lease payments that depend on an index or a rate are initially measured using the index or rate at the lease commencement date. Subsequent changes in variable lease payments are recognized in the period in which the event or condition that triggers the change occurs.

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as an expense over the lease term on the same basis as lease income. The respective leased assets are included on the statement of financial position based on their nature.

Leases of hotels properties whose payments are associated with variable lease payments that are not based on an index or rate, short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss.

The Group leases various office buildings, hotel buildings, golf course, and staff housing. Rental contracts are typically made for fixed years of two years to fifteen years. Leases for hotel buildings have extension options for renewal at the end of the lease up to five renewals at the option of the Group. The Group determined that the non-cancellable year of the leases are the original leased term together with the years covered by options to extend the leases that the Group is reasonably certain to extend because of both significant leasehold improvements undertaken, and the importance of the underlying hotel buildings to the Group's operations

All hotels property leases on which right of use assets have been recognised contain variable payment terms that are linked to revenues generated from the hotels For individual hotels, variable lease payment are due when the amount calculated based percentages ranging from 5% to 15 % of sales, depending on the nature of the revenue is higher than the fixed rental for the hotel. Variable lease payments that depend on sales are recognised in profit or loss in the year in which the condition that triggers those payments occurs.

2.21 Dividend distribution

The dividend distribution to the Company's shareholders is recognized as a liability in the Group's financial statements in the year when the dividends are declared by the Company's directors.

2.22 Investment property

Investment property comprises completed property held for renting or capital appreciation, as well as property under construction or development for future use as investment property. When property is held under a lease and its purpose is to earn rentals or capital appreciation, it is classifiedas investment property, rather than being intended for sale in the ordinary course of business or for use in production or administrative functions.

Initially, investment property is measured at cost, including transaction costs and applicable borrowing costs. Subsequently, investment property is reported at fair value, reflecting market conditions at the reporting date. Any gains or losses arising from changes in fair value are included in the statement of profit or loss in the period they occur. Fair values are assessed annually by an accredited external independent valuer, using valuation models recommended by the International Valuation Standards Committee.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.22 Investment property (continued)

Subsequent expenditure is capitalized to the carrying amount of the asset only when it is probable that future economic benefits associated with the expenditure will be realized by the company and the cost of the item can be reliably measured. Repairs and maintenance costs are expensed when incurred. When a portion of an investment property is replaced, the cost of the replacement is included in the carrying amount of the property, and the fair value is reassessed.

Investment property is derecognized when it is disposed of or permanently withdrawn from use with no expected future economic benefit from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the statement of profit or loss in the period of derecognition.

Transfers between investment property and other categories are made only when there is a change in use. In the case of a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of the change in use.

If owner-occupied property becomes investment property, the company accounts for it according to the policy stated under property and equipment up to the date of the change in use. The difference between the cost-based measurement and fair value is treated as a revaluation adjustment.

When an investment property undergoes a change in use, such as starting development with the intention to sell, the property is transferred to inventories. The deemed cost for subsequent accounting as inventories is its fair value at the date of the change in use.

2.23 Non-current assets and liabilities classified as held for sale and discontinued operations

Non-current assets classified as held for sale are presented separately and measured at the lower of their carrying amounts immediately prior to classification as held for sale and their fair value less costs to sell. However, certain held for sale assets, such as financial assets or deferred tax assets, continue to be measured in accordance with the Group's relevant accounting policy for those assets. Once classified as held for sale, these assets are no longer subject to depreciation or amortization.

Any profit or loss resulting from the sale of a discontinued operation or its remeasurement to fair value less costs to sell is presented as part of a single line item: profit or loss from discontinued operations (see Note 8).

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

3 FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The Group is exposed to various financial risks including market risk (such as foreign exchange risk, fair value and cash flow interest rate risks), credit risk, and liquidity risk. To mitigate the potential adverse effects on the Group's financial performance arising from the unpredictability of financial markets, the Group has implemented an overall risk management program.

The Group finance department ("Group finance") is responsible for conducting risk management activities in accordance with policies approved by the Board of Directors. Working closely with the Group's operating subsidiaries, Group finance identifies, evaluates, and hedges financial risks.

The Board of Directors establishes the principles for overall risk management and approves policies that address specific areas of risk management. These areas include foreign exchange risk, interest rate risk, credit risk, the use of derivative financial instruments and non-derivative financial instruments, as well as the investment of excess liquidity. By implementing these risk management measures, the Group aims to minimize potential adverse impacts on its financial performance.

3.1.1 Market risk

Market risk refers to the potential for the fair value or future cash flows of a financial instrument to fluctuate due to changes in market prices. This risk encompasses three main types: foreign exchange risk, price risk, and interest rate risk.

(a) Foreign exchange risk

Foreign exchange risk pertains to the possibility of fluctuations in the fair value or future cash flows of a financial instrument due to changes in foreign exchange rates.

The Group is exposed to foreign exchange risk stemming from various currency exposures, primarily concerning the United States of America dollar and the South African rand. This risk arises from future commercial transactions, recognized cash and bank balances, trade receivables, trade payables, and net investments in foreign operations denominated in a currency other than the Company's functional currency.

To effectively manage the Group's foreign exchange risk associated with future commercial transactions and recognized assets and liabilities, Group finance has established a policy. This policy permits the use of forward contracts and asset and liability matching methods, as applicable.

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (continued)

3.1.1 Market risk (continued)

(a) Foreign exchange risk (continued)

The table below provides a summary of the Group's exposure to foreign exchange risk as of 31 December 2024. It includes the carrying amounts of the Group's cash and bank balances, trade receivables, and trade payables, categorized by currency.

	GROUP		COMPANY	
All figures in USD	**31 December 2024**	31 December 2023	**31 December 2024**	31 December 2023
Assets				
Zimbabwe Gold	**3 154 050**	1 576 955	**-**	-
South African rand	**235 110**	332 389	**-**	-
Euro	**31 651**	119 250	**-**	-
Australian dollar	**49**	-	**-**	-
	3 420 860	2 028 594	**-**	**-**
Liabilities				
Zimbabwe Gold	**(1 931 847)**	(817 855)	**-**	(16 748)
South African rand	**(145 213)**	(70 614)	**-**	-
	(2 077 060)	(888 469)	**-**	(16 748)
Net currency position	**1 343 800**	1 140 125	**-**	(16 748)

The table below summarizes the changes in assets and liabilities denominated in various currencies resulting from a 10% (2023: 10%) strengthening of the United States dollar.

	GROUP		COMPANY	
All figures in USD	**31 December 2024**	31 December 2023	**31 December 2024**	31 December 2023
Assets				
Zimbabwe Gold	**(315 405)**	(157 696)	**-**	-
South African rand	**(23 511)**	(33 239)	**-**	-
Euro	**(3 165)**	(11 925)	**-**	-
Australian dollar	**(5)**	-	**-**	-
	(342 086)	(202 860)	**-**	**-**
Liabilities				
Zimbabwe Gold	**193 185**	81 785	**-**	1 675
South African rand	**14 521**	7 061	**-**	-
	207 706	88 846	**-**	1 675
Net currency position	**(134 380)**	(114 014)	**-**	1 675

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (continued)

3.1.1 Market risk (continued)

(a) Foreign exchange risk (continued)

As of 31 December 2024, if the United States dollar had strengthened by 10% (2023: 10%) against all other currencies, assuming all other variables remained constant, the profit for the year would have been lower by USD 134 380 (2023: USD 114 014). This change is primarily due to the foreign exchange loss on the translation of Zimbabwean dollar and South African rand denominated cash and bank balances, trade receivables, and trade payables.

The table below summarizes the changes in assets and liabilities denominated in various currencies resulting from a 10% (2023: 10%) weakening of the United States dollar.

All figures in USD	GROUP **31 December 2024**	GROUP 31 December 2023	COMPANY **31 December 2024**	COMPANY 31 December 2023
Assets				
Zimbabwe Gold	**315 405**	157 696	**-**	-
South African rand	**23 511**	33 239	**-**	-
Euro	**3 165**	11 925	**-**	-
Australian dollar	**5**	-	**-**	-
	342 086	202 860	**-**	**-**
Liabilities				
Zimbabwe Gold	**(193 185)**	(81 785)	**-**	(1 675)
South African rand	**(14 521)**	(7 061)	**-**	-
	(207 706)	(88 846)	**-**	(1 675)
Net currency position	**134 380**	114 014	**-**	(1 675)

As of 31 December 2024, there were no hedges in place (2023: USD nil).

(b) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. These changes can arise from factors specific to the individual financial instrument or its issuer, as well as factors that affect all similar financial instruments traded in the market. Price risk encompasses fluctuations in market prices, excluding those arising from foreign exchange risk and interest rate risk.

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (continued)

3.1.1 Market risk (continued)

(c) Cash flow and fair value interest rate risk

Fair value interest rate risk refers to the potential for the fair value or future cash flow of a financial instrument to fluctuate due to changes in market interest rates.

The Group's interest rate risk primarily arises from its long-term and short-term borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk, while borrowings issued at fixed rates expose the Group to fair value interest rate risk. Borrowings that have both fixed rates and a variable element expose the Group to both cash flow interest rate risk and fair value interest rate risk.

The Group conducts ongoing analysis of its interest rate exposure in a dynamic manner. This involves simulating various scenarios that consider factors such as refinancing, renewal of existing positions, and alternative financing. Through these simulations, the Group calculates the potential impact on profit or loss resulting from defined shifts in interest rates. The same interest rate shift is applied to all currencies in each simulation, and the scenarios are run for all interest-bearing borrowings.

Based on the simulations performed, the maximum increase or decrease in post-tax profit and equity resulting from a 10% shift in interest rates, with all other variables held constant, would be USD nil (2023: USD nil). These simulations are conducted quarterly to ensure that the maximum potential loss remains within the limit set by management, considering the nature of the existing loan facilities.

Currently, the Group does not hedge its short-term loans due to the characteristics and terms of the loan facilities. However, for long-term loans, the Group assesses risks and considers hedging when necessary. As of 31 December 2024, there were no hedges in place (2023: USD nil).

3.1.2 Credit risk

Credit risk is the risk that one party involved in a financial instrument fails to fulfil their obligation, resulting in a financial loss for the other party. The Group Finance manages credit risk on a Group level. This risk arises from cash held in banks, deposits with banks and financial institutions as well as credit exposures to hotel customers, including outstanding receivables. Only well- established and reliable institutions are utilized when dealing with banks and financial institutions.

When assessing the credit quality of corporate customers, Group finance considers factors such as their financial position, past experience, and market conditions. Customer credit limits are established based on internal and external information, and their utilization is regularly monitored by Group finance. As of 31 December 2024, there were no customers with balances exceeding their credit limits (2023: USD nil). However, a few debtors with a good track record may be allowed to exceed their credit limit under the supervision of the business unit general manager and hotel financial controller. Management believes that these amounts are collectible based on the historical record of the clients in question and the existing controls in place for managing such excess amounts.

Counterparty risk is further managed by maintaining constant engagement with credit customers to assess their current position and recoverability. All credit granted is subject to specific terms and conditions, and in cases where customers breach these terms, the Group takes legal action if the amounts involved are significant and recovery is feasible. As of 31 December 2024, no customers were handed over to debt collectors (2023: USD 2 750). Receivables handed over for legal action are typically written off as uncollectible, and they are reversed upon recovery.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (continued)

3.1.2 Credit risk (continued)

The Group's maximum exposure to credit risk by class of financial asset is detailed as follows:

All figures in USD	GROUP 31 December 2024	GROUP 31 December 2023	COMPANY 31 December 2024	COMPANY 31 December 2023
Trade receivables - gross	**2 758 952**	2 157 885	**-**	-
Other financial assets	**1 153 346**	617 557	**-**	-
Other receivables (excluding prepayments)	**2 572 826**	2 169 687	**3 897 721**	1 875 372
Cash and cash equivalents	**9 767 082**	10 869 828	**268**	354
	16 252 206	15 814 957	**3 897 989**	1 875 726

Impairment of financial assets

The Group has four types of financial assets that are subject to the expected credit loss model of IFRS 9. These financial assets include:

- Trade receivables from the sale of room nights, food, beverages, conferencing, property rentals, property sales, and other related activities.
- Staff receivables.
- Other receivables.
- Cash and cash equivalents.

Although cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified expected credit loss was immaterial.

(i) Trade receivables

The Group utilizes the simplified approach of IFRS 9 for measuring expected credit losses, which involves using a lifetime expected credit loss allowance for all trade receivables. To determine the expected credit losses, trade receivables are grouped based on shared credit risk characteristics and the number of days past due. The trade receivables are categorised into the following groups:

- Corporates
- Tour operators
- Government
- Non-governmental organisations
- Parastatals
- Debtors in residence
- Legacy Management Services
- Real estate
- Other

The Legacy Management Services amounts pertain to trade receivables that were outstanding when the contract with the former manager was terminated. These balances are considered fully recoverable from the management fees balance due to Legacy Management Services.

The expected credit loss rates are derived from the payment profiles of sales over a period of 60 months prior to 1 January 2024.

The historical expected credit loss rates are adjusted to account for current and forward-looking information on macroeconomic factors that impact the customers' ability to settle the receivables. The Group has identified the effects of current liquidity challenges, inflation, and foreign currency shortages as the most relevant factors. Consequently, the historical credit loss rates have been adjusted based on the expected changes in these factors.

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (continued)

3.1.2 Credit risk (continued)

Based on this approach, the expected credit loss allowance for trade receivables as of 31 December 2024, and 31 December 2023, for the various groups were determined as follows:

As at 31 December 2024	Current	30+ Days	60+ Days	90+ Days	120+ Days	**Balance**
Corporates						
Gross carrying amounts	52 678	87 487	14 961	4 210	2 226	**161 562**
Expected credit loss rate	4.02%	4.02%	4.02%	50.00%	100.00%	**6.54%**
Expected credit loss allowance	2 120	3 521	602	2 105	2 226	**10 574**
Tour operators						
Gross carrying amounts	250 412	93 312	61 097	25 550	34 679	**465 050**
Expected credit loss rate	3.81%	3.81%	3.81%	50.00%	100.00%	**13.52%**
Expected credit loss allowance	9 531	3 551	2 325	12 775	34 679	**62 861**
Government						
Gross carrying amounts	1 519	477 273	69 794	60 286	82 263	**691 135**
Expected credit loss rate	2.11%	2.13%	2.13%	50.00%	100.00%	**17.95%**
Expected credit loss allowance	32	10 148	1 484	30 143	82 263	**124 070**
Non-governmental organisations						
Gross carrying amounts	202 943	91 575	20 538	11 933	9 635	**336 624**
Expected credit loss rate	2.49%	2.49%	2.49%	50.00%	100.00%	**6.97%**
Expected credit loss allowance	5 060	2 283	512	5 967	9 635	**23 457**
Parastatals						
Gross carrying amounts	67 501	15 056	12 392	-	-	**94 949**
Expected credit loss rate	2.27%	2.26%	2.27%	0.00%	0.00%	**2.27%**
Expected credit loss allowance	1 530	341	281	-	-	**2 152**
Legacy Management Services						
Gross carrying amounts	-	-	-	-	151 170	**151 170**
Expected credit loss rate	0.00%	0.00%	0.00%	0.00%	0.00%	**0.00%**
Expected credit loss allowance	-	-	-	-	-	**-**
Real estate						
Gross carrying amounts	51 685	94 007	55 113	27 483	367 389	**595 677**
Expected credit loss rate	7.85%	1.66%	1.17%	10.46%	16.01%	**11.41%**
Expected credit loss allowance	4 059	1 560	646	2 875	58 821	**67 961**
Other						
Gross carrying amounts	2 091	6 966	6 550	23 479	4 488	**43 574**
Expected credit loss rate	9.47%	9.46%	9.45%	50.00%	100.02%	**40.63%**
Expected credit loss allowance	198	659	619	11 740	4 489	**17 705**
Debtors in residence						
Gross carrying amounts	219 211	-	-	-	-	**219 211**
Expected credit loss rate	4.60%	0.00%	0.00%	0.00%	0.00%	**4.60%**
Expected credit loss allowance	10 078	-	-	-	-	**10 078**
Total gross carrying amounts	848 040	865 676	240 445	152 941	651 850	**2 758 952**
Overall expected credit loss rate	3.85%	2.55%	2.69%	42.90%	29.47%	**11.56%**
Total expected credit losses	32 608	22 063	6 469	65 605	192 113	**318 858**

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (continued)

3.1.2 Credit risk (continued)

As at 31 December 2023	Current	30+ Days	60+ Days	90+ Days	120+ Days	Balance
Corporates						
Gross carrying amounts	77 731	4 013	1 927	128	1 669	**85 468**
Expected credit loss rate	3.54%	3.54%	3.53%	50.00%	100.00%	**5.50%**
Expected credit loss allowance	2 755	142	68	64	1 669	**4 698**
Tour operators						
Gross carrying amounts	133 082	119 594	61 898	49 958	57 319	**421 851**
Expected credit loss rate	3.77%	3.77%	3.77%	50.00%	100.00%	**22.32%**
Expected credit loss allowance	5 013	4 505	2 332	24 979	57 319	**94 148**
Government						
Gross carrying amounts	95 001	-	-	-	-	**95 001**
Expected credit loss rate	2.13%	0.00%	0.00%	0.00%	0.00%	**2.13%**
Expected credit loss allowance	2 020	-	-	-	-	**2 020**
Non-governmental organisations						
Gross carrying amounts	501 754	81 702	24 405	12 647	10 501	**631 009**
Expected credit loss rate	2.24%	2.24%	2.24%	50.00%	100.00%	**4.82%**
Expected credit loss allowance	11 242	1 831	547	6 324	10 501	**30 445**
Legacy Management Services						
Gross carrying amounts	-	-	-	-	173 411	**173 411**
Expected credit loss rate	0.00%	0.00%	0.00%	0.00%	0.00%	**0.00%**
Expected credit loss allowance	-	-	-	-	-	**-**
Real estate						
Gross carrying amounts	9 424	-	28	3 784	361 227	**374 463**
Expected credit loss rate	100.00%	0.00%	100.00%	100.00%	10.45%	**13.62%**
Expected credit loss allowance	9 424	-	28	3 784	37 749	**50 985**
Other						
Gross carrying amounts	18 971	8 818	387	-	17 440	**45 616**
Expected credit loss rate	18.14%	18.13%	18.09%	0.00%	100.00%	**49.43%**
Expected credit loss allowance	3 441	1 599	70	-	17 440	**22 550**
Debtors in residence						
Gross carrying amounts	331 066	-	-	-	-	**331 066**
Expected credit loss rate	4.36%	0.00%	0.00%	0.00%	0.00%	**4.36%**
Expected credit loss allowance	14 436	-	-	-	-	**14 436**
Total gross carrying amounts	1 167 029	214 127	88 645	66 517	621 567	**2 157 885**
Overall expected credit loss rate	4.14%	3.77%	3.44%	52.85%	20.06%	**10.16%**
Total expected credit losses	48 331	8 077	3 045	35 151	124 678	**219 282**

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (continued)

3.1.2 Credit risk (continued)

The reconciliation of closing expected credit loss allowances for trade receivables as of 31 December 2024, to the opening expected credit loss allowances is as follows:

Expected credit loss allowance

	GROUP	
All figures in USD	**31 December 2024**	31 December 2023
As at 1 January	**219 282**	640 382
Movement due to discontinued operations	**54 345**	(134 636)
Net impairment losses/(reversal) on financial assets during the year	**45 231**	(286 464)
As at 31 December	**318 858**	219 282

(ii) Other financial assets at amortised cost

Other financial assets at amortized cost include debtors and receivables from staff and key management personnel, as well as receivables from related parties.

The credit loss allowance for other financial assets at amortized cost as of 31 December 2024, is reconciled to the opening loss allowance on 1 January 2024, and the closing loss allowance as of 31 December 2023, as follows:

Expected credit loss allowance

	GROUP		
All figures in USD	Staff and key management personnel	Other receivables	**Total**
As at 1 January 2023	1 398	126 881	**128 279**
Net impairment reversals on financial assets for the year	(284)	(40 159)	**(40 443)**
As at 31 December 2023	1 114	86 722	**87 836**
As at 1 January 2024	1 114	86 722	**87 836**
Net impairment losses/(reversals) on financial assets for the year	12 212	(12 843)	**(631)**
As at 31 December 2024	13 326	73 879	**87 205**

The net movement in impairment on financial assets recognized in profit or loss is as follows:

	GROUP	
All figures in USD	**31 December 2024**	31 December 2023
Net movement in expected credit loss allowance for trade receivables	**45 231**	(286 464)
Net movement in expected credit loss allowance for other financial instruments at amortised cost	**(631)**	(40 443)
Net impairment losses/(reversal) on financial assets	**44 600**	(326 907)

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (continued)

3.1.2 Credit risk (continued)

(iii) Cash and cash equivalents

There is no concentration of credit risk regarding cash at bank, as the Group maintains accounts with high-quality financial institutions that are adequately capitalized and possess solid asset bases. The financial institutions holding the Group's cash and cash equivalents have the following external credit ratings:

	GROUP		COMPANY	
All figures in USD	**31 December 2024**	31 December 2023	**31 December 2024**	31 December 2023
AA	**3 957 512**	3 137 905	**-**	-
AA-	**354 104**	1 056 183	**-**	-
A+	**239 973**	142 304	**-**	-
A	**1 231 691**	2 908 082	**268**	354
A-	**3 504 052**	2 793 167	**-**	-
BBB+	**170 315**	418 366	**-**	-
BBB-	**1 290**	7 931	**-**	-
	9 458 937	10 463 938	**268**	354

The ratings have been obtained from the latest available ratings on the financial institutions.

3.1.3 Liquidity risk

Liquidity risk refers to the potential difficulty the Group may face in meeting obligations related to financial liabilities that are settled through cash or other financial assets.

Cash flow forecasting is conducted at the operating entity level of the Group and consolidated by Group finance. Group finance monitors rolling forecasts of the Group's liquidity requirements to ensure adequate cash is available to meet operational needs. It also maintains sufficient headroom on undrawn committed borrowing facilities to prevent any breach of borrowing limits or covenants (where applicable) on borrowing facilities. These forecasts consider the Group's debt financing plans, covenant compliance, internal financial position ratio targets, and external regulatory or legal requirements such as currency restrictions, if applicable.

Any excess cash held by the operating entities beyond working capital requirements is transferred to Group finance. Group finance invests surplus cash in interest-bearing current accounts, time deposits, and money market deposits. The selection of investment instruments takes into account appropriate maturities or sufficient liquidity to provide the necessary headroom, as determined by the aforementioned forecasts.

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (continued)

3.1.3 Liquidity risk (continued)

The tables provided below analyse the Group's liquidity gap by categorising it into relevant maturity groupings based on the remaining time until contractual maturity at the reporting date. The amounts presented in the tables represent contractual undiscounted cash flows.

	GROUP			
All figures in USD	Less than 1 year	1 to 5 years	More than 5 years	**Total**
As at 31 December 2024				
Liabilities				
Trade and other payables	(10 008 820)	-	-	**(10 008 820)**
Lease liabilities	(277 659)	(1 389 867)	(12 115 730)	**(13 783 256)**
Total liabilities	(10 286 479)	(1 389 867)	(12 115 730)	**(23 792 076)**
Assets held for managing liquidity risk				
Trade and other receivables	6 581 383	1 020 248	-	**7 601 631**
Cash and cash equivalents	9 767 082	-	-	**9 767 082**
Total assets held for managing liquidity risk	16 348 465	1 020 248	-	**17 368 713**
Liquidity surplus/(gap)	6 061 986	(369 619)	(12 115 730)	**(6 423 363)**
Cumulative liquidity surplus/(gap)	6 061 986	5 692 367	(6 423 363)	**-**
As at 31 December 2023				
Liabilities				
Trade and other payables	(13 200 844)	-	-	**(13 200 844)**
Lease Liabilities	(164 935)	(755 853)	(13 682 256)	**(14 603 044)**
Total liabilities	(13 365 779)	(755 853)	(13 682 256)	**(27 803 888)**
Assets held for managing liquidity risk				
Trade and other receivables	6 364 056	136 674	617 557	**7 118 287**
Cash and cash equivalents	10 869 828	-	-	**10 869 828**
Total assets held for managing liquidity risk	17 233 884	136 674	617 557	**17 988 115**
Liquidity surplus/(gap)	3 868 105	(619 179)	(13 064 699)	**(9 815 773)**
Cumulative liquidity surplus/(gap)	3 868 105	3 248 926	(9 815 773)	**-**

The Group currently faces a liquidity gap of USD 6 423 363 (2023: USD 9 815 773) as a result of cash balances and trade receivables being lower than the outstanding obligations. This indicates a shortfall in available funds to cover the Group's financial liabilities.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (continued)

3.1.3 Liquidity risk (continued)

	COMPANY			
All figures in USD	Less than 1 year	1 to 5 years	More than 5 years	**Total**
As at 31 December 2024				
Liabilities				
Trade and other payables	(19 161)	-	-	**(19 161)**
Total liabilities	(19 161)	-	-	**(19 161)**
Assets held for managing liquidity risk				
Trade receivables	3 897 721	-	-	**3 897 721**
Cash and cash equivalents	268	-	-	**268**
Total assets held for managing liquidity risk	3 897 989	-	-	**3 897 989**
Liquidity surplus	3 878 828	-	-	**3 878 828**
Cumulative liquidity surplus	3 878 828	3 878 828	3 878 828	**-**
As at 31 December 2023				
Liabilities				
Trade and other payables	(778 987)	-	-	**(778 987)**
Total liabilities	(778 987)	-	-	**(778 987)**
Assets held for managing liquidity risk				
Trade receivables	1 875 372	-	-	**1 875 372**
Cash and cash equivalents	354	-	-	**354**
Total assets held for managing liquidity risk	1 875 726	-	-	**1 875 726**
Liquidity surplus	1 096 739	-	-	**1 096 739**
Cumulative liquidity surplus	1 096 739	1 096 739	1 096 739	**-**

The Company's liquidity surplus primarily stems from the dividends received during the year from its subsidiaries, specifically Dawn Properties Limited. These dividend inflows contributed significantly to the Company's overall liquidity position.

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (continued)

3.1.3 Liquidity risk (continued)

(i) Risk management

The capital structure of the Group primarily consists of equity, which includes issued ordinary share capital and premium, retained earnings, and other reserves as detailed in note 15 of the financial statements.

The Group's capital management objectives are twofold: to ensure the Group's ability to continue operating as a going concern, providing returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure that minimizes the cost of capital.

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

To maintain or adjust shareholders' equity, the Group may take various actions, including adjusting the amount of dividends paid to shareholders, returning capital to shareholders, issuing new shares, or selling assets to reduce debt.

The Group monitors its capital position based on the gearing ratio. This ratio is calculated by dividing net debt by total capital. Net debt is determined by deducting cash and cash equivalents from total borrowings (including current and non-current borrowings as presented in the statement of financial position). Total capital is the sum of "equity" as reported in the statement of financial position and net debt.

As of 31 December 2024, the gearing ratio was negative, indicating that the Group's debt exceeds its cash holdings. The gearing ratios at 31 December 2024, and 2023 were as follows:

	GROUP		COMPANY	
All figures in USD	**31 December 2024**	31 December 2023	**31 December 2024**	31 December 2023
Lease liabilities	**13 783 256**	14 603 044	**-**	-
Less cash and cash equivalents (note 14)	**(9 767 082)**	(10 869 828)	**(268)**	(354)
Net debt	**4 016 174**	3 733 216	**(268)**	(354)
Total equity	**98 492 597**	99 945 486	**16 313 619**	13 533 241
Total capital	**98 492 597**	99 945 486	**16 313 619**	13 533 241
Gearing ratio	**-4%**	-4%	0%	0%
Net debt reconciliation				
Lease liabilities	**13 783 256**	14 603 044	**-**	-
Less cash and cash equivalents (note 14)	**(9 767 082)**	(10 869 828)	**(268)**	(354)
Net debt	**4 016 174**	3 733 216	**(268)**	(354)

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (continued)

3.1.3 Liquidity risk (continued)

(ii) Dividends

All figures in USD	31 December 2024	31 December 2023
Final dividend for the year ended 31 December 2023 of USD 0.0002368 per fully paid share (2022: USD 0.0007285)	**350 000**	1 076 679
An interim dividend of USD 0.0003381 per fully paid share was declared for the year ended 31 December 2024 (2023: USD 0.0005075), out of the profits for the year ended 31 December 2024	**499 930**	750 035
Total dividends declared and paid during the year	**849 930**	1 826 714
Subsequent to year-end, a final dividend of USD 0.0006763 per fully paid share was declared (2023 – USD 0.0002368), out of the profits for the year ended 31 December 2024	**1 000 000**	350 000

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.

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 a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

(a) Income taxes

The Group's financial statements are prepared in compliance with applicable tax laws and regulations. The determination of the Group's tax liabilities involves the use of estimates and assumptions, which are subject to inherent uncertainties. The Group identifies and determines its tax obligations based on the tax laws and regulations of the jurisdictions in which it operates. The Group regularly monitors changes in tax legislation and assesses their potential impact on tax liabilities. The Group's tax liabilities are determined based on the interpretation and application of complex tax laws and regulations. The Group relies on internal and external tax experts to ensure proper compliance and accurate interpretation of the tax laws. The calculation of tax liabilities requires the estimation of taxable income and deductible expenses. These estimates are based on management's assessment of the Group's operations, including revenue recognition, cost allocation, and the availability of tax incentives and exemptions. The Group evaluates uncertain tax positions in accordance with the applicable tax laws and accounting standards. The recognition and measurement of uncertain tax positions require judgment and estimation of the likelihood of success in challenging tax positions.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(a) Income taxes (continued)

The Group's significant operations are based in Zimbabwe, and therefore, its tax liabilities are determined in accordance with the Zimbabwean tax legislation. It is important to note that the local tax legislation has undergone changes, leading to different interpretations among taxpayers and the tax administration authority, Zimbabwe Revenue Authority (ZIMRA). During the current and prior reporting period, the Group focused on the following areas in determining its current year tax obligation:

(i) Determination of capital allowances and tax bases

The Group assessed its capital allowances and tax bases in accordance with the requirements of Finance Act no. 10 of 2023 and the Income Tax Act. The legislation provides guidance on the allowable deductions for capital expenditures and the determination of tax bases for various assets.

(ii) Preparation of ZWL and USD tax returns

In compliance with the new requirements of the Income Tax Act Section 37AA, the Group prepared separate tax returns for transactions conducted in Zimbabwean Dollars (ZWL) and United States Dollars (USD). This involves the appropriate splitting of income and expenses between the two currencies, aligning with the regulatory provisions.

(iii) Application of Public Notice no. 75 of 2023 and inconsistency with Income Tax Act Section 37AA

The Group considered the implications of Public Notice no. 75 of 2023 on opening balances, which addresses the treatment of certain tax-related items. However, the Group concluded that there is an inconsistency between this notice and the provisions outlined in the Income Tax Act Section 37AA. The Group has carefully assessed the impact of these inconsistencies in order to comply with the relevant regulations while ensuring accurate tax reporting.

The Group acknowledges that the interpretation and application of the evolving tax legislation may introduce uncertainty in determining its tax obligations. It actively engages with professional tax advisors and closely monitors developments in tax laws and regulations to ensure compliance.

(b) Recognition of deferred tax assets and liabilities

The recognition and measurement of deferred tax assets and liabilities involve estimating the timing and amount of future taxable income and the applicable tax rates. These estimates are based on management's assessment of future business plans and tax planning strategies. The Group regularly reviews its tax assumptions and adjusts them as necessary to reflect changes in tax laws, regulations, and business circumstances.

However, the actual tax liabilities may differ from these estimates due to changes in tax laws, changes in the Group's business operations, or the outcome of tax audits and disputes.

(c) Determination of lease terms

The Group leases various office buildings, hotel buildings, golf course, and staff housing. Rental contracts are typically made for fixed years of two years to fifteen years. Leases for hotel buildings have extension options for renewal at the end of the lease at the option of the Group.

The Group determined that the non-cancellable year of the leases are the original lease terms, together with the years covered by options to extend the leases that the Group is reasonably certain to extend because of both significant leasehold improvements undertaken, and the importance of the underlying lease assets to the Group's operations.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS(CONTINUED)

(c) Determination of lease terms (continued)

As noted above, the Group enters into leases with third-party landlords and as a consequence the rate implicit in the relevant lease is not readily determinable. Therefore, the Group uses its incremental borrowing rate as the discount rate for determining its lease liabilities at the lease commencement date. The incremental borrowing rate is the rate of interest that the Group would have to pay to borrow over similar terms which requires estimations when no observable rates are available.

The Group consults with its main bankers to determine what interest rate they would expect to charge the Group to borrow money to purchase a similar asset to that which is being leased. These rates are, where necessary, then adjusted to reflect the credit worthiness of the entity entering into the lease and the specific condition of the underlying leased asset.

(d) Measurement of expected credit losses on financial assets

The loss allowances for financial assets are based on assumptions about the risk of default and expected loss rates. The group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the group's past history and existing market conditions, as well as forward-looking estimates at the end of each reporting period. Details of the key assumptions and inputs used are disclosed in note 3.1.

(e) Key assumptions used in estimating the fair value of property and equipment, investment property and assets held for sale

The property and equipment and investment property, was valued as at 31 December 2023 by Edinview Property Global (Private) Limited (EPG) in accordance with the relevant professional guidelines and statements issued under the Royal Institute of Chartered Surveyors Appraisal and Valuation Manual, International Valuations Standards Committee ("IVSC") and the Real Estate Institute of Zimbabwe ("REIZ") Standards.

Freehold properties was valued in USD using the market comparable approach. This method compares like with like, extracts data from properties recently sold or on offer similar to those to be valued with the same planning controls. The data is then analysed and applied to the subject property varied by scrutiny of comparables not exactly equivalent in size, quality and location.

Equipment and motor vehicles were valued in USD based on the depreciated replacement cost basis as there was no active market for such assets in Zimbabwe at the time of valuation. The depreciated replacement cost is derived from adjusting current prices drawn from recent transactions in general, for contractual, location and inherent differences.

Investment property was valued in USD, the valuation basis is a market comparison method for land and cost approach for buildings, both valuation basis conform to international valuation standards.

(f) Going concern

The Directors assess the ability of the Group to continue operating as a going concern at the end of each reporting period. As at 31 December 2024, 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. Some of the initiatives implemented to ensure the Group improves its profitability and continues as a going concern are discussed in note 2.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS(CONTINUED)

(f) Going concern (continued)

While management believes that the going concern assumption is appropriate, it is important to note that there are inherent uncertainties in business operations and external factors that may impact the entity's ability to continue as a going concern. These uncertainties include, but are not limited to, unforeseen economic downturns, significant changes in industry conditions, or adverse legal or regulatory developments.

(g) Functional currency assessment

The financial statements have been prepared using the functional currency as the basis for measurement and presentation. Assets and liabilities denominated in foreign currencies are translated into the functional currency using the appropriate exchange rates at the reporting date. Income and expenses denominated in foreign currencies are translated using the average exchange rates for the reporting period, or in accordance with applicable accounting standards.

It is important to note that the selection of the functional currency is a matter of judgment based on the specific circumstances of the Group. The functional currency assumption may change if there are significant changes in the Group's operations or economic environment.

(h) Estimation of spot exchange rates

The Group uses the estimated exchange rate to translate ZWG-denominated revenues, expenses, receipts, and payments. Transactions are translated daily using the estimated daily spot exchange rates. Similarly, ZWG monetary assets and liabilities are translated using the estimated rate as of the closing measurement date.

5 CHANGE IN ACCOUNTING POLICY

The accounting policies adopted are consistent with those of the previous reporting years except for change in presentation of expenses (note 2.1.3) and depreciation estimation (note 2.1.4).

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

6 SEGMENT INFORMATION

During the financial year ended 31 December 2024, the Group revised the composition of its reportable operating segments. This change was made to better reflect the Group's strategic priorities and to improve the alignment of its operating segments with the management's internal reporting and decision-making processes. The new segmentation aligns with how the Group's chief operating decision maker reviews performance and allocates resources. As of 31 December 2024, the Group's reportable operating segments are as follows:

1. **Hotels**
This segment includes hotels operated under the InterContinental Hotel Group (IHG) Holiday Inn brand, such as Holiday Inn Harare, Holiday Inn Bulawayo, and Holiday Inn Mutare. It also features hotels managed under local brands, including Elephant Hills Resort and Conference Centre, Hwange Safari Lodge, Caribbea Bay Resort, Troutbeck Resort, and The Victoria Falls Hotel. The Victoria Falls Hotel is jointly operated with Meikles Hospitality (Private) Limited.

   Monomotapa Hotel and Great Zimbabwe Hotel, previously part of this segment, were classified as held for sale during the year and are reported under discontinued operations.

2. **Real Estate**
This segment owns seven hotels, six of which are leased to the hotel operating segments above, two timeshare lodges, residential properties in Harare, vast undeveloped land across Zimbabwe, held either for sale or capital appreciation. Laclede Investments (Private) Limited which fall under this segment was sold subsequent to year end and were reported under discontinued operations and excluded from the segment performance.

3. **Other**
This segment consists of Central Office, and the South Africa Reservation Office. The Central Office provides centralised administrative and support functions to facilitate the operations of the Group. The South Africa Reservation Office operates as a regional sales and marketing office based in South Africa, with a primary focus on international and regional sales activities. Sun Leisure Tours, which served as the Group's travel and tours division under this segment, was discontinued during the current year and reported under discontinued operations. There were no other changes to this segment.

   The Executive Committee evaluates the performance of the operating segments using the following key indicators:

   - Occupancies;
   - Hotel revenue per available room ("RevPAR");
   - Hotel average daily room rate ("ADR"); and
   - Revenues
   - Profitability.

Segment Revenue

Segment revenue represents revenue earned by each business segment from external customers. Revenue from contracts with customers between segments are eliminated on consolidation.

The Group does not rely on any one specific customer as none of its customers contributes a minimum of 10% of its revenue.

6 SEGMENT INFORMATION (CONTINUED)

The segment information provided to the Executive Committee for the reportable segments is as follows:

All figures in USD	Hotels	Real Estate	Others	Intersegment transactions	Consolidated
Year ended 31 December 2024					
Revenue:					
Sale of room nights	27 048 779	-	-	-	**27 048 779**
Sale of food and beverages	19 701 402	-	-	-	**19 701 402**
Management fees and commissions	-	-	970 843	(894 807)	**76 036**
Conferencing	1 934 469	-	-	-	**1 934 469**
Property development sales	-	2 850 941	-	-	**2 850 941**
Property rentals	-	3 541 945	-	(3 377 295)	**164 650**
Other income	2 202 895	-	-	-	**2 202 895**
Revenue from contracts with customers	50 887 545	6 392 886	970 843	(4 272 102)	**53 979 172**
Revenue from discontinued operations					
Sun Leisure Tours	-	-	69 303	-	**69 303**
Monomotapa Hotel	6 162 167	-	-	-	**6 162 167**
Great Zimbabwe Hotel	2 004 767	-	-	-	**2 004 767**
Material items included in profit/(loss) before tax					
Rooms related costs	(1 349 098)	-	-	-	**(1 349 098)**
Cost of food and beverages sold	(5 793 974)	-	-	-	**(5 793 974)**
Hotel occupancy costs	(6 191 372)	-	(15 558)	2 630 447	**(3 576 483)**
Repairs and maintenance costs	(1 528 570)	-	(69 953)	-	**(1 598 523)**
Property related costs	-	(1 295 679)	-	-	**(1 295 679)**
Employee benefits expense	(13 604 166)	(40 226)	(4 165 442)	-	**(17 809 834)**
Fair value loss on investment property	-	(195 100)	-	-	**(195 100)**
Exchange (loss)/gain	(700 379)	419 847	(282 922)	387 867	**(175 587)**
Other information					
Earnings before interest, tax, depreciation and amortisation	12 490 968	3 988 173	(4 710 074)	(1 886 610)	**9 882 457**
Depreciation - property and equipment	(2 905 295)	(6 650)	(414 547)	(447 057)	**(3 773 549)**
Depreciation - right of use assets	(621 296)	-	(90 155)	-	**(711 451)**
Finance costs - borrowings (net)	17 708	32 802	68 505	-	**119 015**
Finance costs - lease liabilities	(1 359 994)	-	(84 200)	-	**(1 444 194)**
Profit/(loss) before tax	7 622 091	4 014 325	(5 230 471)	(2 333 667)	**4 072 278**
Total assets as at 31 December 2024	43 936 996	76 051 724	30 490 975	(12 773 164)	**137 706 531**
Total assets include:					
Additions to non-current assets (other than financial instruments and deferred tax assets):					
-Property and equipment	4 059 425	11 848	1 515 524	-	**5 586 797**
Total liabilities as at 31 December 2024	23 157 503	4 124 269	9 052 213	2 879 949	**39 213 934**
Key performance indicators					
Occupancy (%)	59%	-	-	-	**59%**
ADR	119	-	-	-	**119**
RevPAR	70	-	-	-	**70**
Total RevPAR	131	-	-	-	**131**

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

6 SEGMENT INFORMATION (CONTINUED)

All figures in USD	Hotels	Real Estate	Others	Intersegment transactions	Consolidated
Year ended 31 December 2023					
Revenue:					
Sale of room nights	24 294 450	-	-	-	**24 294 450**
Sale of food and beverages	18 637 102	-	-	-	**18 637 102**
Management fees and commissions	-	-	345 716	(307 396)	**38 320**
Conferencing	2 076 613	-	-	-	**2 076 613**
Property development sales	-	390 815	-	-	**390 815**
Property rentals	-	4 210 499	-	(3 742 645)	**467 854**
Other income	1 076 368	-	478 971	(478 971)	**1 076 368**
Revenue from contracts with customers	46 084 533	4 601 314	824 687	(4 529 012)	**46 981 522**
Revenue from discontinued operations					
Sun Casinos	-	-	10 981	-	**10 981**
The Kingdom Hotel	3 035	-	-	-	**3 035**
Sun Leisure Tours	-	-	326 148	-	**326 148**
Monomotapa Hotel	5 592 811	-	-	-	**5 592 811**
Great Zimbabwe Hotel	1 825 753	-	-	-	**1 825 753**
Material items included in profit/(loss) before tax					
Rooms related costs	(1 147 036)	-	-	-	**(1 147 036)**
Cost of food and beverages sold	(5 018 856)	-	-	-	**(5 018 856)**
Hotel occupancy costs	(5 810 680)	-	-	2 860 955	**(2 949 725)**
Repairs and maintenance costs	(1 299 591)	-	(8 237)	-	**(1 307 828)**
Property related costs	-	(391 392)	-	-	**(391 392)**
Employee benefit expenses	(12 831 237)	(263 716)	(3 895 085)	-	**(16 990 038)**
Fair value gains/(losses) on investment property	-	897 709	-	(803 830)	**93 879**
Exchange gains/(losses)	4 904 534	(4 439 952)	(739 135)	(1 306 886)	**(1 581 439)**
Other information					
Earnings before interest, tax, depreciation and amortisation	17 771 913	93 928	(4 176 785)	(5 488 568)	**8 200 488**
Depreciation - property and equipment	(3 380 429)	(6 389)	(215 937)	(854 019)	**(4 456 774)**
Depreciation - right of use assets	(558 482)	-	(54 142)	-	**(612 624)**
Finance costs - borrowings (net)	30 962	35 724	144 868	-	**211 554**
Finance costs - lease liabilities	(1 300 333)	-	(44 145)	-	**(1 344 478)**
Profit/(loss) before tax	12 563 631	123 263	(4 346 141)	(6 342 587)	**1 998 166**
Total assets as at 31 December 2023	51 466 471	77 963 317	25 452 576	(12 549 818)	**142 332 546**

6 SEGMENT INFORMATION (CONTINUED)

All figures in USD	Hotels	Real Estate	Others	Intersegment transactions	Consolidated
Total assets include:					
Additions to non-current assets (other than financial instruments and deferred tax assets):					
-Property and equipment	4 783 241	-	370 981	431 291	**5 585 513**
Total liabilities as at 31 December 2023	23 536 441	5 203 287	8 799 780	4 847 552	**42 387 060**
Key performance indicators					
Occupancy (%)	55%	-	-	-	**55%**
ADR	115	-	-	-	**115**
RevPAR	63	-	-	-	**63**
Total RevPAR	119	-	-	-	**119**

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

7 PROPERTY AND EQUIPMENT

7.1 Group

All figures in USD	Freehold properties	Leasehold properties	Equipment	Service stocks	Motor vehicles	Capital work in progress	Total
Year ended 31 December 2023							
Opening net book value	61 935 479	4 275 466	9 602 358	135 410	1 725 028	2 317 348	**79 991 089**
Additions	431 291	1 139 794	2 815 056	303 468	416 393	479 511	**5 585 513**
Transfers in/(out)	-	2 102 274	-	-	-	(2 102 274)	**-**
Foreign exchange difference	-	-	(2 109)	-	-	-	**(2 109)**
Disposals - cost	-	(18 884)	(2 575 442)	-	(122 971)	-	**(2 717 297)**
Disposals - accumulated depreciation	-	6 832	1 953 300	-	21 620	-	**1 981 752**
Revaluation - cost	4 385 148	-	(1 460 507)	-	(314 604)	-	**2 610 037**
Revaluation - depreciation	133 448	-	2 418 144	-	672 163	-	**3 223 755**
Depreciation	(904 766)	(834 059)	(2 563 776)	(198 562)	(617 636)	-	**(5 118 799)**
Closing net book value	65 980 600	6 671 423	10 187 024	240 316	1 779 993	694 585	**85 553 941**
As at 31 December 2023							
Cost	71 146 418	10 011 791	24 941 504	438 878	1 786 747	694 585	**109 019 923**
Accumulated depreciation	(5 165 818)	(3 340 368)	(14 754 480)	(198 562)	(6 754)	-	**(23 465 982)**
Net book value	65 980 600	6 671 423	10 187 024	240 316	1 779 993	694 585	**85 553 941**
Year ended 31 December 2024							
Opening net book value	65 980 600	6 671 423	10 187 024	240 316	1 779 993	694 585	**85 553 941**
Additions	-	1 666 826	1 822 156	385 528	1 059 628	652 659	**5 586 797**
Transfers in/(out)	-	308 719	201 690	-	-	(510 409)	**-**
Transfer to asset held for sale	(16 115 174)	(607 438)	(1 426 326)	(34 425)	(50 066)	(79 936)	**(18 313 365)**
Foreign exchange difference	-	-	(471)	-	-	-	**(471)**
Disposals - cost	(246 616)	(20 386)	(740 983)	-	(647 601)	-	**(1 655 586)**
Disposals - accumulated depreciation	-	11 829	639 849	-	262 382	-	**914 060**
Depreciation and usage	(576 924)	(1 019 708)	(1 807 397)	(306 374)	(707 382)	-	**(4 417 785)**
Closing net book value	49 041 886	7 011 265	8 875 542	285 045	1 696 954	756 899	**67 667 591**
As at 31 December 2024							
Cost	54 784 628	11 163 700	21 383 748	789 981	2 007 829	756 899	**90 886 785**
Accumulated depreciation	(5 742 742)	(4 152 435)	(12 508 206)	(504 936)	(310 875)	-	**(23 219 194)**
Net book value	49 041 886	7 011 265	8 875 542	285 045	1 696 954	756 899	**67 667 591**

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

7 PROPERTY AND EQUIPMENT (CONTINUED)

7.2 Company

All figures in USD	Leasehold properties	Equipment	Total
Year ended 31 December 2023			
Opening net book value	4 771	18 317	**23 088**
Revaluation- depreciation	-	703	**703**
Depreciation	(3 922)	(6 125)	**(10 047)**
Closing net book value	849	12 895	**13 744**
As at 31 December 2023			
Cost	23 566	46 911	**70 477**
Accumulated depreciation	(22 717)	(34 016)	**(56 733)**
Net book value	849	12 895	**13 744**
Year ended 31 December 2024			
Opening net book value	849	12 895	**13 744**
Disposals - cost	-	(1 444)	**(1 444)**
Disposals - accumulated depreciation	-	1 444	**1 444**
Depreciation	(849)	(3 931)	**(4 780)**
Closing net book value	-	8 964	**8 964**
As at 31 December 2024			
Cost	23 566	45 467	**69 033**
Accumulated depreciation	(23 566)	(36 503)	**(60 069)**
Net book value	-	8 964	**8 964**

8 DISCONTINUED OPERATIONS AND ASSETS CLASSIFIED AS HELD FOR SALE

8.1 Discontinued operations

In accordance with IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations," the Group has classified the following operations as discontinued:

8.1.1 Monomotapa Hotel

The Group resolved to sell Monomotapa Hotel during the year and has been actively marketing the hotel. The transaction is expected to be completed before 30 June 2025.

8.1.2 Great Zimbabwe Hotel

The Group resolved to sell Great Zimbabwe Hotel during the year under review. Subsequent to 31 December 2024 an agreement of sale has been executed and the transfer of ownership effected on 1 April 2025.

8.1.3 Laclede Investments (Private) Limited ("Laclede")

As part of the disposal of the Great Zimbabwe Hotel, Laclede, a subsidiary company that owns the property, will be disposed of concurrently with the hotel.

8.1.4 Sun Leisure Tours

In March 2024, the Group closed it's travel and tours division in line with it's strategy to focus on core hotel operations.

8.1.5 Dawn Property Consultancy (Private) Limited ("DPC")

The group disposed DPC at the beginning of the prior year. Refer to note 8.1.10 for details relating to the disposed assets and liabilities of DPC.

8.1.6 The Kingdom at Victoria Falls Hotel ("Kingdom")

The Group mutually terminated the lease agreement of The Kingdom Hotel with Makasa Sun (Private) Limited ("the Landlord") effective 31 December 2022. This was following approval by the Board on 20 June 2022 to exit from the lease and discontinue operations by 31 December 2022. The winding up of the operations was completed in 2023, refer to note 8.1.8 for the costs incurred after the closure of the hotel which are include in loss from discontinued operations.

8.1.7 Harare Sun Casino and Makasa Casino ("Sun Casinos")

Following the closure of The Kingdom at Victoria Falls Hotel, the Group terminated "Casino" operations. The Harare Sun Casino license was linked to the Makasa Casino which operated at the Kingdom Hotel. Due to the closure of the Kingdom Hotel both casinos were subsequently closed.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

8 DISCONTINUED OPERATIONS AND ASSETS CLASSIFIED AS HELD FOR SALE (CONTINUED)

8.1 Discontinued operations (continued)

8.1.8 Analysis of the profit for the year from discontinued operations

The results of the discontinued operations included in the loss for the year are set out as below.

Statement of profit or loss and other comprehensive income for the year ended 31 December 2024

All figures in USD	Monomotapa Hotel	Great Zimbabwe Hotel	Sun Leisure Tours	Sun Casinos	Kingdom Hotel	Total
Revenue	6 162 167	2 004 767	69 303	-	-	**8 236 237**
Rooms related costs	(176 232)	(26 290)	-	-	-	**(202 522)**
Cost of food and beverages sold	(701 831)	(217 332)	-	-	-	**(919 163)**
Hotel occupancy costs	(977 257)	(350 330)	-	-	-	**(1 327 587)**
Repairs and maintenance costs	(229 789)	(43 091)	-	-	-	**(272 880)**
Employee benefits expense	(2 251 953)	(615 524)	(69 912)	(2 393)	-	**(2 939 782)**
Net impairment losses on financial assets	(45 191)	(9 154)	-	-	-	**(54 345)**
Other operating expenses	(1 049 825)	(306 227)	(56 285)	(2 545)	-	**(1 414 882)**
Other expenses	(120 586)	(266 157)	(29 050)	(160 336)	-	**(576 129)**
Earnings before interest, tax, depreciation and amortisation	609 503	170 662	(85 944)	(165 274)	-	**528 947**
Depreciation and amortisation	(326 262)	(200 174)	(117 800)	-	-	**(644 236)**
Profit/(loss) before tax	283 241	(29 512)	(203 744)	(165 274)	-	**(115 289)**
Tax expense	(194 249)	(22 213)	-	-	-	**(216 462)**
Profit/(loss) for the year from discontinued operations	88 992	(51 725)	(203 744)	(165 274)	-	**(331 751)**
Intra-group transactions eliminated	575 144	171 702	-	-	-	**746 846**
Profit/(loss) for the year from discontinued operations	664 136	119 977	(203 744)	(165 274)	-	**415 095**

8 DISCONTINUED OPERATIONS AND ASSETS CLASSIFIED AS HELD FOR SALE (CONTINUED)

8.1 Discontinued operations (continued)

8.1.8 Analysis of the profit for the year from discontinued operation (continued)

Statement of profit or loss and other comprehensive income for the year ended 31 December 2023

All figures in USD	Monomotapa Hotel	Great Zimbabwe Hotel	Sun Leisure Tours	Sun Casinos	Kingdom Hotel	Total
Revenue	5 592 811	1 825 753	326 148	10 981	3 035	**7 758 728**
Rooms related costs	(153 258)	(25 126)	-	-	-	**(178 384)**
Cost of food and beverages sold	(574 732)	(213 487)	-	-	-	**(788 219)**
Hotel occupancy costs	(1 063 517)	(358 724)	-	-	-	**(1 422 241)**
Repairs and maintenance costs	(217 029)	(52 241)	(740)	-	-	**(270 010)**
Employee benefits expense	(2 192 459)	(603 468)	(138 669)	(265 927)	-	**(3 200 523)**
Net impairment reversal on financial assets	65 214	13 488	-	-	-	**78 702**
Other operating expenses	(831 360)	(273 888)	(214 877)	(112 517)	(293 143)	**(1 725 785)**
Other (expenses)/income	(1 205 564)	608 149	53 061	172 828	(374 547)	**(746 073)**
Earnings before interest, tax, depreciation and amortisation	(579 894)	920 456	24 923	(194 635)	(664 655)	**(493 805)**
Depreciation and amortisation	(310 930)	(114 590)	(210 161)	(26 344)	-	**(662 025)**
Operating profit before finance (costs)/income	(890 824)	805 866	(185 238)	(220 979)	(664 655)	**(1 155 830)**
Finance income	7 531	-	-	-	-	**7 531**
(Loss)/profit before tax	(883 293)	805 866	(185 238)	(220 979)	(664 655)	**(1 148 299)**
Tax expense	-	(148 728)	-	-	-	**(148 728)**
(Loss)/(profit) for the year from discontinued operations	(883 293)	657 138	(185 238)	(220 979)	(664 655)	**(1 297 027)**
Intra-group transactions eliminated	746 649	135 041	-	-	-	**881 690**
(Loss)/profit for the year from discontinued operations	(136 644)	792 179	(185 238)	(220 979)	(664 655)	**(415 337)**

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

8 DISCONTINUED OPERATIONS AND ASSETS CLASSIFIED AS HELD FOR SALE (CONTINUED)

8.1 Discontinued operations (continued)

8.1.9 Analysis of cash flows from discontinued operations

The cash flows attributable to the discontinued operation for the year ended 31 December 2024 are as follows:

All figures in USD	Monomotapa Hotel	Great Zimbabwe Hotel	Sun Leisure Tours	Sun Casinos	Kingdom Hotel	Total
Net cash flow from/(utilised) operating activities	255 623	(39 234)	(351 781)	(16 518)	(178 106)	**(330 016)**
Net cash (utilised in)/from investing activities	(460 517)	(63 515)	334 761	16 486	287 732	**114 947**
Net cash (decrease)/ increase in cash and cash equivalants	(204 894)	(102 749)	(17 020)	(32)	109 626	**(215 069)**

8.1.10 Disposal of Dawn Property Consultancy (Private) Limited

On 7 January 2023, the Group disposed of its 100% equity interest in its subsidiary, Dawn Property Consultancy (Private) Limited. The consideration was received on 7 January 2023, which marked the effective date of the loss of control in DPC. At the date of disposal, the carrying amounts of DPC net assets were as follows:

All figures in USD	31 December 2024	31 December 2023
Net assets		
Property and equipment	-	297 115
Inventories	-	18 386
Trade and other receivables	-	118 344
Cash and cash equivalents	-	190 707
Trade and other payables	-	(151 891)
Deferred tax liabilities	-	(69 726)
Current income tax liabilities	-	(18 277)
Provisions for other liabilities	-	(1 367)
Net assets and liabilities	-	383 291
Purchase consideration received	-	500 000
Profit on disposal of subsidiary	-	116 709
Purchase consideration received in cash	-	500 000
Cash and cash equivalents in subsidiary disposed	-	(190 707)
Net cash inflow from sale of subsidiary	-	309 293

8 DISCONTINUED OPERATIONS AND ASSETS CLASSIFIED AS HELD FOR SALE (CONTINUED)

8.2 Assets classified as held for sale

All figures in USD	31 December 2024	31 December 2023
Balance at the beginning of the year	**3 600 000**	3 533 845
Transfer from Investment property	**1 500 000**	1 410 000
Disposal group assets	**19 138 154**	-
Disposal	**(950 000)**	(433 845)
Fair value adjustments	**(515 174)**	(910 000)
Balance at the end of the year	**22 772 980**	3 600 000

The disposal group assets relates to Monomotapa Hotel, Great Zimbabwe Hotel and Laclede Investments (Private) Limited.

From the opening balance, Beitbridge Express Hotel and one commercial stand remained unsold as of 31 December 2024. Management remain committed to the sale of these properties and all the properties are expected to be sold by 31 December 2025.

Disposal amount relates a commercial stand which was successfully disposed during the current year.

At the reporting date, the major classes of assets of the discontinued operations classified as held for sale are as follows:

All figures in USD	31 December 2024	31 December 2023
Assets		
Property and equipment	**18 048 192**	-
Investment property	**3 900 000**	3 600 000
Inventories	**385 628**	-
Other receivables	**15 955**	-
Cash and cash equivalents	**423 205**	-
Total assets held for sale	**22 772 980**	3 600 000

8.3 Liabilities associated with assets held for sale

All figures in USD	31 December 2024	31 December 2023
Liabilities		
Deferred tax liability	**987 500**	-
Trade and other payables	**425 329**	-
Total liabilities associated with assets held for sale	**1 412 829**	-

These liabilities are expected to be settled upon the completion of the sale, which is anticipated to occur within the next 12 months.

The liabilities are measured at the lower of their carrying amount and fair value less costs to sell.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

9 BIOLOGICAL ASSETS

The Group possesses biological assets in the form of a timber plantation, primarily intended for the eventual sale of raw timber. As of 31 December 2024, the total area covered by the timber plantation is approximately 174.0 hectares (2023: 150.5 hectares).

The carrying amount of the timber plantation was assessed as fair value less cost to sell as of 31 December 2024. For the plantation aged between 15 to 30 years, fair value determination was based on prices and relevant information derived from market transactions involving timber of similar age. Market prices obtained from the local market, which is considered the primary market, were utilized for the valuation. Fair values for timber plantations under 15 years of age were determined by considering the amount required currently to replace the asset's service capacity (current replacement cost).

Costs to sell encompass incremental selling costs, including estimated transportation expenses to the market. However, finance costs and income taxes are not included in these costs.

All figures in USD	31 December 2024	31 December 2023
Timber plantations		
Mature (trees which are 15 years and older)	**252 516**	191 394
Immature (trees which are below 15 years)	**80 176**	143 187
	332 692	334 581

The fair value measurements of the timber has been categorised as level 3 (2023 : level 3) fair values based on the inputs to the valuation techniques used.

The following table presents the Group's biological assets that are measured at fair value, as at 31 December 2024.

All figures in USD	Level 3	Total
Timber plantations		
-mature	252 516	**252 516**
-immature	80 176	**80 176**
	332 692	**332 692**

The following table presents the Group's biological assets that are measured at fair value, as at 31 December 2023.

All figures in USD	Level 3	Total
Timber plantations		
-mature	191 394	**191 394**
-immature	143 187	**143 187**
	334 581	**334 581**

9 BIOLOGICAL ASSETS (CONTINUED)

The reconciliation in the fair value of biological assets is as follows:

All figures in USD	31 December 2024	31 December 2023
Fair value as at 1 January	**334 581**	285 411
Fair value (losses)/gains less estimated point of sale costs	**(1 889)**	49 170
As at 31 December	**332 692**	334 581
Net fair value (losses)/gains for the year included in the profit or loss	**(1 889)**	49 170

No timber was sold during the year (2023: USD nil)

There are no biological assets with restricted title or pledged as collateral (2023: USD nil).

There are no commitments for the development or acquisitions of biological assets (2023: USD nil).

The Group is exposed to risks arising from regulatory, supply and demand, fire, diseases, environmental and climatic changes. The plantation is not insured as the cost of insurance outweighs the current fair value of the plantation.

Observability
Due to the unique nature of biological assets, the valuation inputs are largely unobservable, with inter-relationships existing between these inputs. For example, increases in timber prices and land preparation costs, which enhance the biological assets, may lead to an increase in their future values.

10 INVESTMENT PROPERTY

	GROUP	
All figures in USD	31 December 2024	31 December 2023
As at 01 January	**10 680 900**	12 419 021
Transfer to assets classified as held for sale	**(1 500 000)**	(1 410 000)
Disposals	**(783 000)**	(1 332 000)
Fair value gains	**54 900**	1 003 879
As at 31 December	**8 452 800**	10 680 900

The disposal of the investment property relates to the 8 units of the Elizabeth Windsor Gardens, which were disposed of during the current year. The Elizabeth Windsor Gardens units were previously rented out to tenants.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

11 INVESTMENTS

11.1 Principal subsidiaries

The Group had the following subsidiaries at 31 December 2024 and 31 December 2023:

Name	Country of incorporation and place of business	Ultimate parent	Immediate parent	Nature of Business
(i) African Sun Zimbabwe (Private) Limited	Zimbabwe	Brainworks Capital Management (Private) Limited	African Sun Limited	Hotel and catering
(ii) African Sun Limited South African Branch	Republic of South Africa	Brainworks Capital Management (Private) Limited	African Sun Limited	Regional sales office
(iii) Dawn Properties Limited	Zimbabwe	Brainworks Capital Management (Private) Limited	African Sun Limited	Real Estate

All subsidiary undertakings are fully consolidated in the Group's financial statements. The parent company directly holds a proportion of voting rights in the subsidiary undertakings that is equivalent to the proportion of ordinary shares held.

As of the current reporting period, the Group maintains a 100% shareholding in all of its subsidiaries, which remains unchanged from the previous year (2023: 100%).

11.2 Investment in subsidiaries

The Company had the following subsidiaries at 31 December 2024 and 31 December 2023:

All figures in USD	COMPANY 31 December 2024	31 December 2023
Investment in subsidiaries	**12 426 229**	12 426 229
Investment in subsidiaries are as follows:		
(i) African Sun Zimbabwe (Private) Limited 100% owned (2023: 100%)		
At acquisition	**1 309 205**	1 309 205
Shareholders' loan	**3 729 978**	3 729 978
Total investment in African Sun Zimbabwe (Private) Limited	**5 039 183**	5 039 183
(ii) African Sun Limited South Africa Branch 100% owned (2023: 100%)		
Shareholders' loan	**300 000**	300 000
Total investment in African Sun Limited South Africa Branch	**300 000**	300 000
(iii) Dawn Properties Limited 100% (2023: 100%)		
At acquisition	**7 087 046**	7 087 046
Total investment in Dawn Properties Limited	**7 087 046**	7 087 046
Total investment in subsidiaries	**12 426 229**	12 426 229

The loan provided to African Sun Zimbabwe (Private) Limited and African Sun Limited South Africa Branch does not accrue any interest. These loans extended to subsidiaries are unsecured and they do not have specific fixed repayment dates.

The investments in subsidiaries were not impaired during the year (2023: USD nil).

11 INVESTMENTS (CONTINUED)

11.3 Interest in joint operation

The Group holds a 50% interest in The Victoria Falls Hotel Partnership through its wholly-owned subsidiary, African Sun Zimbabwe (Private) Limited. The Victoria Falls Hotel is a leased hotel located in Victoria Falls. The Group's consolidated statement of financial position and consolidated statement of comprehensive income include the following amounts, representing the Group's 50% share of the assets, liabilities, revenue, and performance of the joint operation:

Summarised statement of financial position of The Victoria Falls Hotel

All figures in USD	31 December 2024	31 December 2023
Assets		
Non-current assets		
Property and equipment	**2 729 208**	2 878 952
Right of use assets	**306 513**	321 108
Total non-current assets	**3 035 721**	3 200 060
Current assets		
Cash and cash equivalents	**655 531**	629 502
Trade and other receivables	**270 870**	451 489
Intercompany	**1 449 661**	1 179 792
Inventories	**301 134**	389 083
Total current assets	**2 677 196**	2 649 866
Total assets	**5 712 917**	5 849 926
Liabilities		
Non-current liabilities		
Lease liabilities	**286 729**	290 427
Total non-current liabilities	**286 729**	290 427
Current liabilities		
Trade and other payables	**644 408**	529 067
Provision for other liabilities	**28 037**	53 437
Total current liabilities	**672 445**	582 504
Total liabilities	**959 174**	872 931
Net assets	**4 753 743**	4 976 995

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

11 INVESTMENTS (CONTINUED)

11.3 Interest in joint operation (continued)

Summarised statement of profit or loss and other comprehensive income of The Victoria Falls Hotel

All figures in USD	31 December 2024	31 December 2023
Revenue	**6 133 572**	5 450 428
Rooms related costs	**(156 803)**	(137 256)
Cost of food and beverages sold	**(533 491)**	(506 055)
Hotel occupancy costs	**(409 632)**	(359 401)
Repairs and maintenance costs	**(209 184)**	(178 353)
Employee benefits expense	**(1 252 603)**	(1 131 242)
Net impairment reversal/(losses) on financial assets	**45 155**	(25 125)
Other operating expenses	**(1 842 122)**	(1 524 850)
Other expenses	**(283 201)**	(1 964 818)
Earnings/(losses) before interest, tax, depreciation and amortisation	**1 491 691**	(376 672)
Depreciation and amortisation	**(446 503)**	(647 577)
Operating profit/(loss) before finance income/(costs)	**1 045 188**	(1 024 249)
Finance income	**12 113**	25 716
Finance costs	**-**	(12 858)
Finance costs - lease liabilities	**(29 301)**	(19 771)
Profit/(loss) for the year	**1 028 000**	(1 031 162)

11 INVESTMENTS (CONTINUED)

11.4 Interest in Dawn Properties Limited

The Group holds a 100% interest in Dawn Properties Limited (DPL), which is a company based in Zimbabwe and operates in the real estate industry. DPL holds investments in land and buildings throughout the country, which include six hotels that are leased to African Sun Zimbabwe (Private) Limited, another subsidiary of the Group. The consolidated financial statements of the Group include the following amounts, representing the assets, liabilities, sales, and results of the subsidiary, DPL:

Summarised statement of financial position of Dawn Properties Limited

All figures in USD	31 December 2024	31 December 2023
Assets		
Non-current assets		
Property and equipment	**49 199**	49 330
Investment property	**50 188 900**	68 617 000
Total non-current assets	**50 238 099**	68 666 330
Current assets		
Assets held for sale	**19 765 955**	3 600 000
Inventories	**2 616 961**	3 531 159
Trade receivables	**1 155 183**	1 287 296
Cash and cash equivalents	**2 275 526**	878 532
Total current assets	**25 813 625**	9 296 987
Total assets	**76 051 724**	77 963 317
Liabilities		
Non-current liabilities		
Deferred tax liabilities	**3 488 169**	3 609 199
Total non-current liabilities	**3 488 169**	3 609 199
Current liabilities		
Liabilities associated with assets classified as held for sale	**2 124**	-
Trade and other payables	**594 315**	1 087 536
Provision for other liabilities	**4 539**	4 952
Current tax liabilities	**35 122**	501 600
Total current liabilities	**636 100**	1 594 088
Total liabilities	**4 124 269**	5 203 287
Net assets	**71 927 455**	72 760 030

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

11 INVESTMENTS (CONTINUED)

11.4 Interest in Dawn Properties Limited (continued)

Summarised statement of profit or loss and other comprehensive income of Dawn Properties Limited

All figures in USD	31 December 2024	31 December 2023
Revenue	**6 392 886**	4 601 314
Property related costs	**(1 295 679)**	(391 392)
Employee benefits expense	**(40 226)**	(263 716)
Net impairment (losses)/reversal on financial assets	**(16 976)**	52 280
Other operating expenses	**(1 013 778)**	(644 827)
Other expenses	**(38 054)**	(3 259 731)
Earnings before interest, tax, depreciation and amortisation	**3 988 173**	93 928
Depreciation and amortisation	**(6 650)**	(6 389)
Operating profit before finance income	**3 981 523**	87 539
Finance income	**32 802**	35 724
Profit before tax	**4 014 325**	123 263
Tax expense	**(1 005 165)**	(2 877 503)
Profit/(loss) for the year from continuing operations	**3 009 160**	(2 754 240)
Loss for the year from discontinued operations	**(185 620)**	-
Profit/(loss) for the year	**2 823 540**	(2 754 240)

These figures represent the financial position and performance of Dawn Properties Limited as a consolidated subsidiary within the Group's financial statements.

12 INVENTORIES

All figures in USD	31 December 2024	31 December 2023
Property inventory	**2 616 961**	3 531 159
Food and beverage	**1 023 905**	1 390 487
Shop merchandise	**11 325**	17 727
Consumable stocks	**917 821**	1 266 393
Maintenance stocks	**526 207**	600 483
Total	**5 096 219**	6 806 249

The Group's property inventory consists of two main components: residential stands under development and completed residential units. The residential stands under development are plots of land being prepared for construction, while the completed residential units are fully constructed and ready for sale.

There were no items of inventory impaired during the year (2023 : USD nil). The Group's inventory holdings were not considered to have any significant impairment issues that would require a write-down of their value during both the current and previous years.

13 TRADE AND OTHER RECEIVABLES

All figures in USD	31 December 2024	31 December 2023
13.1 Trade receivables		
Trade receivables - gross	**2 758 952**	2 157 885
Less: expected credit losses	**(318 858)**	(219 282)
Trade receivables - net	**2 440 094**	1 938 603
The carrying amounts of the Group's trade receivables are denominated in the following currencies:		
Zimbabwe Gold	**827 593**	116 746
United States Dollars	**1 931 359**	2 041 139
13.2 Expected credit losses on trade receivables		
Movements on the Group's allowance for expected credit losses are as follows:		
As at 1 January	**219 282**	640 382
Movement due to discontinued operations	**54 345**	(134 636)
Net impairment losses/(reversal) on financial assets recognise in profit or loss	**45 231**	(286 464)
As at 31 December	**318 858**	219 282

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

13 TRADE AND OTHER RECEIVABLES (CONTINUED)

13.3 Other receivables

	GROUP		COMPANY	
All figures in USD	**31 December 2024**	31 December 2023	**31 December 2024**	31 December 2023
Receivables from related parties (note 31.2)	**90 396**	54 935	**3 878 171**	1 798 872
Staff loans receivables	**239 050**	29 235	**-**	-
Other receivables	**1 223 132**	1 948 843	**19 550**	76 500
Total other receibables - gross	**1 552 578**	2 033 013	**3 897 721**	1 875 372
Less: expected credit losses allowance	**(87 205)**	(87 836)	**-**	-
Total other receivables - net	**1 465 373**	1 945 177	**3 897 721**	1 875 372
Prepayments	**1 522 570**	2 480 276	**-**	-
Other receivables - current	**2 987 943**	4 425 453	**3 897 721**	1 875 372
Staff loans receivables	**1 020 248**	136 674	**-**	-
Other receivables - non-current	**1 020 248**	136 674	**-**	-

All non-current receivables are due within five years from the end of the reporting year.

The fair value of staff receivables is based on cash flows discounted using the Group average cost of borrowing of 8% (2023: 8%).

The loans relate to car loans which are payable over 5 years.

The effective interest rates on non-current receivables were as follows:

	GROUP		COMPANY	
	31 December 2024	31 December 2023	**31 December 2024**	31 December 2023
Receivables from related parties	**8.00%**	8.00%	**8.00%**	8.00%
Loans receivables	**10.00%**	10.00%	**10.00%**	10.00%
Staff receivables	**8.00%**	8.00%	**8.00%**	8.00%

13.4 Other financial assets

	GROUP		COMPANY	
	31 December 2024	31 December 2023	**31 December 2024**	31 December 2023
Investments in shares	**1 153 346**	617 557	**-**	-
Other financial assets - current	**1 153 346**	617 557	**-**	-

13 TRADE AND OTHER RECEIVABLES (CONTINUED)

13.4 Other financial assets (continued)

13.4.1 Investments in shares

	GROUP	
All figures in USD	**31 December 2024**	31 December 2023
As at 01 January	**617 557**	-
Additions	**1 234 669**	569 234
Disposals	**(136 905)**	-
Fair value (losses)/gains	**(561 975)**	48 323
As at 31 December	**1 153 346**	617 557

13.5 Expected credit losses on other receivables

Movements on the Group's allowance for expected credit losses are as follows:		
As at 1 January	**87 836**	128 279
Net impairment reversal on financial assets recognised in profit or loss	**(631)**	(40 443)
As at 31 December	**87 205**	87 836

13.6 Expected credit losses on trade and other receivables

Movements on the Group's allowance for expected credit losses are as follows:

As at 1 January	**307 118**	768 661
Movement due to discontinued operations	**54 345**	(134 636)
Net impairment losses/(reversal) on financial assets recognised in profit or loss	**44 600**	(326 907)
As at 31 December	**406 063**	307 118

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

14 CASH AND CASH EQUIVALENTS

All figures in USD	GROUP **31 December 2024**	GROUP 31 December 2023	COMPANY **31 December 2024**	COMPANY 31 December 2023
Cash at bank and on hand	**9 899 785**	10 536 977	**268**	354
Short-term bank deposits	**290 502**	332 851	**-**	-
Total cash and cash equivalents	**10 190 287**	10 869 828	**268**	354
Cash and cash equivalents included in disposal group	**(423 205)**	-	**-**	-
Cash and cash equivalents for continuing operations	**9 767 082**	10 869 828	**268**	354
The breakdown of cash and cash equivalents by currency are as follows:				
Zimbabwe Gold	**1 151 242**	1 357 380	**-**	-
United States dollar	**8 798 139**	9 067 218	**268**	354
South African rand	**209 206**	325 980	**-**	-
Euro	**31 651**	119 250	**-**	-
Australian dollar	**49**	-	**-**	-
	10 190 287	10 869 828	**268**	354
The cash and cash equivalent balance is further separated as follows:				
United States dollar account balance	**8 798 139**	9 067 218	**268**	354
Foreign currency account balance	**1 392 148**	1 802 610	**-**	-
	10 190 287	10 869 828	**268**	354

Included in cash and cash equivalents are balances with banks. These balances are used for transacting on a daily basis.

15 SHARE CAPITAL AND OTHER CAPITAL RESERVES

All figures in USD	COMPANY **31 December 2024**	COMPANY 31 December 2023
15.1 Share capital		
15.1.1 Authorised share capital		
1 700 000 000 Ordinary shares at USD 0.01 per share	**17 000 000**	17 000 000

The total authorised number of ordinary shares is 1.7 billion (2023: 1.7 billion) with a par value of USD0.01 per share. No additional shares were authorised during the year ended 31 December 2024 (2023: nil).

15.1.2 Issued Shares		
1 478 647 608 Ordinary shares	**2 484 334**	2 476 873
Treasury shares	**(105)**	(105)
Share capital	**2 484 229**	2 476 768

A total of 3 543 942 were held as treasury shares as at 31 December 2023.

All issued shares are fully paid.

746 113 shares were issues on exercise of share options during the year ended 31 December 2024 (2023: nil). Refer to note 20 for disclosures on share options.

15.1.3 Unissued shares		
Ordinary shares	**221 352 392**	222 098 505

The unissued shares are under the control of the Directors, subject to the limitations imposed by the Articles and Memorandum of Association of the Company, the Zimbabwe Companies and Other Business Entities Act (Chapter 24:31) and the Victoria Falls Stock Exchange Listing Requirements.

15.1.4 Directors' shareholdings

As of 31 December 2024, no director had shares directly in the company (2023: 16 210).

15.2 Share premium

Share premium	**14 029 390**	14 008 943

There was a movement in share premium of USD 20 447 during the year ended 31 December 2024 (2023: nil) from the exercising of share options. Refer to note 20 for disclosures on share options.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

15 SHARE CAPITAL AND OTHER CAPITAL RESERVES (CONTINUED)

15.3 Other capital reserves

15.3.1 Revaluation reserve

The revaluation reserve is used to record increases in the fair value of property and equipment and decreases to the extent that such decrease relates to an increase on the same asset previously recognised in equity. The revaluation surplus net of deferred tax transferred to the revaluation reserve is as follows:

All figures in USD	GROUP 31 December 2024	GROUP 31 December 2023	COMPANY 31 December 2024	COMPANY 31 December 2023
As at 01 January	**32 596 404**	27 543 868	**68 875**	68 347
Revaluation - gross	**-**	5 833 792	**-**	703
Deferred tax	**-**	(567 310)	**-**	(175)
Revaluation surplus - net of tax	**-**	5 266 482	**-**	528
Transfer to retained earnings	**-**	(213 946)	**-**	-
As at December	**32 596 404**	32 596 404	**68 875**	68 875

15.3.2 Foreign currency translation reserve

The foreign currency translation reserve (FCTR) balance is specific to the African Sun South African Branch, which uses the South African rand as its functional currency. The reserve represents the cumulative gains or losses arising from the translation of the South African branch's financial statements from its functional currency (South African rand) to the Group's functional currency, which is the United States of America dollar (USD). This reserve is used to account for the effects of exchange rate fluctuations between the functional currency and the reporting currency (USD). It ensures that the financial statements accurately reflect the impact of currency exchange rate changes on the South African branch's financial position and results.

Movements in FCTR during the year

All figures in USD	31 December 2024	31 December 2023
As at 01 January	**8 346 540**	8 269 216
Exchange differences on translation of foreign operations	**27 376**	77 324
As at December	**8 373 916**	8 346 540

16 LEASES

This note provides information for leases where the Group is a lessee.

16.1 Reconciliation of the right-of-use assets is as follows:

All figures in USD	Hotel buildings	Other buildings	Land	Total
As at 01 January 2023	4 473 313	409 991	12 301	**4 895 605**
Additions/Re-measurement	9 918 742	3 167 037	-	**13 085 779**
Depreciation	(475 031)	(135 934)	(1 659)	**(612 624)**
As at 31 December 2023	13 917 024	3 441 094	10 642	**17 368 760**
Additions/Re-measurement	(641 756)	-	-	**(641 756)**
Foreign exchange differences	-	(17)	-	**(17)**
Depreciation	(503 188)	(207 434)	(829)	**(711 451)**
As at 31 December 2024	12 772 080	3 233 643	9 813	**16 015 536**

The leases that were recognised as right of use assets were the following;

- Holiday Inn Bulawayo - hotel building;
- Holiday Inn Harare - hotel building;
- Central Office - office building;
- South Africa branch - office building;
- Elephant Hills golf course - Land; and
- Victoria Falls Flats - staff houses

16.2 Analysis of lease liabilities is as follows:

All figures in USD	31 December 2024	31 December 2023
Non-current	**13 505 597**	14 438 109
Current	**277 659**	164 935
Total lease liabilities	**13 783 256**	14 603 044

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

16 LEASES (CONTINUED)

16.2 Analysis of lease liabilities is as follows:

	LEASE PAYMENTS DUE			
All figures in USD	Less than 1 year	1 to 5 years	More than 5 years	**Total**
31 December 2024				
Lease payments	1 643 708	6 660 528	23 714 060	**32 018 296**
Finance charges	(1 366 049)	(5 270 661)	(11 598 330)	**(18 235 040)**
Net present values	277 659	1 389 867	12 115 730	**13 783 256**
31 December 2023				
Lease payments	1 609 129	5 130 660	35 941 060	**42 680 849**
Finance charges	(1 444 194)	(4 374 807)	(22 258 804)	**(28 077 805)**
Net present values	164 935	755 853	13 682 256	**14 603 044**

16.3 Finance costs - lease liabilities

	GROUP	
All figures in USD	**31 December 2024**	31 December 2023
Interest expense for leasing arrangements	**1 444 194**	1 344 478

The interest expense above pertains to lease liabilities recognised for the above leases with fixed payments. There was no interest recognised for variable lease payments.

16.4 Lease payments not recognised as a liability

	GROUP	
All figures in USD	**31 December 2024**	31 December 2023
Leases of low value assets	**29 205**	44 519
Variable lease payments	**602 897**	639 967
	632 102	684 486

Expense relating to variable lease payments not included in lease liabilities were expensed directly through profit or loss and included under other operating expenses.

17 TRADE AND OTHER PAYABLES

	GROUP		COMPANY	
All figures in USD	**31 December 2024**	31 December 2023	**31 December 2024**	31 December 2023
Trade payables	**4 397 635**	5 563 275	**-**	-
Amounts due to related parties (note 31.2)	**-**	19 657	**-**	-
Statutory liabilities	**1 600 356**	1 147 780	**11 757**	13 225
Accruals	**248 358**	453 054	**7 404**	-
Advance deposits (note 22.2)	**2 981 561**	3 894 917	**-**	-
Other payables	**780 910**	2 122 161	**-**	765 762
Total trade and other payables	**10 008 820**	13 200 844	**19 161**	778 987

Statutory Liabilities are obligations arising from statutory requirements and include Pay As You Earn (PAYE), pension obligations, Value Added Tax (VAT), and tourism levy. At the end of 2024, the Group had outstanding liabilities related to these obligations, representing amounts yet to be settled with the respective authorities.

Accruals are liabilities for expenses incurred but not yet paid or settled. For the Group, these include obligations for heat, light, water, and goods and services received but not yet paid for. Unlike provisions, which relate to uncertain liabilities, accruals pertain to known expenses incurred but unpaid.

Advance Deposits are advance payments received from hotel guests to secure reservations. Advance deposits are held until the Group provides the booked services or accommodations, at which point the revenue is recognized. Refunds may be issued under specific terms outlined in the Group's refund policy.

Other Payables category includes sundry creditors who supply goods and services not directly related to the Group's core business activities. These represent miscellaneous obligations to suppliers or service providers offering non-core products or services.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

18 CURRENT TAX LIABILITIES

All figures in USD	GROUP **31 December 2024**	GROUP 31 December 2023	COMPANY **31 December 2024**	COMPANY 31 December 2023
As at 01 January	**490 530**	229 565	**73**	608
Current tax charged to statement of comprehensive income (note 21.1)	**1 782 176**	1 861 861	**-**	-
Prior years tax assessments	**2 570 478**	-		
Capital gains tax expense	**26 476**	-	**-**	-
Tax charged to discontinued operations	**-**	30 467	**-**	-
Income tax payments	**(2 784 228)**	(1 361 627)	**(73)**	-
Effects of foreign currency translation	**(398 760)**	(269 736)	**-**	(535)
As at 31 December	**1 686 672**	490 530	**-**	73
		-		
Current income tax liabilities is further analysed by jurisdiction as follows:				
Payable to Zimbabwe Revenue Authority ("ZIMRA")	**1 683 073**	486 950	**-**	608
Payable to South African Revenue Services ("SARS")	**3 599**	3 580	**-**	-
Current income tax liabilities as at 31 December	**1 686 672**	490 530	**-**	608

19 PROVISIONS

Provisions are recognized by the Group when there is a present legal or constructive obligation arising from past events, and it is probable that an outflow of economic benefits will be required to settle the obligation. Additionally, a reliable estimate can be made of the amount of the obligation. To determine a reliable estimate, the Group considers the amount it would reasonably expect to pay to settle the obligation as of the reporting date. This estimation takes into account relevant factors such as contractual obligations, legal requirements, historical data, expert opinions, and any other pertinent information available.

All figures in USD	GROUP 1 January 2024	Current provision	Utilised/ reversed provision	**31 December 2024**
31 December 2024				
The provisions balance is made up of the following:				
Leave pay	584 786	42 720	-	**627 506**
Performance bonus	136 306	8 444	(136 306)	**8 444**
Other provisions	1 062 324	-	(1 062 324)	**-**
	1 783 416	51 164	(1 198 630)	**635 950**

19 PROVISIONS (CONTINUED)

All figures in USD	GROUP 1 January 2023	Current provision	Utilised/ reversed provision	31 December 2023
31 December 2023				
The provisions balance is made up of the following:				
Leave pay	215 006	369 780	-	584 786
Performance bonus	317 782	136 306	(317 782)	136 306
Other provisions	1 162 324	(100 000)	-	1 062 324
	1 695 112	406 086	(317 782)	1 783 416

All figures in USD	COMPANY 1 January 2024	Current provision/ transfer	Utilised/ reversed provision	**31 December 2024**
31 December 2024				
Other provisions	-	-	-	**-**
	-	-	-	**-**

All figures in USD	COMPANY 1 January 2023	Current provision	Utilised/ reversed provision	31 December 2023
31 December 2023				
Other provisions	100 000	-	100 000	-
	100 000	-	100 000	-

(i) Leave pay
This amount represents the Group's obligation to compensate employees for their accrued but unused annual leave days. To account for this liability, the Group creates a provision for leave pay.

(ii) Performance bonus
The Group has a performance-based bonus policy for its employees, and the provision for employee bonuses is calculated based on this policy. The specific amount provided for in the financial statements is determined by considering the criteria and calculations outlined in the bonus policy. This provision represents the estimated liability for bonuses to be paid out to employees, taking into account performance metrics and other predetermined factors specified in the policy.

(iii) Other
The amount relates to the legal claims made against the Group by it's contractors. Management concluded that the probability of settling the amount was now remote and the reversal of the balance during the year was more appropriate.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

20 EQUITY SETTLED SHARE BASED PAYMENT RESERVE

According to the Group's share option scheme rules, options were granted on 18 March 2020, and were recognized at their fair value. The granted options had a vesting period of 3 years, meaning they became exercisable on 17 March 2023. Consequently, the fair value of the options was amortized over the course of the three year vesting period. The amortization expense represents the recognition of the share-based compensation cost over the vesting period, providing a systematic allocation of the fair value of the options granted.

During the year, 746,113 options were exercised while a total of 29,415,899 options were forfeited.

All figures in USD	Number of Share Options Granted	31 December 2024	31 December 2023
As at 01 January	30 162 012	**223 300**	213 296
Employee share-based compensation for the year	-	**-**	10 004
Exercise share options	(746 113)	**(5 524)**	-
Forfeited share options	(29 415 899)	**(217 776)**	-
As at 31 December	**-**	**-**	223 300
Exercisable at the end of the year	-	**-**	223 300

21 INCOME TAXES

21.1 Tax expense

All figures in USD	31 December 2024	31 December 2023
Current income tax:		
Income tax expense on current year profits	**1 782 176**	1 861 861
Prior years tax assessments	**2 570 478**	-
Capital gains tax:		
Capital gains tax expense	**26 476**	-
Deferred tax:		
Originating and reversal of temporary differences	**231 312**	85 557
Change in tax rate	**150 998**	-
Tax expense	**4 761 440**	1 947 418

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 profits of the consolidated entities as follows:

Profit before tax	**4 072 278**	1 998 166
Tax calculated at domestic tax rates applicable to profits in the respective countries	**315 082**	1 014 316
Tax effects of:		
Income not subject to tax and non-deductible expenses:		
Fair value adjustment on investment property	**-**	514 482
Fair value adjustment on shares	**155 053**	-
Unrealised exchange gain on monetary assets	**1 179 065**	1 336 731
Gain from the disposal of property and equipment	**80 987**	39 691
Fair value adjustment on biological assets and financial assets	**1 890**	(24 100)
Reversal of provisions	**(273 549)**	(165 564)
Unrecognised tax losses	**12 531**	61 824
Penalty and interest on taxes	**-**	3 837
Intermediary transaction tax	**214 729**	147 038
Equity settled share based payments costs	**-**	2 473
Capital gains	**26 476**	-
Embezzlement loss	**15 102**	-
Restraint of trade	**106 702**	-
Fixed leases	**20 028**	(817 484)
Community social responsibility	**20 933**	8 271
Recoupment	**57 367**	-
Dividend received	**(10 524)**	-
Entertainment expenses	**77 385**	243 767
Bank interest	**(19 503)**	-
Prior years tax assessments	**2 570 478**	-
Reduction in opening deferred taxes resulting from reduction in tax rate	**150 998**	-
Other non-taxable items	**60 210**	(417 864)
Tax expense	**4 761 440**	1 947 418

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

21 INCOME TAXES (CONTINUED)

21.1 Tax expense (continued)

The weighted average applicable tax rate was 116.92% (2023: 80.09%).

The applicable tax rates in the different countries for the year were, Zimbabwe 25.75% (2023: 24.72%); South Africa 28% (2023:28%)

The current tax provision for the year reflects the new tax rate on taxable income earned from 1 January 2024 onward. The total current tax expense for the year increased by USD 71 287 due to the change in the tax rate.

During the year ended 31 December 2024, the Zimbabwe Revenue Authority issued an additional tax assessment pertaining to the 2019 year of assessment. The principal amount and accrued interest from prior years amounted to USD 2 570 478.

21.2 Deferred taxes

21.2.1 The analysis of deferred tax assets and deferred tax liabilities is as follows:

	GROUP		COMPANY	
All figures in USD	**31 December 2024**	31 December 2023	**31 December 2024**	31 December 2023
Deferred tax assets:				
-Deferred tax assets to be recovered within 12 months	**282 607**	247 514	**-**	-
	282 607	247 514	**-**	-
Deferred tax liabilities:				
-Deferred tax liabilities to be recovered within 12 months	**(11 969 014)**	(12 556 740)	**(402)**	(3 398)
	(11 969 014)	(12 556 740)	**(402)**	(3 398)
Net deferred tax liabilities	**(11 686 407)**	(12 309 226)	**(402)**	(3 398)

21.2.2 The net movement on the deferred tax account is as follows:

	GROUP		COMPANY	
All figures in USD	**31 December 2024**	31 December 2023	**31 December 2024**	31 December 2023
As at 1 January	**(12 309 226)**	(11 538 098)	**(3 398)**	(2 505)
Included in liabilities associated with assets held for sale	**987 500**	-	**-**	-
Associated with discontinued operations	**17 500**	118 261	**-**	-
Effects of foreign currency translations	**129**	-	**-**	-
Charged to statement of profit or loss and other comprehensive income	**(382 310)**	(889 389)	**2 996**	(893)
As at 31 December 2024	**(11 686 407)**	(12 309 226)	**(402)**	(3 398)

21 INCOME TAXES (CONTINUED)

21.2 Deferred taxes (continued)

	GROUP		COMPANY	
All figures in USD	**31 December 2024**	31 December 2023	**31 December 2024**	31 December 2023
21.2.3 Analysis of deferred tax movement				
Movement charged to profit or loss	**382 310**	85 557	**-**	893
Movement charged to other comprehensive income	**-**	803 832	**(2 996)**	-
	382 310	889 389	**(2 996)**	893
21.2.4 Deferred tax by tax jurisdiction is further analysed below				
Attributable to Zimbabwean tax jurisdiction				
Deferred tax assets	**281 961**	246 732	**-**	-
Deferred tax liabilities	**(11 962 998)**	(12 554 003)	**(402)**	(3 398)
Deferred tax liabilities	**(11 681 037)**	(12 307 271)	**(402)**	(3 398)
Attributable to South African tax jurisdiction				
Deferred tax assets	**646**	782	**-**	-
Deferred tax liabilities	**(6 016)**	(2 737)	**-**	-
Deferred tax liabilities	**(5 370)**	(1 955)	**-**	-
Net deferred tax liabilities	**(11 686 407)**	(12 309 226)	**(402)**	(3 398)

21.2.5 The movement in deferred tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

	GROUP			
All figures in USD	Accelerated tax depreciation	Subject to capital gains tax	Other	**Total**
Deferred tax liabilities				
Year ended 31 December 2023				
As at 1 January 2023	(9 323 264)	(2 143 711)	(1 188 297)	**(12 655 272)**
Associated with discontinued operations	-	118 261	-	**118 261**
Credit to statement profit or loss and other comprehensive income	6 157 960	(6 656 476)	478 787	**(19 729)**
As at 31 December 2023	(3 165 304)	(8 681 926)	(709 510)	**(12 556 740)**

Notes to the Financial Statements (continued)

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21 INCOME TAXES (CONTINUED)

21.2 Deferred taxes (continued)

21.2.5 The movement in deferred tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

	GROUP			
All figures in USD	Accelerated tax depreciation	Subject to capital gains tax	Other	**Total**
Deferred tax liabilities				
Year ended 31 December 2024				
As at 1 January 2024	(3 165 304)	(8 681 926)	(709 510)	**(12 556 740)**
Associated with discontinued operations	-	17 500	-	**17 500**
Included in liabilities associated with assets held for sale	-	987 500	-	**987 500**
Effects of foreign currency translations	-	-	129	**129**
(Charged)/credit to statement profit or loss and other comprehensive income	(307 555)	(128 473)	18 625	**(417 403)**
As at 31 December 2024	(3 472 859)	(7 805 399)	(690 756)	**(11 969 014)**

	COMPANY	
All figures in USD	Accelerated Tax Depreciation	**Total**
Year ended 31 December 2023		
As at 1 January 2023	(2 505)	**(2 505)**
Charged to statement profit or loss and other comprehensive income	(893)	**(893)**
As at 31 December 2023	(3 398)	**(3 398)**
Year ended 31 December 2024		
As at 1 January 2024	(3 398)	**(3 398)**
Credit to statement profit or loss and other comprehensive income	2 996	**2 996**
As at 31 December 2024	(402)	**(402)**

21 INCOME TAXES (CONTINUED)

21.2 Deferred taxes (continued)

21.2.5 The movement in deferred tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

	GROUP			
All figures in USD	Assessed tax losses	Unrealised exchange losses	Other	**Total**
Deferred tax assets				
Year ended 31 December 2023				
Restated as at 1 January 2023	31 378	912 429	173 367	**1 117 174**
Charge to statement of profit or loss and other comprehensive income	(31 378)	(912 429)	74 147	**(869 660)**
As at 31 December 2023	-	-	247 514	**247 514**
Year ended 31 December 2024				
As at 1 January 2024	-	-	247 514	**247 514**
Credit to statement of profit or loss and other comprehensive income	-	-	35 093	**35 093**
As at 31 December 2024	-	-	282 607	**282 607**

22 REVENUE FROM CONTRACTS WITH CUSTOMERS

The Group has recognised the following amounts relating to revenue in the statement of profit or loss and other comprehensive income:

All figures in USD	**31 December 2024**	31 December 2023
Revenue from contracts with customers	**53 979 172**	46 981 522
Total revenue	**53 979 172**	46 981 522

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

22 REVENUE FROM CONTRACTS WITH CUSTOMERS (CONTINUED)

22.1 Disaggregation of revenue from contracts with customers

All figures in USD	Sale of room nights	Sale of food and beverages	Management fees and commissions	Conferencing	Property development	Other income	Total
Year ended 31 December 2024							
The Group derives revenue from the transfer of goods and services at a point in time in the following major product lines:							
Segment revenue	27 048 779	19 701 402	970 843	1 934 469	6 392 886	2 202 895	**58 251 274**
Inter-segment transactions	-	-	(894 807)	-	(3 377 295)	-	**(4 272 102)**
Revenue from external customers	27 048 779	19 701 402	76 036	1 934 469	3 015 591	2 202 895	**53 979 172**
Timing of revenue							
Recognition at a point in time	27 048 779	19 701 402	76 036	1 934 469	3 015 591	2 202 895	**53 979 172**
Revenue from external customers	27 048 779	19 701 402	76 036	1 934 469	3 015 591	2 202 895	**53 979 172**
Year ended 31 December 2023							
Segment revenue	24 294 450	18 637 102	345 716	2 076 613	4 601 314	1 555 339	**51 510 534**
Inter-segment transactions	-	-	(307 396)	-	(3 742 645)	(478 971)	**(4 529 012)**
Revenue from external customers	24 294 450	18 637 102	38 320	2 076 613	858 669	1 076 368	**46 981 522**
Timing of revenue recognition							
At a point in time	24 294 450	18 637 102	38 320	2 076 613	857 311	1 076 368	**46 980 164**
Overtime	-	-	-	-	1 358	-	**1 358**
Revenue from external customers	24 294 450	18 637 102	38 320	2 076 613	858 669	1 076 368	**46 981 522**

22.2 Liabilities related to contracts with customers

The Group has recognised the following liabilities related to contracts with customers:

All figures in USD	**31 December 2024**	31 December 2023
As at 01 January	**3 894 917**	2 812 620
Revenue recognised from contract liability balance	**(3 894 917)**	(2 812 620)
Discontinued operations	**(423 205)**	-
Contract liability recognised during the year	**3 404 766**	3 894 917
As at 31 December	**2 981 561**	3 894 917

The above amounts represents cash received or consideration received from customers for goods or services that have not yet been recognized as revenue. The Group recognizes these balances as revenue when the criteria for revenue recognition are met, including the completion of services, delivery of goods, or the passage of time as specified in the relevant contractual terms. The changes in the liability balance during the year reflect the timing of revenue recognition based on the specific terms and conditions of the underlying contracts or agreements.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

23 EMPLOYEE PENSION COSTS

The Group and all employees contribute to one or more of the following independently administered defined contribution pension funds:

(i) Brainworks Group Pension Fund - Zimbabwe
This fund is a defined contribution scheme. All employees, except those who are members of the Catering Industry Pension Fund are members of this fund.

(ii) Catering Industry Pension Fund - Zimbabwe
This is a defined contribution scheme which covers employees in specified occupations of the catering industry. The majority of employees of African Sun Limited are members of this fund.

(iii) Provident Fund- South Africa
The Branch which is resident in South Africa has a defined contribution provident fund, of which full time employees of the Branch are members.

(iv) National Social Security Authority Scheme (NSSA) - Zimbabwe
The Group and all its employees based in Zimbabwe contribute to the National Social Security Authority Scheme, promulgated under the National Social Security Act (Chapter 14:17). The Group's obligations under this scheme are limited to specific contributions legislated from time to time.

Group contributions to the plans during the year charged to the profit or loss amounted to:

All figures in USD	31 December 2024	31 December 2023
Brainworks Group Pension Fund	**144 258**	105 245
Catering Industry Pension Fund	**153 235**	111 411
Provident Fund - South Africa	**9 577**	6 720
National Social Security Authority Scheme	**189 986**	235 934
	497 056	459 310

24 OTHER EXPENSES

All figures in USD	31 December 2024	31 December 2023
Loss from sale of property and equipment	**30 288**	71 916
Fair value loss on assets held for sale (excluding discontinued operations)	**250 000**	910 000
Fair value gains on investment property	**(54 900)**	(1 003 879)
Profit on disposal of subsidiary	**-**	(116 709)
Dividend received	**(40 870)**	-
Provision reversal	**(2 125 859)**	(100 000)
Fair value loss/(gain) on financial assets	**561 975**	(48 323)
Fair value loss/(gain) on biological assets	**1 889**	(49 170)
Loss/(profit) on sale of investment property	**260 765**	(125 279)
Penalties	**-**	13 703
Termination pay	**1 420 437**	32 708
Guest deposits reallocation	**58 650**	507 845
Foreign exchange loss	**175 587**	1 581 439
	537 962	1 674 251

The amounts above represents expenses that are not directly attributable to the core operating activities of the business or do not fit into specific expense categories. Other expenses typically include various non-operating or non-recurring costs that arise outside the ordinary course of business.

25 FINANCE COSTS AND INCOME

All figures in USD	31 December 2024	31 December 2023
25.1 Finance income		
Interest income on bank deposits	**85 209**	208 044
Interest on other receivables at amortised cost	**46 897**	13 461
Finance income - continuing operations	**132 106**	221 505
Finance income - discontinued operations	**-**	7 531
Total	**132 106**	229 036
25.2 Finance costs		
Interest on overdue accounts	**(13 091)**	(9 951)
	(13 091)	(9 951)
Net financing costs for the year	**119 015**	219 085

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

26 OTHER OPERATING EXPENSES

All figures in USD	31 December 2024	31 December 2023
Contracted services	**1 852 764**	1 414 983
Sales and marketing	**1 446 892**	1 304 383
Information technology systems costs	**2 109 129**	1 427 388
Franchise fees	**988 866**	527 140
Insurance	**560 201**	480 314
Security	**858 612**	682 928
Bank charges	**598 443**	517 002
Directors' fees	**166 785**	209 147
Community social responsibility	**72 776**	310 897
Legal fees	**150 915**	139 497
Travel and transport	**491 261**	371 850
Office costs	**268 955**	249 650
Transaction tax	**598 443**	514 160
Audit fees	**166 918**	171 870
Vehicle running expenses	**205 956**	183 376
Consultancy costs	**332 690**	348 847
Subscriptions	**273 960**	257 703
Licenses	**326 698**	325 830
Other expenses	**620 298**	191 850
Total other operating expenses	**12 090 562**	9 628 815

27 DEPRECIATION AND AMORTISATION

All figures in USD	31 December 2024	31 December 2023
Depreciation and amortisation: property and equipment (note 7)	**4 417 785**	5 118 799
Depreciation and amortisation: right of use assets (note 16.1)	**711 451**	612 624
Total depreciation and amortisation	**5 129 236**	5 731 423
Depreciation and amortisation: discontinued operations (note 8.1.8)	**(644 236)**	(662 025)
Depreciation and amortisation: continuing operations	**4 485 000**	5 069 398

28 EARNINGS/(LOSS) PER SHARE

All figures in USD	31 December 2024	31 December 2023
(i) Earnings/(Loss) per share		
Basic and diluted earnings/(loss) attributable to owners of parent (USD cents)	**(0.02)**	(0.02)
Headline earnings/(loss) attributable to owners of parent (USD cents)	**0.02**	(0.02)
(ii) Reconciliations of headline (loss)/earnings used in calculating earnings per share is as follows;		
Loss attributable to owners of the parent	**(274 067)**	(364 589)
Loss attributable to owners of parent	**(274 067)**	(364 589)
Adjustments for:		
Loss from disposal of property and equipment	**30 288**	71 916
(Profit)/loss for the year from discontinued operations	**(415 095)**	415 337
Fair values loss/(gain) on financial assets	**561 975**	(48 323)
Fair value gains on investment property (note 10)	**(54 900)**	(1 003 879)
Fair value loss on assets classified as held for sale (excluding discontinued operations)	**250 000**	910 000
Loss/(profit) on sale of investment property	**260 765**	(125 279)
Profit on disposal of subsidiary - note 8.1.10	**-**	(116 709)
Headline earnings/(loss) attributable to owners of the parent	**358 966**	(261 526)
Weighted average number of shares used as the denominator	**Number**	Number
Number of shares in issue	**1 478 647 608**	1 477 901 495
Weighted average number of shares in issue for basic and diluted earnings per share	**1 478 647 608**	1 477 901 495

For the purpose of basic earnings/(loss) per share, the weighted average number of ordinary shares outstanding during the year is the number of ordinary shares outstanding at the beginning of the year, adjusted by the number of ordinary shares bought back or issued during the year multiplied by a time weight factor. The time weighting factor is the number of days that the shares are outstanding as a proportion of the total number of days in a year.

Weighted average number of shares for diluted earnings are calculated by adjusting the weighted number of ordinary shares with the potentially dilutive ordinary shares. As at 31 December 2024 there were no potential dilutive share options (2023: nil).

Net asset value per share (cents)

All figures in USD	31 December 2024	31 December 2023
Net assets	**98 492 597**	99 945 486
Number of ordinary shares in issue	**1 478 647 608**	1 477 901 495
Net asset value per share	**6.66**	6.76

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

29 SUMMARY OF CASH FLOW WORKINGS

All figures in USD	31 December 2024	31 December 2023
29.1 Cash generated from continuing and discontinued operations		
Profit before tax from continuing operations	**4 072 278**	1 998 166
Profit before tax from discontinued operations	**(115 289)**	(1 148 299)
Intra-group transactions included in discontinued operations	**746 846**	881 690
Profit before tax including discontinued operations	**4 703 835**	1 731 557
Adjustments for non-cash items:		
Depreciation and hotel equipment usage	**4 417 785**	5 118 799
Depreciation: right of use assets	**711 451**	612 624
Loss from disposal of equipment and investment property	**314 315**	410 245
Provision (reversal)/expenses	**(1 147 463)**	88 304
Fair value adjustment on biological assets (note 8)	**1 889**	(49 170)
Fair value adjustment on investments property	**195 100**	(93 879)
Fair value adjustment on assets held for sale	**265 173**	-
Fair value adjustment on shares	**561 975**	(48 323)
Equity settled share based payments costs (note 20)	**-**	10 004
Exchange loss on foreign currency translations	**27 730**	-
Effects of initial application of the Lack of Exchangeability amendments (IAS21)	**(387 867)**	-
Dividends received	**(40 870)**	-
Profit from disposal of subsidiary	**-**	(116 709)
Finance cost - lease liabilities	**1 444 194**	1 344 478
Finance costs - net	**(119 015)**	(219 085)
Cash generated from operations before changes in working capital	**10 948 232**	8 788 845
Changes in working capital:		
Decrease/(increase) in inventories	**1 324 404**	(2 148 303)
Current trade receivables ,financial assets and trade and other payables	**(3 362 927)**	1 358 325
Decrease/(increase) in current trade receivables	**52 445**	(2 386 487)
(Decrease)/increase in current trade payables	**(3 415 372)**	3 744 812
Cash generated from continuing and discontinued operations	**8 909 709**	7 998 867
29.2 Proceeds from disposal of property and equipment		
Cost of property and equipment disposed of	**1 655 586**	2 717 297
Accumulated depreciation of property and equipment disposed	**(914 060)**	(1 981 752)
Net book value	**741 526**	735 545
Loss on disposal of property and equipment	**(53 550)**	(535 461)
Cash proceeds from disposal of property and equipment	**687 976**	200 084

30 FAIR VALUE MEASUREMENT

The Group measures investment property, financial assets and liabilities, property and equipment at fair value in accordance with the requirements of International Financial Reporting Standard (IFRS) 13, "Fair value measurement". Fair value is defined as 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 framework utilized by the Company includes the following hierarchy, which prioritizes the inputs used in the valuation techniques:
Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3: Unobservable inputs for the asset or liability.

30.1 Fair value measurement of non-financial assets

The following table shows the levels within the hierarchy of non-financial assets measured at fair value on a recurring basis:

All figures in USD	Level 1	Level 2	Level 3	Total
31 December 2024				
Investment property				
Residential properties	-	-	544 000	**544 000**
Timeshares	-	-	2 074 800	**2 074 800**
Land	-	-	7 334 000	**7 334 000**
Non-current assets classified as held for sale				
Hotel properties	-	-	17 950 000	**17 950 000**
Land	-	-	300 000	**300 000**
31 December 2023				
Property and equipment				
Hotel properties	-	-	57 936 100	**57 936 100**
Residential properties	-	-	6 644 500	**6 644 500**
Land	-	-	1 400 000	**1 400 000**
Equipment	-	-	11 967 017	**11 967 017**
Investment property				
Residential properties	-	-	1 315 000	**1 315 000**
Timeshares	-	-	2 178 900	**2 178 900**
Land	-	-	7 187 000	**7 187 000**
Non-current assets classified as held for sale				
Hotel properties	-	-	2 300 000	**2 300 000**
Land	-	-	1 300 000	**1 300 000**

There were no transfers between Level 1 and Level 2 during the year ended 31 December 2024 or 2023.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

30 FAIR VALUE MEASUREMENT (CONTINUED)

30.1 Fair value measurement of non-financial assets (continued)

30.1.1 Valuation processes

The Group engaged the services of Edinview Property Global (Private) Limited, an independent valuer, to assess the fair value of its investment property and assets held for sale as of 31 December 2024. The valuation of the properties followed the guidelines and statements outlined in the Royal Institute of Chartered Surveyors Appraisal and Valuation Manual (commonly referred to as the "Red Book") and the International Valuation Standards Committee (IVSC). The valuer possesses recognized and relevant professional qualifications and has experience in valuing similar assets in Zimbabwe.

For the valuation of land, the market comparison method was employed. This approach involves analysing recently sold or available properties that are similar to the ones being valued, taking into account factors such as planning controls. Data from these comparables is then carefully scrutinized and applied to the subject property, considering any differences in size, quality, and location.

The valuation of hotel buildings and timeshare properties was conducted using the cost approach due to limited market evidence. This method involves the use of professional estimates and judgment to determine the cost of constructing a similar building and assess the remaining useful life of the property.

Similarly, the cost approach was also employed for equipment valuation. This approach takes into account the replacement costs of comparable assets and applies depreciation based on the current life of the equipment, resulting in the determination of depreciable replacement costs. Adjustments are made to current prices obtained from recent transactions, considering factors such as contractual terms, location, and inherent differences. The decision to use the cost approach was based on the limited activity observed in the market for such assets in Zimbabwe.

These valuation methodologies align with international valuation standards recommended by the IVSC and were chosen based on their suitability for the specific circumstances and availability of market data in Zimbabwe.

The summary of the results are as follows:

All figures in USD	31 December 2024	31 December 2023
Property value indicators:		
Gross replacement cost (buildings)	**62 022 000**	164 872 310
Depreciated replacement cost (buildings)	**17 290 100**	50 557 800
Land value	**11 374 000**	7 634 000
Land value plus depreciated replacement cost of buildings	**28 664 100**	65 115 800
Market value	**28 202 800**	64 105 000

30.1.2 Sensitivity analysis

Sensitivity analysis is performed on valuation of assets and liabilities with significant unobservable inputs (level 3) to generate a range of reasonable alternative valuations. The sensitivity methodologies applied take account of the nature of valuation techniques used, as well as the availability and reliability of observable proxy and historical data and the impact of using alternative methods.

30 FAIR VALUE MEASUREMENT (CONTINUED)

30.1 Fair value measurement of non-financial assets (continued)

30.1.2 Sensitivity analysis (continued)

All figures in USD	31 December 2024	31 December 2023
Change in depreciated replacement cost/square metre (cost/sqm):		
Year ended 31 December 2024		
5% decrease in the replacement cost/sqm	**864 505**	-
5% increase in the replacement cost/sqm	**(864 505)**	-
5% decrease in the selling price/sqm	**-**	568 700
5% increase in the selling price/sqm	**-**	(568 700)

30.1.3 Observability

Since each property is unique in nature and the hotel real estate is illiquid, valuation inputs are largely unobservable.

There are inter-relationships between unobservable inputs. Increases in construction costs that enhance the property's features may result in an increase in future rental values and/or replacement costs.

30.2 Fair value measurement of financial instruments

Financial assets and financial liabilities measured at fair value in the consolidated statement of financial position are grouped into three levels of a fair value hierarchy. The following table shows the levels within the hierarchy of financial assets and liabilities measured at fair value on a recurring basis:

All figures in USD	Level 1	Level 2	Level 3	Total
31 December 2024				
Other financial assets				
Listed securities - investment in shares	1 153 346	-	-	**1 153 346**
31 December 2023				
Other financial assets				
Listed securities - investment in shares	617 557	-	-	**617 557**

The Group measures its listed securities at fair value in accordance with the requirements of IFRS 13, "Fair Value Measurement". The fair value measurements of listed securities are based on quoted market prices in active markets. These prices are obtained from reputable exchanges or other reliable sources. The Company considers these prices as Level 1 inputs, as defined by the fair value hierarchy.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

30 FAIR VALUE MEASUREMENT (CONTINUED)

30.2 Fair value measurement of financial instruments (continued)

As of 31 December 2024, the Group holds the following listed securities, which are measured at fair value:

All figures in USD	Fair value	Fair value hierarchy
Delta Corporation Limited	364 097	Level 1
Tigere REIT	765 945	Level 1
Hippo Valley	23 304	Level 1

The fair value of the listed securities is determined based on the most recent quoted market prices available at the reporting date. The Group regularly monitors these prices to ensure their reasonableness and consistency with market conditions.

It is important to note that the fair value measurements presented above are based on information available as of the reporting date and may not necessarily represent the amounts that would be realized upon immediate sale or settlement of the listed securities.

31 RELATED PARTY TRANSACTIONS

The Company has engaged in transactions with related parties, which are individuals or entities that have the ability to control or exert significant influence over the financial and operating policies of the Group. Related parties include:

- Key management personnel, including directors and executives
- Subsidiaries, associates, and joint ventures
- Entities controlled by key management personnel or their close family members

31.1 Significant related party transactions

The following transactions occurred with related parties during the year:

All figures in USD	Nature of transaction	Relationship	**31 December 2024**	31 December 2023
Related party name				
Goldcoast Properties (Private) Limited	Lease of hotel properties	Subsidiary	**3 205 675**	3 607 604
Laclede Investments (Private) Limited	Lease of hotel properties	Subsidiary	**171 620**	135 041
African Sun SA Branch	Reservation services	Subsidiary	**526 824**	357 751
African Sun Zimbabwe (Private) Limited	Management fees	Subsidiary	**432 983**	466 936
Directors and executives	Compensation	Key management	**1 264 887**	1 356 695

31 RELATED PARTY TRANSACTIONS (CONTINUED)

31.1 Significant related party transactions (continued)

Related party transactions are further explained below;

(a) Lease of hotel properties

Lease rentals relate to the leases of six hotels leased from Dawn Properties Limited a subsidiary of the Company. This is an intercompany transaction that is eliminated at consolidation;

- Elephant Hills Resort and Conference Centre - hotel building;
- Monomotapa Hotel - hotel building;
- Caribbea Bay Resort - hotel building;
- Hwange Safari Lodge - hotel building;
- Troutbeck Resort - hotel building; and
- Holiday Inn Mutare - hotel building.

All the six leases were determined to be variable leases because the rentals are based on a percentage of revenue generated by the Group, and there are no base rentals, as a result no right of use assets have been recognised on these leases and the Group continues to recognise these leases as an expense in profit or loss on a straight-line basis.

(b) Reservation services

This pertains to fees paid for reservation services by hotels to the African Sun SA Branch. This intercompany transaction was eliminated at consolidation.

(c) Management fees charge to African Sun Zimbabwe (Private) Limited

This charge relates to management fees charged to African Sun hotels for services offered by African Sun Limited executive management. This charge is eliminated at consolidation as an intercompany transaction.

(d) Key management compensation

Key management includes directors, Human Resources Executive, the Company Secretary, Hospitality Executive, Real Estate Executive and Legal Executive. The compensation paid or payable to key management for employee services is as shown below:

All figures in USD	**31 December 2024**	31 December 2023
Salaries and other short term employee benefits	**1 098 102**	1 147 548
Non-executive directors' fees	**166 785**	209 147
	1 264 887	1 356 695

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

31 RELATED PARTY TRANSACTIONS (CONTINUED)

31.2 Year end balances arising from transactions with related parties

All figures in USD	Nature of relationship	**31 December 2024**	31 December 2023
(a) Payables to related parties			
Meikles Hospitality (Private) Limited	Partners	**-**	19 657
		-	19 657

Payable balance to Meikles Hospitality relates to costs recovery charged to The Victoria Falls Hotel ("Partnership").

All figures in USD	Nature of relationship	**31 December 2024**	31 December 2023
(b) Receivables from related parties			
(i) Short-term receivable			
Meikles Hospitality Limited	Partners	**90 396**	54 935
		90 396	54 935

Receivable from Meikles Hospitality (Private) Limited relates to 50% of amounts owed by The Victoria Falls Hotel to other African Sun Hotels. The balance arose as cost recovery charges from other hotels in the Group for payments made on behalf of that hotel. This balance does not accrue interest and is usually netted off with other payments in the course of the business.

All figures in USD	Nature of relationship	**31 December 2024**	31 December 2023
(ii) Long-term receivable			
Loans to executive management	Employees	**1 235 599**	182 559

The receivables from executives arose from housing and car loans advanced to them as part of their remuneration and contract of employment. Housing and car loans are payable over a 6-year period in 72 equal instalments and 5-year period in 60 equal instalments respectively. The loans are denominated in United States Dollars and bears interest of 8% per annum.

The balance on loans to executives is analysed below:

All figures in USD	**31 December 2024**	31 December 2023
As at 1 January	**182 559**	113 421
Housing and car loans advanced during the year	**1 252 446**	95 541
Housing and car loans repaid during the year	**(199 406)**	(26 403)
As at 31 December	**1 235 599**	182 559

32 COMMITMENTS

All figures in USD	**31 December 2024**	31 December 2023
Capital expenditure		
Authorised by Directors and contracted for	**944 984**	1 800 000
Authorised by Directors but not contracted for	**21 953 840**	9 219 317
	22 898 824	11 019 317

Capital expenditure relates to hotel properties refurbishments and acquisition of equipment. The greater part of capital expenditure will be financed from cash generated from operations and debt finance.

33 EVENTS AFTER REPORTING DATE

33.1 Sale of Great Zimbabwe Hotel

Subsequent to year end, a contract of sale for the Great Zimbabwe Hotel was executed, with the transaction anticipated to take effect on 1 April 2025. This new development does not constitute an adjusting event for the 2024 financial period. However, the recognition of the hotel asset sale and disposal will occur in 2025.

Shareholders' Profile

For the year ended 31 December 2024

Shareholders Analysis by Volume as at 31 December 2024

Range of holdings	Number of Shares	Percentage	Shareholders	Percentage
1-5000	**9,927,608**	0.67	**13,617**	87.85
5001-10000	**5,056,384**	0.34	**716**	4.62
10001-25000	**9,767,370**	0.66	**640**	4.13
25001-50000	**6,899,732**	0.47	**204**	1.32
50001-100000	**8,311,507**	0.56	**118**	0.76
100001-200000	**13,579,995**	0.92	**98**	0.63
200001-500000	**16,286,152**	1.10	**53**	0.34
500001-1000000	**17,124,041**	1.6	**23**	0.15
1000001 and Above	**1,391,694,819**	94.12	**31**	0.20
Total	**1,478,647,608**	100.00	**15,500**	100

Shareholders analysis as at 31 December 2024 by type

Industry	Number of Shares	Percentage	Shareholders	Percentage
Local Companies	**973,206,852**	65.82	**1,271**	8.20
Insurance Companies	**403,440,802**	27.28	**32**	0.21
Local Individual Resident	**46,557,474**	3.15	**12,917**	83.34
Local Nominee	**22,785,713**	1.54	**173**	1.12
Fund Managers	**13,467,950**	0.91	**50**	0.32
New Non-Resident	**8,165,579**	0.55	**404**	2.61
Pension Funds	**6,802,122**	0.46	**68**	0.44
Trusts	**1,955,165**	0.13	**100**	0.65
Other Investments and Trust	**793,670**	0.05	**192**	1.24
Deceased Estates	**590,858**	0.04	**211**	1.36
Foreign Companies	**230,106**	0.02	**10**	0.06
Foreign Individual Resident	**214,029**	0.01	**17**	0.11
Charitable	**193,833**	0.01	**37**	0.24
Foreign Nominee	**121,505**	0.01	**08**	0.05
Banks	**71,397**	0.00	**05**	0.03
Government / Quasi	**50,553**	0.00	**05**	0.03
Total	**1,478,647,608**	100.00	**15,500**	100.00

Consolidated Top Ten Shareholders as at 31 December 2024

	As at 31 December 2024		As at 31 December 2023	
Range of holdings	**Issued Shares**	Shares Percentage	Issued Shares	Shares Percentage
Brainworks Capital Management (Private) Limited	**892,899,243**	60.39	892,899,243	60.42
Old Mutual Life Ass Co Zim Limited	**405,416,490**	27.42	405,399,280	27.43
Mega Market (Private) Limited	**50,500,851**	3.42	50,201,990	3.40
Stanbic Nominees (Private) Limited	**18,579,188**	1.26	16,840,000	1.14
Zimbabwe Sun Employee Share	**12,581,032**	0.85	12,581,032	0.85
Pickover Investments (Private) Limited	**3,711,317**	0.25	3,711,317	0.25
African Sun Limited (treasury shares)	**3,543,942**	0.24	3,543,942	0.24
Faanya Rose	**2,283,539**	0.15	2,283,539	0.15
Msasa Nominees (Private) Limited	**1,945,227**	0.13	1,945,227	0.13
La France Holdings Limited (NNR)	**1,765,961**	0.12	1,765,961	0.12
Others	**85,420,818**	5.78	86,628,681	5.87
Total	**1,478,647,608**	100.00	1,477,901,495	100.00

As at 31 December 2023 by Type (Summarised)

Range of holdings	Number of Shareholders	Percentage	Issued Shares	Percentage
Public	2,168	14.00	1,465,240,155	99.10
Directors	1	0.00	440	0.00
Non-public	13,331	86.00	13,407,353	0.91
Total	**15,500**	100.00	1,478,647,608	100.00

Non-Public includes Employee Share Participation Trust and managerial employees who hold shares in the Company in their individual capacities.

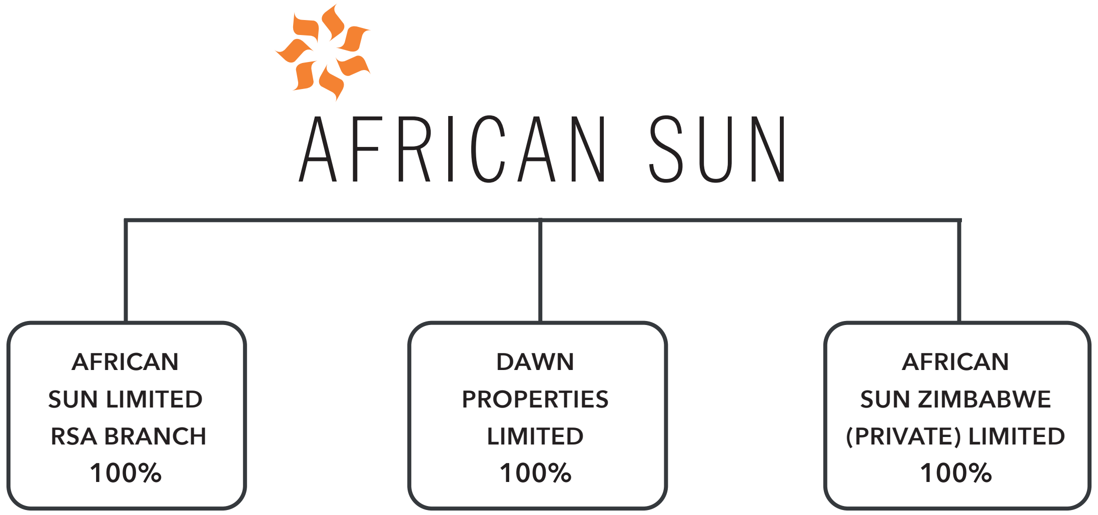
Range of holdings	**As at 31 December 2024**	Percentage	As at 31 December 2023	Percentage
Brainworks Capital Management (Pvt) Ltd	**507,719,567**	34.34	892,899,243	60.42
Old Mutual Life Ass Co Zim Ltd	**405,416,490**	27.42	405,416,490	27.43
Brainworks Hotel (Pvt) Ltd	**242,945,661**	16.43	-	-
Total	**1,156,081,718**	78.19	1,298,315,733	87.85

Resident and non-resident shareholders	**As at 31 December 2024**	Percentage	As at 31 December 2023	Percentage
Resident	**1,446,792,634**	97.84	1,447,495,839	97.94
Non-Resident	**31,854,974**	2.16	30,405,656-	2.06-
Total	**1,478,647,608**	100	1,423,517,220	100

Group Structure

As at 31 December 2024

African Sun Zimbabwe (Private) Limited is the Group's hotel operating entity. African Sun Limited RSA Branch is the Pan African Central Reservations Office (PACRO), primarily servicing foreign guest reservations into the Group's hotels. Dawn Properties Limited is the real estate arm of the Group which holds the title to seven of the ten hotels operated by the Group and other land bank properties.



Shareholders' Diary

Anticipated Date

June 2025	Integrated Annual Report 2024 published
26 June 2025	Fifty-third Annual General Meeting
September 2025	Half Year Results 2025 published
March 2026	Full Year Results 2025 published
June 2026	Integrated Annual Report 2025 published
June 2026	Fifty-fourth Annual General Meeting

Corporate Information

Directorate

Chairman
L. Mhishi (effective 8 July 2024)

Non-executive Directors
G. Chikomo
B. Childs
T. Denga
V. Lapham
C. Chikosi (resigned 8 July 2024)
A. Siyavora
S. Village (effective 22 March 2024)

Executive Directors

L. Ward	Chief Executive Officer
L. Chikara	Chief Finance Officer

Board Committees

Risk and Audit Committee
G. Chikomo (Chairman)
B. Childs
V. Lapham
A. Siyavora

Investment Committee
B. Childs (Chairman)
G. Chikomo
V. Lapham
S. Village

Nominations Committee
L. Mhishi (Chairman)
A. Siyavora
G. Chikomo

Human Resources and Remuneration Committee
A.Siyavora (Chairman)
G. Chikomo
T. Denga
S. Village

Marketing and Sales Committee
T. Denga (Chairman)
B. Childs
A.Siyavora
S. Village

Company Secretary and Governance Executive
V. Musimbe

Operations Heads

N. Cornish	Hospitality Executive
D. Kung	Operations Executive

Hotel and Resort General Management

Property General Managers

C. Mulinde	Elephant Hills Resort and Conference Centre
J. Kuwanda	Hwange Safari Lodge
K. Mupfigo	Caribbea Bay Resort
C. Chinwada	Monomotapa Hotel
R. Mavhumashava	Troutbeck Resort
A. Matema	Holiday Inn Harare
C. Chimbira	Holiday Inn Mutare
N. Moyo	Holiday Inn Bulawayo
R. Meirring	The Victoria Falls Hotel

Real Estate

R. Mudehwe	Real Estate Division

Independent Auditor

Grant Thornton Chartered Accountants (Zimbabwe)
Camelsa Business Park, 135 Enterprise Road, Highlands, Harare, Zimbabwe

Main Bankers

FBC Bank Limited
5th Floor, FBC Centre, Nelson Mandela Avenue, Harare, Zimbabwe

Nedbank Zimbabwe Limited
16th Floor, Old Mutual Centre, Third Street, Harare, Zimbabwe

Legal Advisors

Dube, Manikai and Hwacha Commercial Law Chambers
DMH House, Number 4 Fleetwood Road, Alexandra Park, Harare, Zimbabwe.

Gill, Godlonton and Gerrans Legal Practitioners
7th Floor, Beverley Court, 100 Nelson Mandela Avenue, Harare, Zimbabwe

Registered Office

African Sun Limited
c/o Monomotapa Hotel, 54 Parklane, Harare, Zimbabwe

Physical Address

African Sun Limited
Bally House, Mount Pleasant Business Park,
870 Endeavour Crescent, Off Norfolk Road, Harare
P.O. Box CY 1211, Causeway, Harare, Zimbabwe

Board of Directors

Seated from left to right:
Thandi Denga, Lloyd Mhishi, Laurie Ward and Georgina Chikomo.

Standing from left to right:
Simon Village, Brett Childs, Alex Siyavora, Vernon Lapham and Lewis Chikara.

Board of Directors (Continued)

Lloyd Mhishi- Independent Non-Executive Chairman

Lloyd was appointed to the African Sun Board on 1 May 2021 and subsequently Lead Independent Director on 30 June 2023 before being elevated to chair the Board effective 8 July 2024. Lloyd is a practicing Legal Practitioner, academic and author with over thirty years legal practice experience as an associate and partner in well-known law firms in Zimbabwe and as Founding and Senior Partner of Mhishi Nkomo Legal Practice. He has served as a non-executive Director of a number of organisations including: - Zimbabwe Cricket, FBC Building Society and Ecobank Zimbabwe Limited. He is also a past President of the Law Society of Zimbabwe and was a Commissioner on the Judicial Service Commission. Lloyd has authored and published two books: 'The Law and Practice of Conveyancing in Zimbabwe' (2004) and 'Being the Best Lawyer' (2024). Lloyd is holder of 3 degrees: LLB (Hons), LLM and MBA (Finance).

Laurie Ward – Chief Executive Officer

Laurie joined the Company in April 2023 and was appointed as a Director on December 8, 2023. He assumed the role of substantive Chief Executive Officer on July 1, 2024. With over 20 years of executive management experience, Laurie has worked internationally and across Africa, primarily in hospitality and special projects. His experience includes working with renowned hotel brands such as Four Seasons, Hyatt, InterContinental Hotels Group (IHG), and Singita. A Chartered Accountant (Zimbabwe) by profession, Laurie completed his articles at Ernst and Young's Mutare office. He holds a Bachelor of Commerce degree from Rhodes University in South Africa.

Lewis Chikara – Chief Finance Officer

Lewis was appointed to the position of Chief Finance Officer on 1 October 2023. Lewis has over 18 years of experience in the hospitality industry at a senior management level in finance. He has had experience with 3 unique 5-star hotels in Zimbabwe and South Africa which were all affiliated to the Leading Hotels of The World. Before this appointment, he was the Finance Director of Meikles Hospitality (Private) Limited and also doubled up as the Group Financial Controller of the Meikles Limited Group. Lewis also has vast experience with the retail, security services, and property sectors. Lewis is a Chartered Accountant (Zimbabwe), having served his articles with the Deloitte & Touche Harare office. He holds a Bachelor of Accounting Science Honors Degree from the University of South Africa and a Bachelor of Accountancy Degree from the University of Zimbabwe.

Brett Childs – Non-executive Director

Brett was appointed to the African Sun Board on the 16th of March 2017. A Chartered Accountant originally from Zimbabwe, Brett is a business veteran with 35 years of experience in capital raising, initial public offering (IPOs), managing investments, and corporate exits. Brett spent 15 years in London, where he helped to build a successful venture capital business, and has listed assets on the London Stock Exchange (LSE), Finnish Stock Exchange (HEX) and Johannesburg Stock Exchange (JSE). He is a former CEO of the major shareholder, Arden Capital Limited. Over the last 20 years Brett has focused on opportunities in Africa.

Simon Village – Non-executive Director

Simon is the Chairman of Arden Enterprises Limited, the controlling shareholder of the African Sun Group, a position he has held since 2016. He joined the Board of African Sun on 22 March 2024. With a career spanning over 35 years, Simon was a Managing Director of HSBC and head of their African research and Securities business. In 2002 he was recruited by the World Gold Council (WGC) to drive the demand for gold as head of Investment Services, and was instrumental in the creation and development of the world's first gold ETF, which changed the dynamics of the global gold market. Simon founded Argentum Limited in 2016. With a focus predominantly on Eastern and Southern Africa, Argentum assists non-sector-specific corporates in developing and implementing strategies to increase and unlock value for shareholders. Simon is a holder of a B.Eng. (Hons) in Mining Engineering from the University of Exeter (Camborne School of Mines), and was a De Beers/Anglo-American scholar.

Thandi Denga – Independent Non-executive Director

Thandi was appointed to the African Sun Board on 30 August 2018. Thandi has over 25 years of corporate experience spearheading Marketing and Business Development initiatives across Africa in financial services, information technology, hospitality, and media. She is a previous board member of TBWA Zimbabwe. A Chevening scholar, Thandi holds an MBA from the Graduate School of Business at the University of Strathclyde in Glasgow, Scotland, and a Bachelor of Commerce Honours degree in Marketing from the National University of Science & Technology (NUST) where she also sits on its Advisory Board for the Department of Marketing and Consumer Sciences since June 2023. She is also a Sales Coach & Trainer as well as being Certified Trainer for IBDL (International Business Drivers Licence). Thandi is currently the Executive Director of the Sales Institute.

Alex Siyavora - Non-Executive Director

Alex was appointed to the African Sun Board on 8 November 2021. A Chartered Accountant by profession, he has held various leadership roles, including Chief Executive Officer of OK Zimbabwe Limited, a listed company with a wide network of stores in Zimbabwe. Previously, he served as Finance Director of OK Zimbabwe Limited, Finance Director of Merspin/Merlin Limited Group, and Finance Manager at Coca-Cola Swaziland. With effect from 26 February 2025, Alex was recalled to OK Zimbabwe as Chief Finance Officer on an interim basis. Alex is a member of the Institute of Chartered Accountants of Zimbabwe and holds a Master's degree in Business Leadership and an Honours Bachelor's degree in Accounting Science from the University of South Africa.

Georgina Chikomo- Independent Non-executive Director

Georgina was appointed to the African Sun Board on 30 August 2018. Gina is an Accountant by training with a wealth of experience spanning over 30 years in banking and prudent financial management. Gina has previously worked as the Finance Director and later the Managing Director of ZB Bank Limited. She has a Master's in Business Leadership, from the University of South Africa, a Bachelor's degree with Honours in Business Studies from the University of Zimbabwe, and is an ACCA fellow member. She is a registered Public Accountant and is currently the Managing Director of Duraclean Services.

Vernon Lapham – Non-Executive Director

Vernon was appointed to the African Sun Board on 8 November 2021. He is a registered Public Accountant and a member of the Institute of Chartered Accountants of Zimbabwe, he received the W. A. Duff Award for the highest marks in Zimbabwe in the final qualifying exams of ICAZ. He also holds a Postgraduate Diploma in Applied Accounting (DAA). Vernon has vast audit and business experience, having previously been the Audit Partner at Ernst and Young and CEO at MedTech Holdings Limited. He focuses on medium-sized privately-owned businesses and currently operates Ultiam Advisory and Progility Consult.

Executive Management

Experienced, effective and diverse leadership

Seated from left to right:

Venon Musimbe - Company Secretary and Governance Executive,
Nikki Cornish - Hospitality Executive,
Memory Macheka - Human Resources Executive, and
Laurie Ward - Chief Executive Officer.

Standing from left to right:

Leon Rugara - Commercial Executive,
Lewis Chikara - Chief Finance Officer,
Raymond Mudehwe - Real Estate Executive, and
Markus De Klerk - Legal Executive.

AFRICAN SUN
Feel Special

Sustainability Report 2024

Sustainability Report

Overview

This report marks a significant milestone in African Sun's sustainability journey, as it is the inaugural sustainability report, compiled in accordance with the Victoria Falls Stock Exchange's (VFEX) recommendations on Environmental, Social, and Governance (ESG) reporting.

In line with this evolving regulatory landscape, our sustainability approach is built on a foundation of continuous review and improvement, with a clear commitment to enhancing the depth, breadth, and quality of our reporting annually. This incremental, phased strategy enables us to:

- Progressively develop our capabilities in identifying, assessing, and addressing our economic, environmental and social impacts.
- Provide stakeholders with timely, relevant, and decision-useful information, that enhances meaningful engagement across those relationships.

Through this approach, we aim to foster transparency, accountability, and trust, while embedding sustainable practices across our operations and processes.

One of our core goals is to deliver exceptional hospitality experiences that not only exceed our guests' expectations but also contribute positively to our surrounding environment and society. As a responsible business leader in the Zimbabwean hospitality industry, we aim to minimize our negative impacts while maximizing our positive contributions.

This report outlines our progress, challenges, and future commitments to sustainable business practices during the 1 January – 31 December 2024 period; as well as establishing a baseline for the disclosure of non-financial information about our ESG performance.

Disclosures are in line with the skills, capabilities and resources available at the time of reporting, as informed by the following frameworks: -

- The International Financial Reporting Standards (IFRS) Sustainability Standards S1 (General Sustainability-related Disclosures) and S2 (Climate-related Disclosures).

  In accordance with the (February 2025) joint regulatory statement by the Public Accountants and Auditors Board (PAAB), the Zimbabwe Stock Exchange and the Victoria Falls Stock Exchange, which advised that the implementation of IFRS S1 (General Requirements for Disclosure of Sustainability-related Financial Information) and IFRS S2 (Climate-related Disclosures) is not mandatory at this stage; the scope of disclosure has therefore been limited to identification of material topics.
  Fuller disclosure alignment will be made in future reports as guided by the roadmap for the Sustainability Disclosure Standards that is presently being developed by the PAAB.

- Global Reporting Initiative (GRI) Standards (2021).
- Sustainable Accounting Standards Board (SASB).
- VFEX Practice Note 2.
- Sustainable Development Goals (SDG).

We look forward to continuing our sustainability journey, driven by a passion for creating lasting value for our varied stakeholders.

Forward Looking Statements

This report contains forward-looking statements which are not to be taken as guarantees of future performance or implementation. Actual results may differ due to risks, uncertainties, or unforeseen events. Stakeholders are cautioned against overreliance; any revisions reflecting evolving circumstances will be publicly disclosed via official platforms such as annual reports, trading updates and media channels. (If required and appropriate).

External Assurance

This report has not undergone an external assurance review. However, we have adhered to our internal procedures to ensure the accuracy and representativeness of the information presented, providing a reliable reflection of African Sun's ESG processes.

Restatements

Are not applicable given this is our inaugural sustainability report.

Stakeholder Relations

African Sun is evaluating a stakeholder engagement philosophy that fosters shared vision and values with its diverse stakeholders. The Group's approach to stakeholder relations is rooted in collaborative responsibility, uniting leadership, employees, and the local communities in which we operate. This inclusive framework will enable us to remain attuned to the evolving expectations of our guests, partners, and broader stakeholders while driving mutual progress and collaborative projects.

Looking ahead, we are committed to embedding sustainability-related considerations, where possible and practical, into every facet of stakeholder engagements. As we refine our strategies, sustainability will serve as a core pillar for dialogue, partnership, and decision-making. By integrating environmental, social, and governance priorities into future interactions, we aim to deepen our impact, align with global best practices, and ensure enduring value for both our business and the ecosystems we touch and operate within.

Stakeholders are categorised as follows:

		INTERACTION METHOD
INTERNAL	Employees/Management/ Executive	• Trainings and staff meetings
	Shareholders/Owners	• AGMs & EGMs • Annual Reports
EXTERNAL	Guests	• Reviews collected from various platforms including GuestRevu & Booking.com • Social media platforms • In room CSR handbooks and brochures
	Government and Regulatory Authorities	• Submission of statutory returns • Attending (and occasionally supporting) regulator-organised events and Expos • Engaging with officials through industry associations
	Suppliers	• Emails & phone calls • In-person meetings & discussions
	Communities	• Social media platforms • Emails, newsletters and website updates • Attending meetings and forums • Open hotel visits

We recognize this as an evolving foundation, with future refinements planned as we deepen stakeholder collaboration and integrate external benchmarks.

Sustainability Report (Continued)

Material Topics

Determinations were guided by internal process including cross-functional workshops, risk assessments, and impact evaluations, which allowed us to map issues most critical to the business. We also referred to the following for guidance on minimum disclosures:

- Disclosure Topics outlined by the *Sustainability Accounting Standard Board (SASB)* "Hotels and Lodging Sustainability Accounting Standard".
- VFEX Practice Note 2.

The methodology ensures that even as we adopt the "climate first" reporting approach, we still address relevant sustainability and profitability issues. We also intend to enhance our efforts towards improving our capacity to identify, mitigate and manage the topics, that form our baseline.

Impact Materiality evaluates our activities' direct and indirect, positive or negative, actual or potential impacts on people, communities, the environment and governance, across short- and long-term horizons.

Financial Materiality evaluates how environmental, social, and governance (ESG) factors create financial risks or opportunities for the organization.

IMPACT MATERIALITY TOPICS	MANAGEMENT OF TOPIC
Labour	Our efforts aim to ensure a safe, equitable workplace encompassing safety protocols, hazard reporting, inclusive dialogue and training programs; remuneration that is aligned with industry benchmarks, healthcare access and Labour Act compliance. These practices foster employee well-being, reduce turnover, and align with global ESG goals, reinforcing our ongoing commitment to positive social impacts and a motivated workforce.
Water	We prioritize water conservation through various initiatives that include staff training to promote responsible usage, as well as guest engagement to encourage mindful consumption. We also safeguard clean water access and will continue to align our practices with ESG goals to minimize environmental impact, support water-stressed regions, and balance operational efficiency with climate care.
Pollution	We strive to minimize ecological impact through strict chemical/hazardous waste protocols, including non-toxic alternatives. Ongoing partnerships drive recycling initiatives, diverting an increasing percentage of waste from landfills. These measures reduce operational footprints, protect ecosystems, and align with global sustainability goals, prioritizing nature preservation and community well-being.

Material Topics (continued)

FINANCIAL MATERIALITY TOPICS	MANAGEMENT OF TOPIC
Labour practices	We mitigate potential turnover costs and staff vacancies via competitive wages, career pathways, and wellness programs. Retention strategies aim to reduce recruitment expenses, while upskilling initiatives address skills gaps. Investment in staff development and safety help lower absenteeism and enhance productivity. We will continue to augment these efforts with strategies that build financial resilience, operational stability and reduce risk exposure.
Climate change adaptation	We are considering viable options that mitigate extreme weather risks with a view to enhancing our climate-resilience. This may involve investments in solutions that reduce reliance on volatile reticulation grids. Proactive risk modelling and suitable insurance partnerships may be pursued to limit climate-related financial exposure. Such measures lower operational disruptions; enhancing compliance with tightening regulations, and could attract ESG-driven investors. Our goal is to strive to links climate adaptation to long-term cost savings, asset protection, and revenue continuity.
Energy	We will continue to monitor and modernise our systems and equipment to curb energy costs and lower energy intensity. Our overall strategies will increase alignment with ESG financial materiality through practices that include future-proofing, energy-related shifts.
Water & biodiversity	Efforts will continue to be refined to mitigate water costs and scarcity risks. Ongoing investments in habitat preservation and reducing biodiversity loss are paramount. Strategies to prioritise biodiversity protection practices and initiatives will also help to ensure regulatory compliance, and future-proofing against ecological disruptions.

Sustainability Report (Continued)

Employees

African Sun prioritizes equitable workplaces through safe environments, fair compensation, and professional development. Embedded in our sustainability strategy, this commitment aims to foster pride, purpose, and a culture of empowerment among team members. By investing in staff's well-being and growth, we not only uplift individuals but also cultivate a loyal, motivated workforce, improving retention, enhancing performance, and fortifying the organization's long-term resilience.

Total staff (including temporary employees) as at 31 December 2024 equated to 1,851.

Table by Contract/Gender/Age Splits

	2024
Female	697
Male	882
Under 30 Year Olds	628
30 – 50 Year Olds	629
Over 50 Year Olds	234
Casual	166
Long Term	899
Permanent	833

* Based on maximum recorded for each contract type during the year.

Table Reflecting

Indicator	Number
Fatalities resulting from work-related injury or illness	0
High-consequence work-related injuries or illness	2
Recordable work-related injuries or illnesses	55
Injury rate (per million hours worked)	15
Absence hours	0.4%
New hires	225
Voluntary departures	147
Involuntary departures	9
Staff retention	91.8%
Average training hours per person	38.6 hours

Over and above the mandatory National Social Security Authority (NSSA) pension scheme, full time employees also contribute towards a private pension. Medical aid cover ranging from 50-100% Company contribution, Group Life Assurance and Group Funeral plans, fuel and transport allowance, and school fees allowances are availed for selected grades of staff.

Collective Bargaining

Employees in designated grades participate in National Employment Council for the Catering Industry of Zimbabwe. These tripartite bodies—comprising union, employer, and employee representatives—collaboratively negotiate and set standardized remuneration levels across the sector, ensuring alignment with collective bargaining frameworks.

CSR Operations

KEY ISSUE/PILLAR	ORGANISATION	ACTIVITY
Preservation of biodiversity	**Pristine Victoria Falls USD6 000**	Corporation partnership to keep Victoria Falls clean. 12 500kg of waste collected
	Ele-collection USD7 500	Partnership to recycle hotel waste 3 000kg of plastic recycled
	Victoria Falls Anti-Poaching USD21 000	Scouts salaries/medical sponsorship. Removal of 356 snakes 60 arrested
	My Trees Trust USD950	Tree planting proposals for Hwange Safari Lodge, Troutbeck Resort and Elephant Hills Resort.
Waste management	**Michael Project**	Collaboration with the Michael Project waste collection
	Troutbeck Resort	Hotel separates food waste and donates it to local school for pig farming.
		Monthly clean-up campaigns by units The Victoria Falls Hotel, Elephant Hills Resort, Monomotapa Hotel, Holiday Inn Bulawayo and Caribbea Bay Resort.
Human development	**Michael Project**	Education- fees for orphans and less privileged children
	ED -UNZA scholarship USD20 000	Presidential Golf Challenge

Sustainability Report (Continued)

Compliance With Laws and Regulations

There are no instances of material non-compliance with laws and regulations.

Energy

Energy Consumption (Group Wide)	Quantity
Diesel (L)	365,349
LPG (kg)	156,271
Electricity Non-Renewable (Kwh)	4,977,720
Electricity Renewable (Kwh)	6,240

Water

Withdrawn From	Quantity
Groundwater (m³) (31%)	159,552
Municipal (m³) (65%)	338,247
Surface (m³) (41%)	22,890
Total Group Consumption(m³) (100%)	**520,689**

Waste

Waste	Quantity
Plastic waste to landfill (Tonnes)	25
Paper waste to landfill (Tonnes)	21
Effluent to environment (Kilo Litre)	52,691
Effluent to municipality (Kilo Litre)	309,018

Waste Sent For Recycling	Quantity
Paper (Tonnes)	74
Plastic (Tonnes)	42
Obsolete Assets (Tonnes)	10
Electricity Renewable (Kwh)	6,240

Emissions

The Group calculated its carbon footprint using internationally recognized conversion factors to translate energy consumption into carbon dioxide equivalent (CO_2e). Scope 1 emissions cover direct greenhouse gas (GHG) emissions from liquid biofuel, used within the Group's controlled operations.

Scope 2 emissions account for indirect GHG emissions linked to electricity procured from external suppliers.

Our emissions for the reporting period were as follows:

Total Emissions	Tonnes Co_2e
Scope 1 (40%)	3,369,781
Scope 2 (60%)	4,977,720

Commitment to the Sustainable Development Goals (SDG)

Our activities both at Head Office and at our hotels strive to promote the achievement of the following Sustainable Development Goals:

PEOPLE CATEGORY

SDG	Theme	Contribution
1 No Poverty	End poverty in all its forms.	• Employment opportunities including preference for local communities that we operate in. • Remuneration is also aligned to relevant National employment body guidelines.
3 Good Health and Well-Being	Ensure healthy lives and promote well-being for all ages	• Safe and healthy working environment for staff, which includes access to medical assistance. • Access to health, wellness and fitness services and facilities for our guests.
4 Quality Education	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	• Ongoing training and development opportunities for employees. This has included ESG themed training and presentations from management up to Board level. • Supporting vulnerable children who are in institutional care with funding towards school-related expenses and fees; as well as maintaining and enhancing preschool equipment for partner organisations.
5 Gender Equality	Achieve gender equality and empower all women and girls	• Policies and practices that promote gender equality in the workplace.

PLANET CATEGORY

SDG	Theme	Contribution
6 Clean Water and Sanitation	Ensure availability and sustainable management of water and sanitation for all	• Clean and safe water for guests and employees.
8 Decent Work and Economic Growth	Promote sustained, inclusive and sustainable economic growth, productive employment and decent work for all	• Waste reduction and implementing recycling programs. • Sustainable tourism practices. • Job opportunities (including for youth) to counter the unemployment rate. • Upholding labour rights.
12 Responsible Consumption and Production	Ensure sustainable consumption and production patterns	• Minimising food waste and plastic usage. • Supporting local farmers to promote sustainable food sourcing. • Publishing our sustainability report.
13 Climate Action	Take urgent action to combat climate change and its impacts	• Identification, prevention, mitigation and management of current and potential environmental impacts.
15 Life on Land	Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss	• Supporting reforestation initiatives. • Supporting conservation efforts and the protection of biodiversity. • Fund anti-poaching and anti-wood cutting initiatives on and around our properties

Corporate and Hotel Directory

African Sun Limited
Incorporated and domiciled in the Republic of Zimbabwe Registration number: 643/1971

Registered Office
African Sun Limited, c/o Monomotapa Harare
54 Parklane, Harare, P.O. Box CY 1211, Causeway, Harare, Zimbabwe
Tel: +263 242 338232 -6, +263 78 270 5382, +263 78 270 5379, +263 78 270 5384
Email: venon.musimbe@africansunhotels.com
Web: www.africansunhotels.com

Transfer Secretaries
Corpserve (Private) Limited
2nd Floor, ZB Bank Centre
Cnr Kwame Nkrumah Avenue/First Street, P.O. Box 2208, Harare, Zimbabwe
Tel: +263 242 758193
Email: paradzai@corpserve.co.zw

Physical Address
African Sun Limited, Bally House, Mount Pleasant Business Park, 870 Endeavour Crescent off Norfolk Road, Harare
P.O.Box CY 1211, Causeway , Harare, Zimbabwe
Tel: + Tel: +263 242 338232 -6, +263 78 270 5382, +263 78 270 5379, +263 78 270 5384
Email: venon.musimbe@africansunhotels.com
Web: www.africansunhotels.com

Investor Relations
Web: www.africansunhotels.com

Telephone Directory

For Reservations:
Pan African Central Reservations Office, ("PACRO") Johannesburg +27 100030079 or 100030081-5
Email: pacro@africansunhotels.com

Harare Central Reservations Office Harare ("HACRO")	+263 242 700521 or +263 782 706 785-7

Email: hacro@africansunhotels.com

Owned Hotels

Elephant Hills Resort and Conference Centre	+263 8328 44793-9 or +263 867 700 4956
Hwange Safari Lodge	+263 772 132 147-8
Caribbea Bay Resort	+263 261 2452-7 or +263 772 132 180-2
Monomotapa Harare	+263 242 704501-9 or +263 867 700 4651
Troutbeck Resort	+263 867 702 0298 or +263 772 437 386-8
Holiday Inn Mutare	+263 020 64431 or +263 867 702 0290

Leased Hotels

The Victoria Falls Hotel	+263 8328 44751-9 or +263 772 132 176 6
Holiday Inn Harare	+263 242 795612-9 or +263 867 702 0291
Holiday Inn Bulawayo	+263 292 252460-9 or +263 867 702 0294

Notice to Members

NOTICE IS HEREBY GIVEN TO THE SHAREHOLDERS OF THE COMPANY THAT, the fifty-third Annual General Meeting (AGM) of African Sun Limited is to be held on Thursday, 26 June 2025 at 1200 hours virtually on https://escrowagm.com/eagmZim/Login.aspx

Voting Thresholds
To approve the ordinary resolutions, the support of more than 50% of the voting rights exercised by Shareholders present in person, or represented by proxy, at the virtual AGM is required.

To approve any special resolutions, the support of at least 75% of the voting rights exercised by Shareholders represented in person or by proxy at the virtual AGM is required.

ORDINARY BUSINESS

1. Statutory Financial Statements
To receive and adopt the financial statements for the year ended 31 December 2024, together with the report of the Directors and auditors thereon.

2. Dividend

2.1 To confirm an interim dividend of USD0.0003381 per share payable in respect of all ordinary shares of the Company for the year ended 31 December 2024.

2.2 To confirm a final dividend of USD0.000676 per share payable in respect of all ordinary shares of the Company for the year ended 31 December 2024.

3. Directors' Resignations and Appointments

3.1 To note the retirement of Mr. C. Chikosi as Chairman and non-executive Director of the Board on 26 June 2024.

3.2 All the non-executive Directors, being Mr. L. Mhishi, Mrs. G. Chikomo, Mr. S. Village, Mr. B. Childs, Mr. V. Lapham, Mrs. T. Denga, Mr. A. Siyavora retire at the AGM.

All the non-executive Directors, being eligible, will offer themselves for re-election.

The profiles of Directors to be re- elected are included in the Annual Report under the Board of Directors. Unless otherwise resolved, each Director will be re-elected separately.

4. Independent Auditors

4.1 To approve the remuneration of the auditor, Grant Thornton Chartered Accountants (Zimbabwe) for the past audit.

4.2 To confirm the re-appointment of Grant Thornton Chartered Accountants (Zimbabwe) as external auditors of the Company for the ensuing year.

(NOTE: In terms of Section 69(6) of the Victoria Falls Stock Exchange listing requirements, companies must change their audit partners every five years and their audit firm every ten years. Grant Thornton Chartered Accountants (Zimbabwe) has been the auditor of the Company for three years.)

Notice to Members (Continued)

5. Directors' Fees

To ratify the payment of Directors' fees for the Chairman and non-executive Directors for the year ended 31 December 2024.

(NOTE: The consolidated directors emoluments are included in the Annual Report.)

SPECIAL BUSINESS

6. Share buy-back

To consider, and if deemed fit, to resolve by way of special resolution with or without modification the following:

That the Company, as duly authorized by 59 (1) of its Articles of Association and Section 129 of the Companies and Other Business Entities Act (Chapter 24:31), may undertake the purchase of its ordinary shares in such manner or on such terms as the Directors may from time to time determine, provided that:

6.1 Acquistions shall be of ordinary shares which, in aggregate in any financial year, shall not exceed 20% (twenty percent) of the Company's issued share capital.

6.2 The price at which such ordinary shares may be acquired will not be more than 5% (five percent) above and 5% (five percent) below the weighted average of the market price at which such ordinary shares are traded on the Victoria Falls Stock Exchange, as determined over 5 (five) business days immediately preceding the date of the purchase of the ordinary shares by the Company.

6.3 The authority shall expire on the date of the Company's next Annual General Meeting.

6.4 That the shares purchased according to this resolution shall be utilized for treasury purposes.

Directors Statement

In relation to the aforesaid proposed resolution, the Directors of the Company state that:

(i) The Company is in a strong financial position and will, in the ordinary course of business, be able to pay its debts for a period of 12 months after the Annual General Meeting.
(ii) The assets of the Company will be in excess of its liabilities for a period of 12 months after the Annual General Meeting.
(iii) The ordinary share capital and reserves of the Company will be adequate for a period of 12 months after the Annual General Meeting.
(iv) The working capital of the Company will be adequate for a period of 12 months after the Annual General Meeting.

7 ANY OTHER BUSINESS

To transact any other business competent to be dealt with at the AGM.

Note:

i. In terms of section 171 of the Companies and Other Business Entities Act (Chapter 24:31), members are entitled to appoint one or more proxies to act in the alternative, to attend, vote and speak in their place at the meeting. A proxy needs to be a member of the Company.
ii. In terms of section 171 (8) of the Companies and Other Business Entities Act (Chapter 24:31), a director or officer of a company may not act as a proxy for a member. Accordingly, members should not appoint a director or officer of the Company.
iii. In terms of Article 47 of the Company's Articles of Association, instruments of the proxy must be lodged at the registered office of the Company at least forty-eight hours before the time appointed for holding the meeting.

By Order of the Board

V. T. Musimbe

V. Musimbe
Company Secretary and Governance Executive

5 June 2025

Company Registered Office

African Sun Limited
Monomotapa Hotel, 54 Parklane, Harare, Zimbabwe

Attendance of the AGM

Members are hereby advised to use the dedicated Corpserve helpline at +263 242 750 711 or 779 145 849 for assistance with the virtual AGM processes.

GRI Content Index

Statement of use	African Sun Limited has reported the information cited in this GRI content index for the period 1 January 2024 to 31 December 2024 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI Standard	Disclosure	Page number
GRI 2: General Disclosures 2021	2-1 Organizational details	2, 4, 138
	2-9 Governance structure and composition	22-27, 142-143
	2-13 Delegation of responsibility for managing impacts	26
	2-14 Role of the highest governance body in sustainability reporting	22
	2-17 Collective knowledge of the highest governance body	19, 22-30, 140-144
	2-27 Compliance with laws and regulations	113, 146, 149-150
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	1, 117
	201-3 Defined benefit plan obligations and other retirement plans	64-65, 124, 149
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	N/A
GRI 207: Tax 2019	207-1 Approach to tax	82-82
	207-4 Country-by-country reporting	N/A
GRI 301: Materials 2016	301-1 Materials used by weight or volume	151-152
	301-2 Recycled input materials used	151-152
	301-3 Reclaimed products and their packaging materials	151-152
GRI 302: Energy 2016	302-1 Energy consumption within the organization	149
	302-3 Energy intensity	149
	302-4 Reduction of energy consumption	149
	302-5 Reductions in energy requirements of products and services	148-149
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	152
	303-2 Management of water discharge-related impacts	152
	303-3 Water withdrawal	152
	303-4 Water discharge	152
	303-5 Water consumption	152
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	152
	305-2 Energy indirect (Scope 2) GHG emissions	152
	305-3 Other indirect (Scope 3) GHG emissions	147, 152
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	152
	306-2 Management of significant waste-related impacts	152
	306-3 Waste generated	152
	306-4 Waste diverted from disposal	152
	306-5 Waste directed to disposal	152
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	150

GRI Standard	Disclosure	Page number
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	147-149
	403-9 Work-related injuries	147-149
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	150
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	149
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	151

AFRICAN SUN

African Sun Limited

(Incorporated in Zimbabwe on 2 July 1971 under Company Registration Number 643/71)

PROXY FORM FOR THE ANNUAL GENERAL MEETING

For use at the fifty-third Annual General Meeting (AGM) of African Sun Limited is to be held on Thursday, 26 June 2025 at 1200 hours (CAT) virtually on https://escrowagm.com/eagmZim/Login.aspx

I/We, the undersigned ____________________

of ____________________

Being registered holder(s) of ____________________ ordinary shares

Hereby appoint ____________________

or failing him/her, ____________________

As my proxy to act for me/us and vote for me/us on my/our behalf as indicated below at the Annual General Meeting of the Company to be held on Thursday, 26 June 2025 at 1200 hours (CAT) and at any adjournment thereof.

PROXY

(a) In terms of the Companies and Other Business Entities Act (24:31), members are entitled to appoint one or more proxies to act in the alternative, to attend, vote and speak in their place at the meeting. A proxy need not be a member of the Company.

(b) In terms of Article 47 of the Company's Articles of Association, instruments of the proxy must be lodged at the registered office of the Company at least forty-eight hours before the time appointed for holding the meeting.

Signed at ____________ this ____________ day of ____________ 2025

Signature of Shareholder ____________________

PLEASE NOTE

If the address on the envelope of this letter is incorrect, please fill in the correct details below and return to the Company Secretary.

Name ____________________

Address ____________________

____

ATTENDANCE OF THE AGM

Members are hereby advised to use the dedicated Corpserve helpline at +263 - 242 750 711, - 772 289, or -779 145 849 for assistance with the virtual AGM processes.

Stamp

THE COMPANY SECRETARY AND GOVERNANCE EXECUTIVE

COMPANY REGISTERED OFFICE:

AFRICAN SUN LIMITED
C/O Monomotapa Hotel,
54 Parklane, Harare, Zimbabwe.
PO Box CY 1211, Causeway,
Harare,
Zimbabwe.

PHYSICAL ADDRESS:

AFRICAN SUN LIMITED
Bally House, Mount Pleasant Business Park,
Off Norfolk Road, 870 Endeavour Crescent,
Mount Pleasant,
Harare, Zimbabwe.
PO Box CY 1211, Causeway,
Harare,
Zimbabwe.

THE COMPANY SECRETARY
African Sun Limited
c/o Monomotapa Hotel, 54 Parklane, Harare,
P.O. Box CY 1211, Causeway, Harare, Zimbabwe
Email: Venon.Musimbe@africansunhotels.com

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