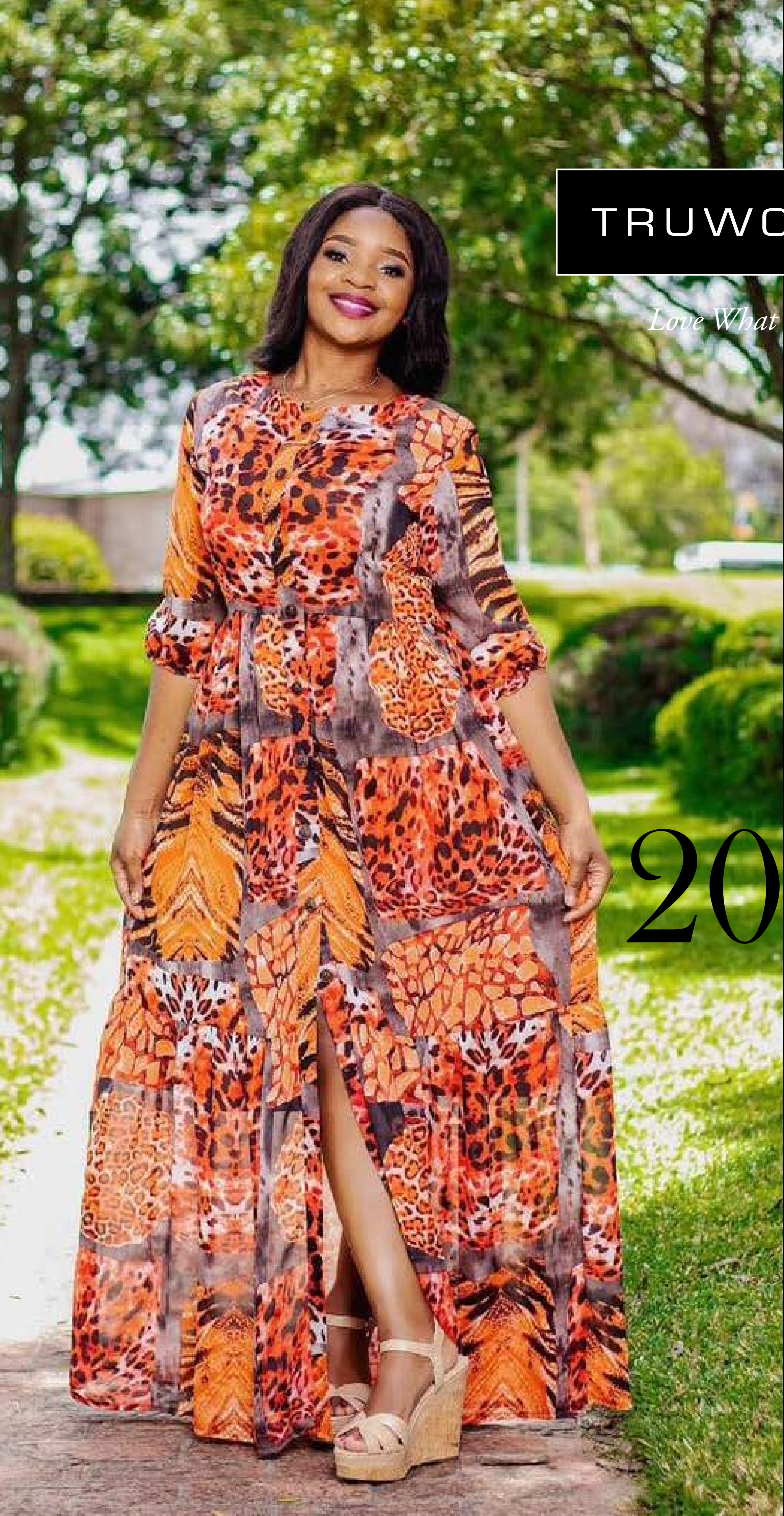
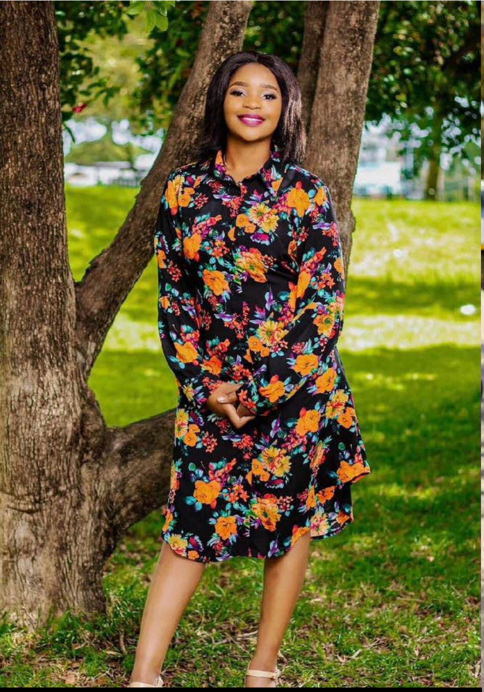


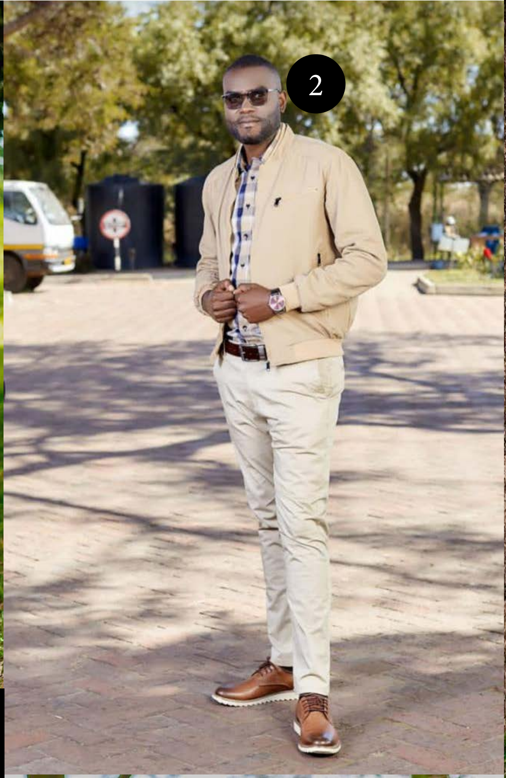
TRUWORTHS

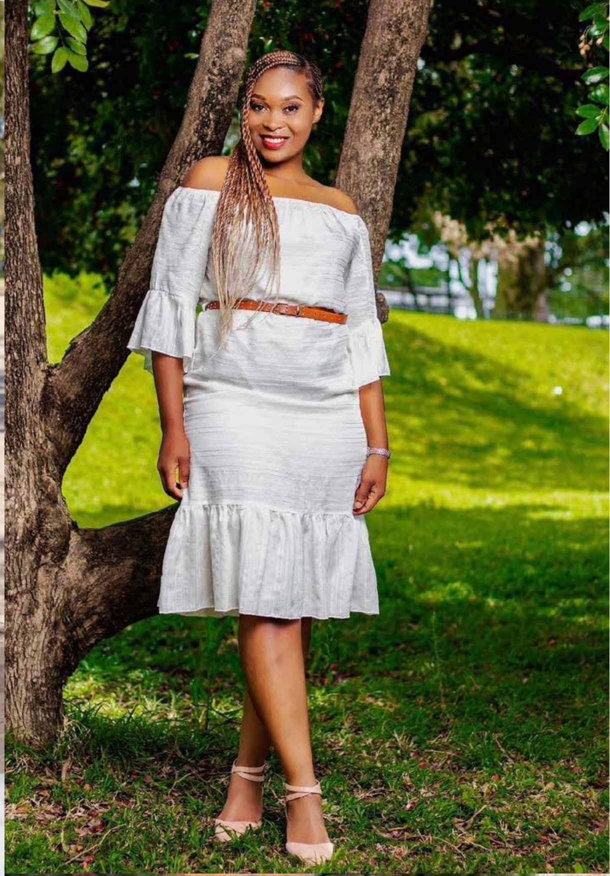
Love What You Wear!

2022

ANNUAL REPORT







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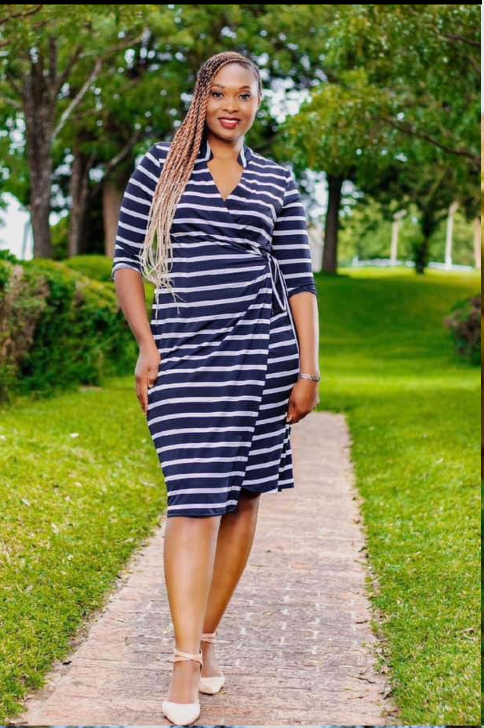

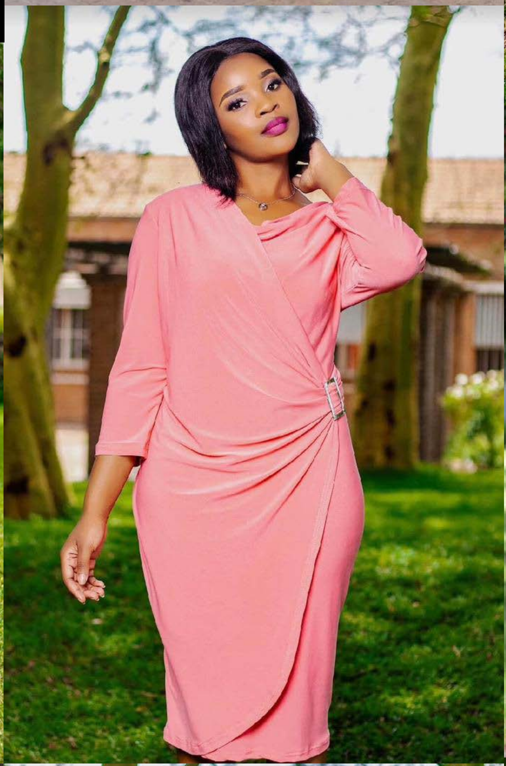

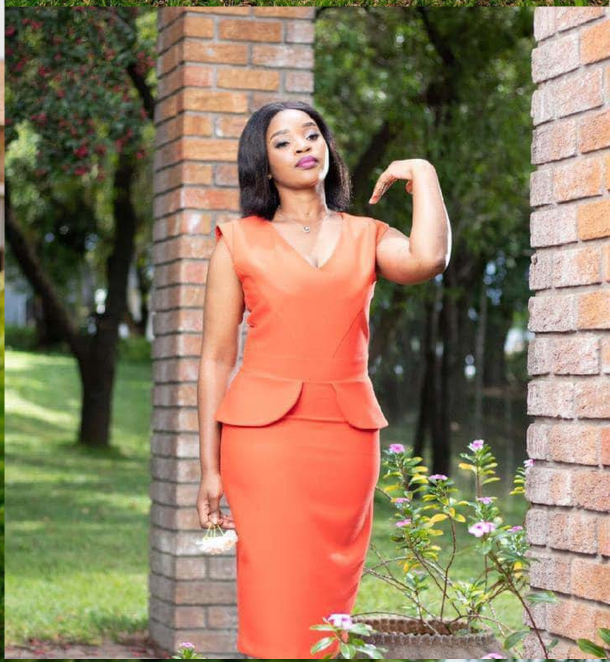

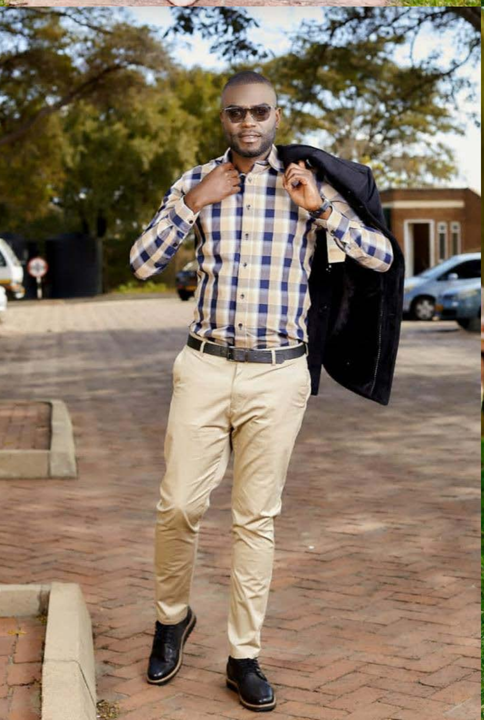

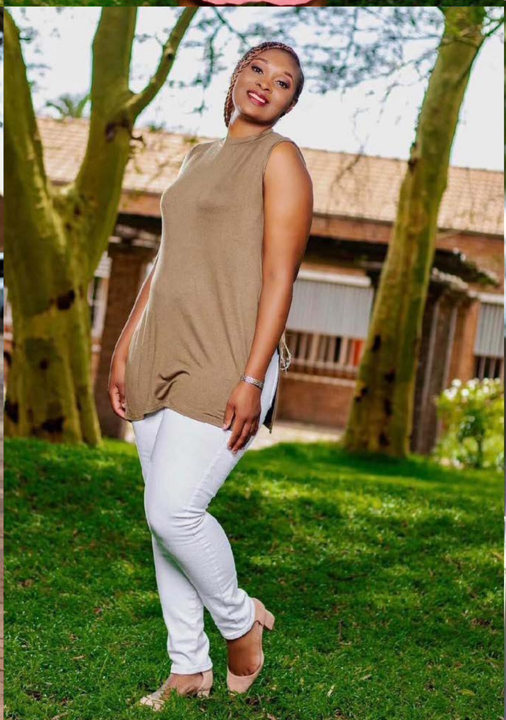

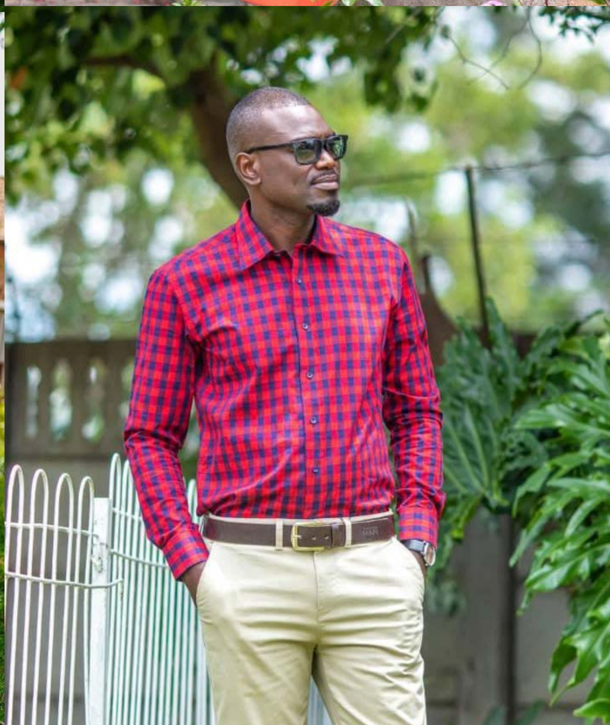

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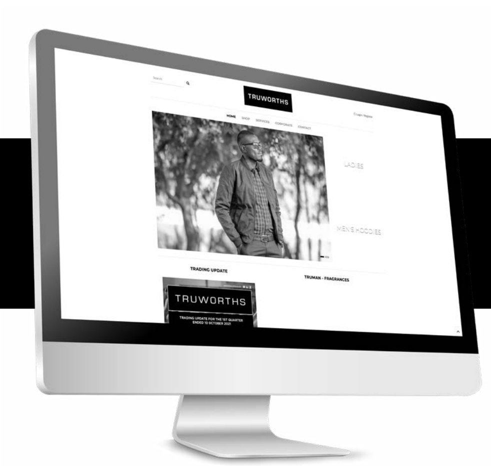
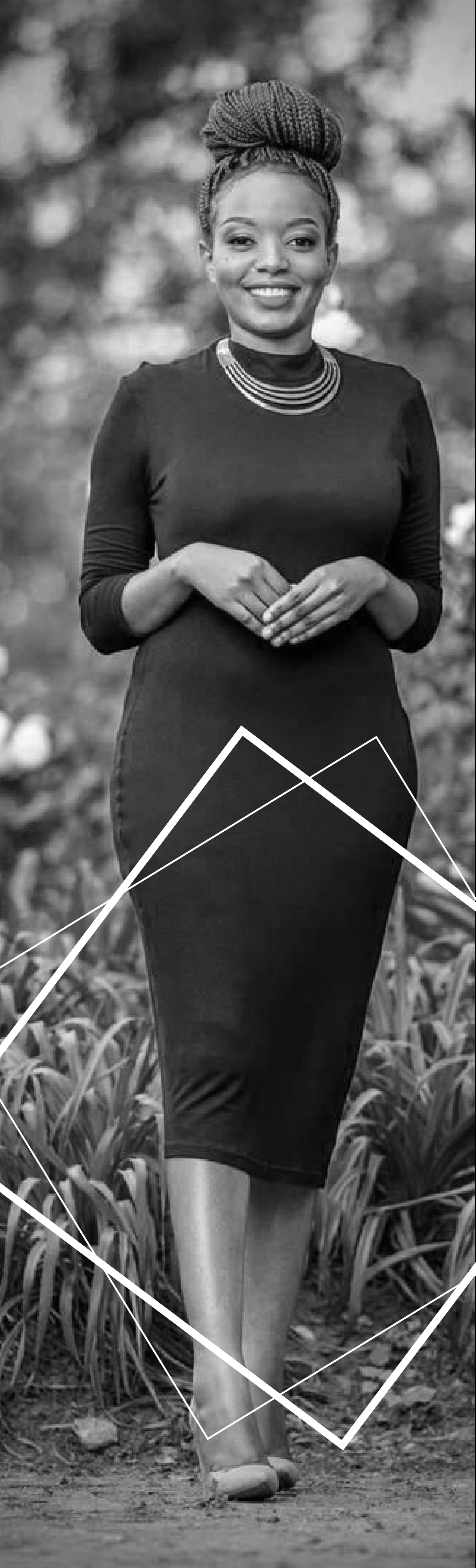
You can also view the annual report on our website
http://www.truworths.co.zw





COMPANY PROFILE

Truworths Limited was incorporated in Zimbabwe in 1957 and has been operating as a retailer since then. The Company was listed on the Zimbabwe Stock Exchange in 1981, operating from 14 retail outlets comprised of Truworths Stores and Topic Stores. The Company now operates under the following;

Truworths Ladies operates from 7 stand-alone outlets as well as from 1 other branch which is housed within Truworths Man.

Truworths Man operates from 6 stand-alone outlets and 1 other branch which is housed within Truworths Ladies.

Topics which operates from 18 stores.

Number 1 which operates from 15 outlets.

Bravette, the manufacturing unit of the business is based in Harare and manufactures ladies wear sold through Truworths, Topics as well as Number 1.

CORPORATE INFORMATION

DIRECTORS
M. P. Mahlangu (Chairman)
B. Ndebele (Chief Executive Officer)
B. H. Henderson
F. Khan
L. Mabhiza
W. Matsaira
A. B. Miek
S. M. Takaendisa

COMPANY SECRETARY
B. M. Chibanda

REGISTERED OFFICE
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Prospect Park
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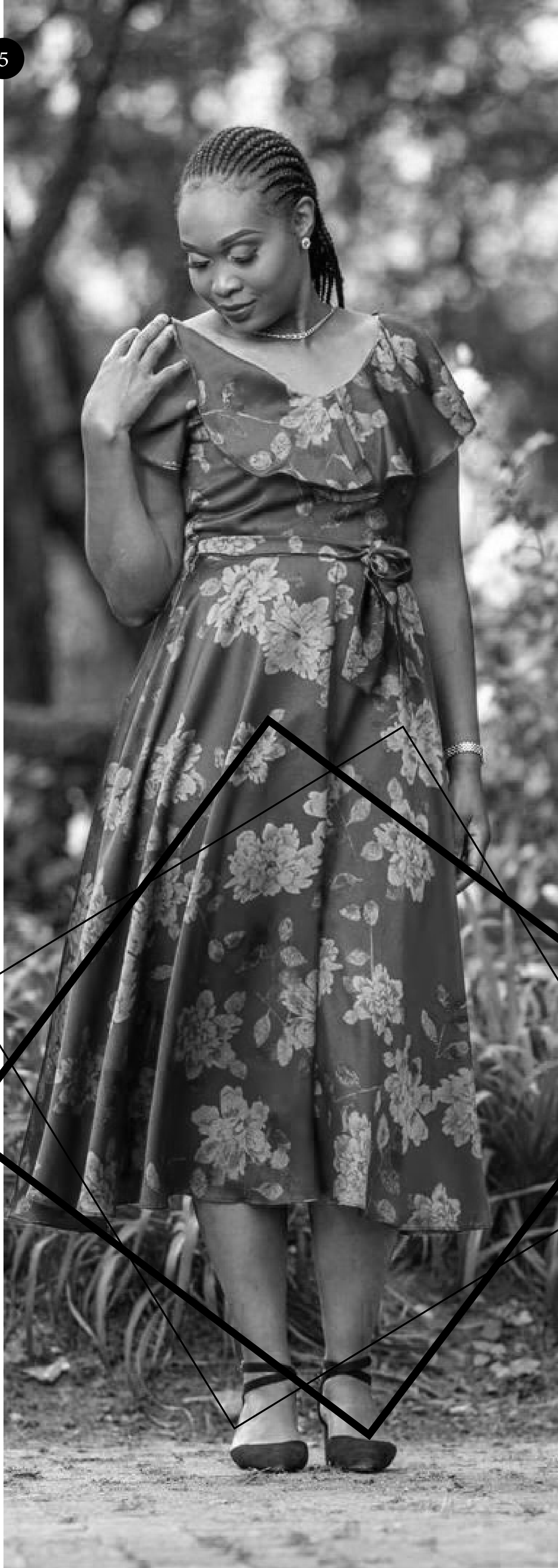
Tel: (263 242) 576431/462/463/466/475/478
E-mail: truworths@truworths.co.zw
Website: www.truworths.co.zw

AUDITORS
Grant Thornton Chartered Accountants (Zimbabwe)
Camelsa Business Park
135 Enterprise Road
Highlands
Harare
Tel: (263 242) 442511 - 4

TRANSFER SECRETARY
Corpserve (Private) Limited
2nd Floor ZB Centre
Cnr Kwame Nkrumah Avenue/ First Street
P. O. Box 2208, Harare
Tel: (263 4) 758193, 750711/2, 751559/61
Fax: (263 4) 752 629
E-mail: corpserve@escrowgroup.org



CHAIRMAN'S STATEMENT
FOR THE YEAR ENDED 11 JULY 2022

OVERVIEW

The trading environment was challenging as high unemployment levels and low disposable incomes due to inflation had a negative impact on volumes sold, with customers resorting to buying product in unregulated informal markets at prices which the business could not compete against.

DIRECTORS' RESPONSIBILITY

The company's directors are responsible for the preparation and fair presentation of the Group's financial statements, of which this annual report represents an extract.

The audited Group annual financial statements have been prepared in accordance with International Financial Reporting Standards and in a manner required by the Companies and Other Business Entities Act (Chapter 24:31) (COBE) and the Zimbabwe Stock Exchange (ZSE) Listing Requirements except for the non-compliance stated in the paragraph below.

The principal accounting policies applied in the preparation of these audited annual financial statements are consistent with those applied in the previous annual financial statements, except for non-compliance with International Accounting Standard (IAS) 21 (Effects of Changes in Foreign Exchange Rates), (IAS) 1 (Presentation of Financial Statements), IFRS 15 (Revenue from contracts with Customers), Non-compliance with International Accounting Standard (IAS) 2 (Inventories) and valuation methodology on Property, Plant and Equipment. There is no significant impact arising from new and revised IFRS which became effective for reporting periods commencing on or after 1 January 2021.

CAUTIONARY STATEMENT – RELIANCE ON ALL FINANCIAL STATEMENTS PREPARED IN ZIMBABWE FOR 2020/2021

The Directors would like to advise users to exercise caution in the use of these annual financial statements due to the material and pervasive impact of the technicalities brought about by the change in the functional currency in Zimbabwe in February 2019, its consequent impact on the usefulness of the financial statements for 2021/2022 financial periods and the adoption of International Accounting Standard (IAS) 29 (Financial Reporting in Hyperinflationary Economies), effective 1 July 2019.

Whilst the Directors have exercised reasonable due care, and applied judgements that they felt were appropriate in the preparation and presentation of these annual financial statements, certain distortions may arise due to various specific economic factors that may affect the relevance and reliability of information that is presented in economies that are experiencing hyperinflation, as well as technicalities regarding the change in functional and reporting currency.

BUSINESS PERFORMANCE

Volumes for the 12 months increased by 9.5% compared to the 12 months last year.

VOLUMES AND VALUES

Sales were negatively affected by the use of the Auction rate in actual trading and translation.

The detailed trading performance will be covered in the Chief Executive Officer's Report.

DIRECTORATE

Bruce Henderson was appointed to the Board with effect from 1 December 2022. Bruce is a Chartered Accountant by profession with experience in diverse industries. He is also a non-executive director of Dairibord Holdings Limited and Powerspeed Electrical Limited.

DIVIDEND

The Directors deemed it prudent not to declare a dividend.

OUTLOOK

The Zimbabwean economy continues to suffer from inflationary pressures and a growing disparity between the official exchange rate and the market rate. These factors place an undue negative pressure on disposable incomes and discretionary spending. Trading volumes are therefore expected to remain under pressure in the short-term.

APPRECIATION

I thank Management and all employees for their hard work and commitment under difficult circumstances. I also thank my fellow Non-Executive Directors for their wisdom and counsel.

In conclusion, we all remain indebted to our valued shareholders for the confidence that they continue to show towards their Company.

M. P. MAHLANGU
CHAIRMAN

January 13 2023

CHIEF EXECUTIVE OFFICER'S REPORT
FOR THE YEAR ENDED 11 JULY 2022

KEY FINANCIAL REPORTING MATTERS

The business translated its nostro sales and foreign currency monetary assets at the auction rate, despite the existence of a wide disparity between the auction and the market rate. Translating nostro sales at the auction rate had the negative impact of suppressing the reported turnovers.

MERCHANDISE PERFORMANCE

High unemployment levels and low disposable incomes due to inflation had a negative impact on volumes sold, with customers resorting to buying products in the unregulated informal markets at prices which the business could not compete against.

TRADING PERFORMANCE

Trading volumes	Full year to 10 July 2022
Unit growth	+9.5%

Sales participation by enabler	Full year to 10 July 2022	Full year to 11 July 2021
Cash sales	66%	68%
Credit sales	34%	32%

Sales and profitability were adversely affected by the restrictive pricing laws which rendered products expensive in US Dollar terms and relatively cheap in Zimbabwe Dollar terms. This was further exacerbated by the widening in the gap between the official exchange rate and the market exchange rate.

CREDIT MANAGEMENT

The book grew by 207.1% and 90% of the customers were in good standing and able to purchase compared to 84.8% in the prior year. Allowance for credit losses as a percentage of gross debtors was 13.2% compared to 6.7% in the prior year.

OUTLOOK

The environment remains uncertain in particular the sustainability of the banking policy rate of 200% and tight ZWL liquidity.

The business suspended ZWL credit sales from 1 July 2022 due to the high interest rates.

US Dollar credit is considered on a selective basis where there is assurance that the US Dollar earnings are GUARANTEED. With the suspension of ZWL credit and limited USD credit, volumes will inevitably come down and there will have to be focus on productive cost rationalisation and working capital management.

APPRECIATION

I would like to express my heartfelt thanks to my Management colleagues, Staff and all other stakeholders for their efforts and support in this difficult climate.

B NDEBELE
CHIEF EXECUTIVE OFFICER

January 13 2023

DIRECTORS' REPORT

The Directors have pleasure in presenting their report together with the Group and Company annual financial statements for the 52 week period ended July 10 2022.

NATURE OF BUSINESS

The Group is involved in the manufacture and retailing of fashion apparel and related merchandise. The Group operates principally in Zimbabwe.

RESULTS OF OPERATIONS

The results for the period are detailed in the Group and Company financial statements in the annual report.

GOING CONCERN

The Directors have reviewed the Group's budget and cash flow forecast for the year to July 10 2022. On the basis of this review, and in the light of the current financial position and existing borrowing facilities, the Directors are satisfied that the Group is a going concern and have continued to adopt the going concern basis in preparing the financial statements.

DIVIDEND

Given the difficulties in the trading environment, the Board deemed it prudent not to declare a dividend for the financial year ended July10 2022.

PROPERTY, PLANT AND EQUIPMENT

There were no major changes in the nature of the Group's property, plant and equipment during the period.

The capital expenditure for the year to July 10 2022 was ZWL1,268,687 The approved capital expenditure for the year to July 09 2023 is ZWL33,667,200.

SHARE CAPITAL

The authorised share capital of the Company remains at ZWL100,000 comprising 1,000,000,000 ordinary shares at ZWL0.0001 each. The issued share capital has not changed during the year.

Details of the authorised and issued share capital of the company are disclosed in note 18 of the Company's annual financial statements.

RESERVES

The movement in the reserves of the Group and the Company are shown in the statements of Comprehensive Income, Group and Company Statements of Changes in Equity and in the Notes to the Financial Statements.

DIRECTORS INTERESTS

At July 10 2022, the Directors held, directly and indirectly, ZWL55,828,714 (2021: ZWL55,828,714) shares being 14.53% (2021: 14.53%) of the issued share capital of the Company. This holding is detailed in Note 18.4 of the financial statements. There has been no change in the directors' interests subsequent to July 10 2022 to the date of this report.

DIRECTORS AND SECRETARY

The names of the directors and company secretary in office at the date of this report are set out on page 5.

Mr. M. P. Mahlangu and Mr. W. Matsaira retire by rotation in terms of the Articles of Association. Being eligible, both offer themselves for re-election at the forthcoming Annual General Meeting.

Mr. B. H. Henderson was appointed to the board with effect from 1 December 2022. Being eligible, he offers himself for election at the forthcoming Annual General Meeting.

DIRECTORS FEES

A resolution will be proposed at the Annual General Meeting to approve Directors' fees amounting to ZWL2,723,699.

AUDITORS

Members will be asked to approve the remuneration of the Auditors for the past year and re-elect Grant Thornton Chartered Accountants (Zimbabwe) as Auditors for the ensuing year.

EVENTS AFTER THE END OF THE REPORTING PERIOD

There have not been any events after reporting date that have had an impact on the financial statements. The group continues to rationalise operations though maintaining profitable sites, as such 4 Stores were closed after the reporting period and this had no impact on the financial statements being presented.

ANNUAL GENERAL MEETING

The Sixty Fifth Annual General Meeting will be held at 0900 hours on Wednesday 22 February 2023 at the Registered Office of the Company.

REGISTERED OFFICE

The registered physical address of Truworths Limited and its subsidiaries is Stand 808 Seke Road, Prospect Park, Harare.

By Order of the Board

Chibanda

B M CHIBANDA
SECRETARY

January 13 2023

ANALYSIS OF SHAREHOLDERS
AS AT JULY 10 2022

SHAREHOLDING DISTRIBUTION	Total number of shares	% of issued shares	No of shareholders	% of total shareholders
1-5 000	1 165 979	0.30	852	59.00
5001- 10 000	1 454 102	0.38	202	13.99
10 001- 25 000	2 524 559	0.66	161	11.15
25 001 - 50 000	3 731 971	0.97	109	7.55
50 001- 100 000	2 860 339	0.74	43	2.98
100 001 -200 000	4 389 960	1.14	32	2.22
200 001 - 500 000	5 597 193	1.46	17	1.18
500 001 - 1 000 000	5 092 346	1.33	08	0.55
1 000 001 and above	357 251 063	93.02	20	1.39
	384 067 512	**100.00**	**1 444**	**100.00**
SHAREHOLDING BY TYPE				
Local Companies	199 196 752	51.87	121	8.38
New Non Resident	134 672 464	35.06	31	2.15
Local Nominee	26 244 970	6.83	40	2.77
Local Individual Resident	15 041 403	3.92	1 170	81.02
Pension Funds	4 867 766	1.27	13	0.90
Employees	1 068 229	0.28	01	0.07
Charitable	790 182	0.21	13	0.90
Fund Managers	665 923	0.17	07	0.48
Foreign Nominee	632 435	0.16	02	0.14
Trusts	551 195	0.14	05	0.35
Deceased Estates	186 096	0.05	22	1.52
Other Investments &Trusts	100 104	0.03	12	0.83
Insurance Companies	39 205	0.01	05	0.35
Foreign Individual Resident	10 000	0.00	01	0.07
Banks	788	0.00	01	0.07
	384 067 512	**100.00**	**1 444**	**100.00**

	MAJOR SHAREHOLDERS	Shares held	% of issued shares
1	Truworths International Limited	132 091 763	34.39
2	Mega Market (Pvt) Ltd	109 589 180	28.53
3	Leraine Investments (Pvt) Ltd	55 814 914	14.53
4	SCB Nominees ZW0000009790	17 731 518	4.62
5	Stanbic Nominees (Pvt) Ltd	7 790 108	2.03
6	Mutare Mart	6 980 000	1.82
7	Old Mutual Life Ass Co Zim Limited	6 373 339	1.66
8	Invesci Asset Management P/L	4 731 511	1.23
9	NSSA - National Pension Scheme	4 687 886	1.22
10	Truworths Limited	3 187 681	0.83
	Shares Selected	**348 977 900**	**90.86**
	Remaining Shares	**35 089 612**	**9.14**
	Total Shares Issued	**384 067 512**	**100.00**

SHAREHOLDERS’ CALENDAR

Sixty Fifth Annual General Meeting	February 22 2023
Interim Report to December 2022	April 2023
Financial Year-end	July 09 2023
Annual Report	November 2023

STATEMENT OF CORPORATE GOVERNANCE & RESPONSIBILITY

CORPORATE GOVERNANCE

The Group is committed to high levels of corporate governance which is essential for the sustainable development of the Group and for long term shareholder value creation. Truworths Limited follows the principles and general guidelines set out by the National Code on Corporate Governance of Zimbabwe. The Group also complies with the Zimbabwe Stock Exchange requirements and other regulatory authorities.

The responsibility to safeguard and respect the interests of all stakeholders is recognised by Management. In place throughout the Group are responsive systems of governance and practice which the Board and Management regard as entirely appropriate. The Group structures, operations, policies and procedures are continuously assessed and updated for compliance with the law and generally accepted standards of good corporate governance. The Group's objective is to be profitable in a manner which conforms to strict requirements for transparency, acknowledges its accountability to broader society and complies with all legislations, relevant International Accounting Standards and sound management practices.

THE BOARD

The Group is headed by a Board which leads and controls the Group. The Board is made up of 3 Executive and 5 Non-Executive Directors, 2 of whom are independent, who were chosen for their wide range of professional and commercial competencies. These directors are subject to retirement by rotation and re-election by Shareholders at least once every two years in accordance with the Company's Articles of Association. Appointments of new directors, approved by the Board are subject to ratification by Shareholders at the next Annual General Meeting. The Chairman of the Board is an Independent Non-Executive Director.

The Board meets at least quarterly with the responsibility for strategic and policy decisions, the approval of Budgets and the monitoring of the performance of the Group. Executive Management presents structured reports, to allow the Board to evaluate performance.

The Board has constituted the Audit and Remuneration Committees to assist it in the discharge of its responsibilities.

AUDIT AND RISK COMMITTEE

An audit committee, consisting of Non-Executive Directors and the Chief Executive Officer, meets twice a year with the Group's external auditors, internal auditors and executive management.

Its major functions are the thorough and detailed review of financial statements, internal controls and related audit matters through independent judgement and risk management matters contributions of Non-Executive Directors. In addition, the committee has the responsibility of ensuring credibility, transparency and objectivity of external financial reporting. The Internal auditors and external auditors have unrestricted access to the audit committee.

REMUNERATION COMMITTEE

The remuneration committee consists of Non-Executive Directors. The committee has the responsibility of ensuring that directors and executives are fairly remunerated.

BOARD COMMITTEE MEETINGS ATTENDANCE

Name of Director	Main Board Meeting	Audit and Risk Committee Meeting	Remuneration Committee Meeting
B. Ndebele	4/4	2/2	-
B. H. Henderson*	-	-	-
F. K. Khan	4/4	2/2	-
L. Mabhiza	4/4	-	-
M. P. Mahlangu	4/4	-	2/2
W. Matsaira	4/4	-	2/2
A. B. Miek	4/4	2/2	2/2
S. M. Takaendisa	4/4	2/2	-

* B. H. Henderson was appointed after the reporting period.

STATEMENT OF CORPORATE GOVERNANCE & RESPONSIBILITY (Continued)

DIRECTORS' RESPONSIBILITY FOR FINANCIAL REPORTING

The Directors are required by the 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 Company and the Group at the end of the financial year and of the profit and cash flows for the period in line with International Financial Reporting Standards (IFRS).

Regardless of all practical efforts to comply with IFRS in the compilation of this annual report for the period ended July 10 2022, the Group has not fully complied as a result of inconsistencies in the application of International Accounting Standard (IAS) 8: Accounting policies, changes in accounting estimates and errors and (IAS) 21: The Effects of Changes in Foreign Exchange Rates, (IAS) 1: Presentation of Financial Statements and IFRS 15: Revenue from Contracts with Customers on presentation of manufacturing profit, Non-compliance with International Accounting Standard (IAS) 2: Inventories, valuation methodology on property, plant and equipment and the consequential impact on the inflation adjusted amounts determined in terms of (IAS) 29: (Financial Reporting in Hyperinflationary Economies). In preparing the accompanying Financial Statements, International Financial Reporting Standards have been followed with the exceptions highlighted above; suitable accounting policies have been used, and 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 and best practice.

The Board recognises and acknowledges its responsibility for the system of internal financial control. The Group's policy on business conduct, which covers ethical behaviour, compliance with legislation and sound accounting practice, underpins the Group's internal financial control process. The control system includes written accounting and control policies and procedures, clearly defined lines of accountability and delegation of authority, and comprehensive financial reporting and analysis against approved Budgets.

The responsibility for operating the system is delegated to the executive directors who confirm that they have reviewed its effectiveness. They consider that it is appropriately designed to provide reasonable, but not absolute, assurance that assets are safeguarded against material loss or unauthorised use and that transactions are properly authorised and recorded. The effectiveness of the internal financial control system is monitored through management reviews and a comprehensive programme of internal audits. In addition, the Group's external auditors 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 controls.

The financial statements have been prepared on a going concern basis since the Directors have every reason to believe that the Group has adequate resources to continue in operation for the foreseeable future.

The Group's external auditors, Grant Thornton Chartered Accountants (Zimbabwe), have audited the financial statements and their report appears on page 13 to 17.

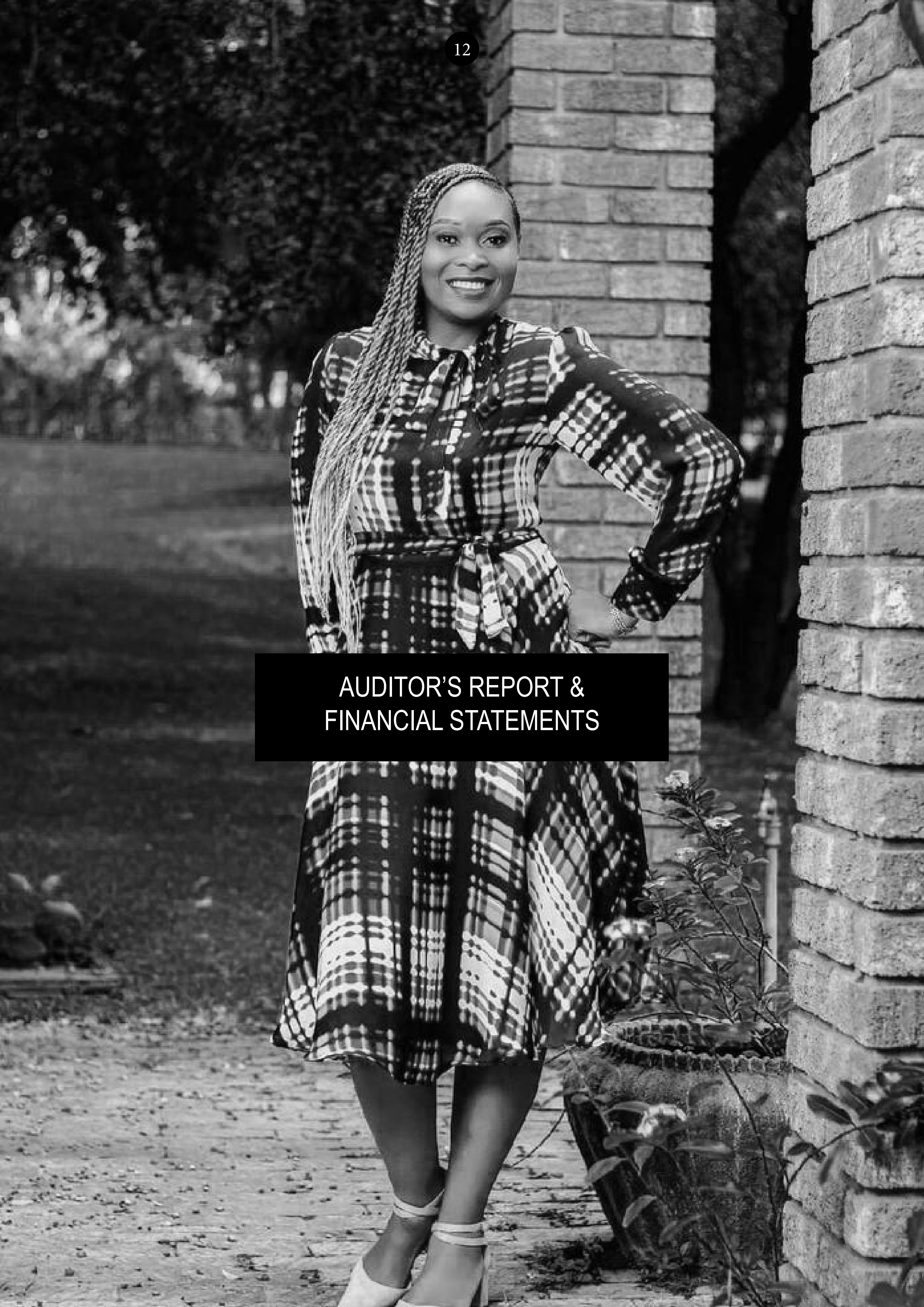
The company's Audit Committee has met with the external auditors to discuss their report on the results of their work which include assessments of the relative strength and weaknesses of key control areas. While in a group of the size of Truworths, it is expected that occasional breakdowns in established control procedures may occur, no breakdowns involving material loss has been reported to the directors in respect of the year under review.

The financial statements for the year ended July 10 2022, which appear on Pages 18 to 66 have been approved by the Board and are signed on its behalf by;

M P MAHLANGU
CHAIRMAN

B NDEBELE
CHIEF EXECUTIVE OFFICER

January 13 2023



AUDITOR'S REPORT & FINANCIAL STATEMENTS

Grant Thornton

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INDEPENDENT AUDITOR'S REPORT

To the members of Truworths Limited

Report on the Audit of the Consolidated Financial Statements

Adverse Opinion

We have audited the consolidated financial statements of Truworths Limited set out on pages 18 to 66, which comprise the consolidated statement of financial position as at 10 July 2022, 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 significant Group accounting policies and other explanatory notes.

In our opinion, because of the significance of the matters described in the *Basis for Adverse Opinion* section of our report, the accompanying consolidated financial statements do not present fairly, in all material respects, the financial position of Truworths Limited as at 10 July 2022, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis of Adverse Opinion

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

During the year, the foreign currency denominated transactions and balances of the Group were translated into ZWL using the foreign currency auction rates and internally determined foreign exchange rates. The use of foreign currency auction rates and internally determined foreign exchange rates was not in compliance with IAS 21. In terms of IAS 21, where several exchange rates are available the rate used is that at which the future cash flows represented by the transaction could have been settled if those cash flows had occurred at the measurement date.

We were unable to quantify the impact of using foreign currency auction rates and internally determined foreign exchange rates on the translation of foreign currency transactions to ZWL in the consolidated financial statements.

Had the consolidated financial statements been prepared in accordance with the requirements of IAS 21, many elements would have been materially different. The effects of the non-compliance with the requirements of IAS 21 have been considered to be material and pervasive to the consolidated financial statements.

Valuation of property, plant and equipment

The determination of fair values for property, plant and equipment presented in the consolidated financial statements is affected by the prevailing economic environment. The consolidated financial statements include plant and motor vehicles that were revalued by independent professional valuers as at 10 July 2022 and other classes of property, plant and equipment were last revalued by independent professional valuers as at 30 June 2021. The valuations were determined in United States Dollars (USD) and then translated to Zimbabwe Dollars (ZWL) at the auction exchange rate.

Although the determined USD values reflected the fair value of the property, plant and equipment in USD, the converted ZWL values were not in compliance with IFRS 13 – Fair Value Measurement, as they did not reflect the assumptions that market participants would apply in valuing similar items of property, plant and equipment in ZWL.

Non-compliance with International Accounting Standard (IAS) 1 - Presentation of Financial Statements and International Financial Reporting Standards (IFRS) 15 - Revenue from Contracts with Customers

Manufacturing revenue and manufacturing expenses have been offset and presented as manufacturing profit on the face of the consolidated statement of profit or loss and other comprehensive income. This presentation is not compliant with IAS 1 and IFRS 15 which require the Group to report separately income and expenses. Offsetting in the statement of profit or loss and other comprehensive income is necessary when offsetting reflects the substance of the transaction or other event. The revenue and expenses that have been offset for the year ended 10 July 2022 are ZWL 147 816 738 (2021: ZWL 121 642 970) and ZWL 52 061 198 (2021: ZWL 48 636 920) respectively.

The impact of the departure from the requirements of these standards is considered to be material but not pervasive to the consolidated financial statements for the year ended 10 July 2022.

Improper recognition of revenue of USD denominated lay-by sales

The Group generated revenue from lay-by arrangements with its customers in both USDs and ZWL. The lay-by sales earned in USDs were recognised in full immediately contrary to the requirements of IFRS 15. In terms of IFRS 15, revenue is recognised when control of the promised goods or services is transferred to the customer.

We were not provided with all the necessary documentation to enable us to quantify the financial effect of the non-compliance with IFRS 15.

Non-compliance with International Accounting Standard (IAS) 2 - Inventories

During the financial year ended 10 July 2022, the Group revalued inventories with a cost of ZWL 9 176 542 to a market value of ZWL 59 114 418 to approximate fair values prevailing in the market as at 10 July 2022, for similar items of inventory. This constitutes a departure from IAS 2 Inventories which requires Inventories to be measured at the lower of cost or net realisable value. The revaluation of inventories resulted in overstatement of profit before tax and inventory by ZWL 49 937 876.

The impact of the departure from the requirements of IAS 2 is considered to be material but not pervasive to the consolidated financial statements for the year ended 10 July 2022.

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

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 adverse opinion.

Material Uncertainty Related to Going Concern

We draw attention to note 31 to the financial statements which indicates that the Group had an operating loss before tax of ZWL 25 027 737 (2021: 174 758 379). This indicates that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

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

Areas of focus	How our audit addressed the key audit matter
Valuation of trade receivables The trade receivables balance of **ZWL115 232 689** is material to the financial statements of the Group. The Zimbabwe economy has faced a general decline in business activity resulting in liquidity challenges increasing default risk on receivables. The Group applies IFRS 9 Expected Credit Loss (ECL) impairment model in determining the allowance for credit losses. We have considered this as a key audit matter due to the complexities and significant management judgement that is involved in determining the allowance for expected credit losses and this has a material impact on the financial statements of the Group.	Our audit procedures included the following procedures: • Tested the recoverability and existence of trade receivables through analysis of customer payment trends during the year and circularisation of receivables. • We updated our understanding of the estimation processes relating to management of the receivables and expected credit losses including, the company's impairment allowance policy. • Testing risk rating and grouping of debtors and the expected credit losses determined by management. • Verifying the completeness and accuracy of data underlying the ECL calculation as at 10 July 2022. • Assessing the disclosures included by management in the financial statements. We satisfied ourselves that the allowance for credit losses provided for in the financial statements is adequate.

Other information

The Directors are responsible for the other information. The other information comprises the 'Corporate information', 'Directors' responsibility for financial reporting', 'historical cost information' and 'Company statements', which we obtained prior to the date of this auditor's report. The other information does not include the financial statements and our auditor's report thereon. Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If based on the work we have performed on the other information that we obtained prior to the date

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

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 financial statements in accordance with IFRSs, and in the manner required by the Companies and Other Business Entities Act (Chapter 24:31) and for such internal control as is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Directors are 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 Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the business activities within the company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

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.

Report on Other Legal and Regulatory Requirements

In our opinion, except for the effects of the matters described in the Basis for Adverse opinion section of our report, the financial statements have been properly prepared, in all material respects, in accordance with the accounting policies and comply with the disclosure 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 Trevor Mungwazi.

Grant Thornton

Trevor Mungwazi
Partner

Registered Public Auditor (PAAB No: 0622)

Grant Thornton
Chartered Accountants (Zimbabwe)
Registered Public Auditors

13 January **2023**

HARARE

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED JULY 10 2022

		INFLATION ADJUSTED		HISTORICAL COST		INFLATION ADJUSTED		HISTORICAL COST	
		GROUP		GROUP		COMPANY		COMPANY	
	Note	For the period ended July 10 2022 ZWL	For the period ended July 11 2021 ZWL	For the period ended July 10 2022 ZWL	For the period ended July 11 2021 ZWL	For the period ended July 10 2022 ZWL	For the period ended July 11 2021 ZWL	For the period ended July 10 2022 ZWL	For the period ended July 11 2021 ZWL
Revenue	4	**1 122 857 979**	**836 542 536**	**573 697 653**	**242 183 186**	**401 248 437**	**302 532 896**	**211 429 321**	**88 170 794**
Revenue from Contracts with Customers		943 980 373	717 495 033	475 697 735	206 578 334	358 014 593	270 125 453	185 742 598	78 477 914
Cost of sales		(370 199 428)	(282 846 419)	(114 419 871)	(41 716 651)	(96 565 413)	(84 037 112)	(58 638 176)	(14 570 758)
Gross profit		**573 780 945**	**434 648 614**	**361 277 864**	**164 861 683**	**261 449 180**	**186 088 341**	**127 104 422**	**63 907 156**
Other operating (loss) / income	4.1	(17 119 292)	7 603 626	335 204	2 314 791	8 892 814	5 782 864	7 404 190	1 701 242
Manufacturing profit / (loss)	6	3 682 144	(1 846 778)	13 668 205	(387 014)	-	-	-	-
		560 343 797	440 405 462	375 281 273	166 789 460	270 341 994	191 871 205	134 508 612	65 608 398
Trading expenses	5	**(873 514 468)**	**(676 426 776)**	**(482 400 539)**	**(194 429 406)**	**(442 176 293)**	**(239 373 180)**	**(252 398 663)**	**(67 862 279)**
Depreciation and amortisation	5.1	(5 144 476)	(15 935 019)	(2 525 052)	(1 551 054)	(4 813 767)	(11 731 923)	(2 032 498)	(1 131 342)
Employment costs	5.2	(341 437 111)	(239 420 694)	(172 673 868)	(69 832 493)	(173 503 229)	(90 659 298)	(97 386 077)	(26 749 755)
Occupancy costs	5.3	(189 978 731)	(203 259 904)	(146 009 140)	(59 214 293)	(111 407 852)	(77 393 528)	(61 061 960)	(22 458 078)
Expected credit loss allowance	5.4	(525 880)	(2 081 421)	(450 000)	22 032	(263 869)	5 519	(135 000)	57 799
Collection and other receivable costs	5.4	(7 754 653)	(416 583)	(1 508 697)	(604 669)	(525 880)	(416 585)	(269 321)	(119 737)
Other operating costs	5.5	(328 673 617)	(215 313 155)	(159 233 782)	(63 248 929)	(151 661 696)	(59 177 365)	(91 513 807)	(17 461 166)
Trading loss		**(313 170 671)**	**(236 021 314)**	**(107 119 266)**	**(27 639 946)**	**(171 834 299)**	**(47 501 975)**	**(117 890 051)**	**(2 253 881)**
Finance income	7.1	162 141 777	107 240 769	89 001 380	32 349 595	43 233 843	32 302 144	25 686 723	9 692 880
Operating (loss) / profit		**(151 028 894)**	**(128 780 545)**	**(18 117 886)**	**4 709 649**	**(128 600 456)**	**(15 199 831)**	**(92 203 328)**	**7 438 999**
Finance costs	7.2	(46 300 467)	(31 866 657)	(29 475 283)	(9 459 658)	(42 321 581)	(28 144 025)	(22 864 941)	(8 309 212)
Impairment of property, plant and equipment		(3 670 605)	(45 834 983)	-	-	-	(9 897 690)	-	-
Monetary gain / (loss)		175 972 229	31 723 806	-	-	109 982 037	(11 803 814)	-	-
Loss before tax		**(25 027 737)**	**(174 758 379)**	**(47 593 169)**	**(4 750 009)**	**(60 940 000)**	**(65 045 360)**	**(115 068 269)**	**(870 213)**
Tax credit / (expense)	8	(12 109 040)	42 481 280	5 566 994	558 465	(22 003 585)	14 325 142	24 685 552	59 530
Loss for the period	9	**(37 136 777)**	**(132 277 099)**	**(42 026 175)**	**(4 191 544)**	**(82 943 585)**	**(50 720 218)**	**(90 382 717)**	**(810 683)**
Other comprehensive income									
Other comprehensive income not to be reclassified to profit and loss in subsequent periods net of tax:									
Revaluation of property, plant and equipment - net of tax		3 331 155	-	94 285 565	23 108 190	-	-	23 654 981	7 633 906
Total comprehensive (loss) / income for the period		**(33 805 622)**	**(132 277 099)**	**52 259 390**	**18 916 646**	**(82 943 585)**	**(50 720 218)**	**(66 727 736)**	**6 823 223**
Basic and diluted loss per share (cents)	10	(9.75)	(34.73)	(11.03)	(1.10)				
Basic and diluted headline loss per share (cents)	10	(10.11)	(35.45)	(11.13)	(1.33)				
Key ratios									
Gross margin	(%)	60.8	60.6	75.9	79.8	73.0	68.9	68.4	81.4
Trading expenses to retail merchandise sales	(%)	92.5	94.3	101.4	94.1	123.5	88.6	135.9	86.5
Trading margin	(%)	(33.2)	(32.9)	(22.5)	(13.4)	(48.0)	(17.6)	(63.5)	(2.9)
Operating margin	(%)	(16.0)	(17.9)	(3.8)	2.3	(35.9)	(5.6)	(49.6)	9.5

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT JULY 10 2022

		INFLATION ADJUSTED		HISTORICAL COST		INFLATION ADJUSTED		HISTORICAL COST	
		GROUP		GROUP		COMPANY		COMPANY	
		As at July 10 2022	As at July 11 2021	As at July 10 2022	As at July 11 2021	As at July 10 2022	As at July 11 2021	As at July 10 2022	As at July 11 2021
	Note	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL
ASSETS									
Non current assets		**389 616 432**	**345 976 231**	**161 552 597**	**46 971 440**	**139 912 291**	**136 835 092**	**50 334 680**	**20 146 308**
Investment in subsidiaries	11	-	-	-	-	195 293	404 464	8 018	8 018
Property, plant and equipment	12	369 170 529	314 261 344	158 923 254	40 069 260	119 322 104	105 125 830	47 704 432	13 244 239
Intangible assets	13	9 096 406	11 933 998	221 724	236 577	9 045 397	11 523 909	214 611	228 448
Right of use asset	14	11 349 497	19 780 889	2 407 619	6 665 603	11 349 497	19 780 889	2 407 619	6 665 603
Current assets		**545 180 511**	**560 326 913**	**357 248 524**	**120 952 808**	**253 703 937**	**284 450 743**	**132 283 937**	**73 896 049**
Inventories	15	402 733 152	403 487 458	215 191 591	67 620 564	170 700 853	123 111 822	50 330 928	18 872 256
Trade and other receivables	16	134 855 400	139 501 881	134 464 974	47 385 811	81 208 821	152 641 379	80 158 746	52 040 714
Cash and cash equivalents	17	7 591 959	17 337 574	7 591 959	5 946 433	1 794 263	8 697 542	1 794 263	2 983 079
Total assets		**934 796 943**	**906 303 144**	**518 801 121**	**167 924 248**	**393 616 228**	**421 285 835**	**182 618 617**	**94 042 357**
EQUITY AND LIABILITIES									
Equity		**392 968 290**	**426 773 912**	**89 796 823**	**37 537 433**	**84 828 038**	**167 771 623**	**(48 805 790)**	**17 921 946**
Share capital	18.2	1 937 407	1 937 407	38 407	38 407	1 937 407	1 937 407	38 407	38 407
Treasury shares	18.5	(15 992)	(15 992)	(317)	(317)	(15 992)	(15 992)	(317)	(317)
Non-distributable reserve	19	80 162 552	80 162 552	6 765 441	6 765 441	40 827 194	40 827 194	2 490 162	2 490 162
Revaluation reserve	19	4 425 020	-	145 624 456	30 696 320	-	-	41 563 347	10 140 683
Retained earnings		306 459 303	344 689 945	(62 631 164)	37 582	42 079 429	125 023 014	(92 897 389)	5 253 011
Non current liabilities		**137 917 591**	**130 094 941**	**25 304 820**	**11 959 696**	**65 139 532**	**46 235 389**	**(12 224 248)**	**5 050 703**
Deferred tax	20	136 843 098	125 921 030	24 230 327	10 528 130	64 065 039	42 061 478	(13 298 741)	3 619 137
Lease liability	21	1 074 493	4 173 911	1 074 493	1 431 566	1 074 493	4 173 911	1 074 493	1 431 566
Current liabilities		**403 911 062**	**349 434 291**	**403 699 478**	**118 427 119**	**243 648 658**	**207 278 823**	**243 648 655**	**71 069 708**
Short-term borrowings	22	42 878 234	57 532 407	42 878 234	19 732 438	42 878 234	57 532 407	42 878 234	19 732 438
Trade and other payables	23	342 968 550	269 081 339	342 756 966	90 867 701	195 201 410	135 343 026	195 201 407	46 397 202
Provisions	24	13 473 722	11 457 978	13 473 722	3 929 852	3 372 778	6 017 718	3 372 778	2 063 954
Current portion - lease liability	21	1 776 526	5 179 691	1 776 526	1 776 528	1 776 526	5 179 691	1 776 526	1 776 528
Current tax	25.3	2 814 030	6 182 876	2 814 030	2 120 600	419 710	3 205 981	419 710	1 099 586
Total liabilities		**541 828 653**	**479 529 232**	**429 004 298**	**130 386 815**	**308 788 190**	**253 514 212**	**231 424 407**	**76 120 411**
Total equity and liabilities		**934 796 943**	**906 303 144**	**518 801 121**	**167 924 248**	**393 616 228**	**421 285 835**	**182 618 617**	**94 042 357**
Number of shares in issue (net of treasury shares)		**380 901 152**	**380 901 152**	**380 901 152**	**380 901 152**	**380 901 152**	**380 901 152**	**380 901 152**	**380 901 152**
Net asset value per share (cents)		**103.17**	**112.04**	**23.57**	**9.85**	**22.27**	**44.05**	**(12.81)**	**4.71**

M.P. Mahlangu
CHAIRMAN

B. Ndebele
CHIEF EXECUTIVE OFFICER

Harare
January 13 2023

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED JULY 10 2022

		INFLATION ADJUSTED		HISTORICAL COST		INFLATION ADJUSTED		HISTORICAL COST	
		GROUP		GROUP		COMPANY		COMPANY	
	Note	2022 ZWL	2021 ZWL	2022 ZWL	2021 ZWL	2022 ZWL	2021 ZWL	2022 ZWL	2021 ZWL
CASH FLOWS (UTILISED IN) / GENERATED FROM OPERATING ACTIVITIES									
Cash utilised in trading	25.1	**(83 472 116)**	**(170 902 679)**	**(72 562 455)**	**(22 148 523)**	**(50 382 698)**	**(43 573 285)**	**(112 880 569)**	**(138 442)**
Working capital movements	25.2	31 753 505	71 286 149	(5 598 756)	(11 815 268)	79 150 708	(26 558 308)	87 432 621	(14 650 645)
Cash (utilised in) / generated from operations		**(51 718 611)**	**(99 616 530)**	**(78 161 211)**	**(33 963 791)**	**28 768 010**	**(70 131 591)**	**(25 447 948)**	**(14 789 087)**
Net interest received		115 841 310	75 374 112	59 526 097	22 889 937	912 262	4 158 119	2 821 782	1 383 668
Interest paid	7.2	(46 300 467)	(31 866 657)	(29 475 283)	(9 459 658)	(42 321 581)	(28 144 025)	(22 864 941)	(8 309 212)
Interest received	7.1	162 141 777	107 240 769	89 001 380	32 349 595	43 233 843	32 302 144	25 686 723	9 692 880
Tax paid	25.3	(1 613 648)	(329)	(679 886)	(12)	(1 613 648)	(32)	(679 886)	(12)
Net cash generated from / (utilised in) operating activities		**62 509 051**	**(24 242 747)**	**(19 315 000)**	**(11 073 866)**	**28 066 624**	**(65 973 506)**	**(23 306 052)**	**(13 405 431)**
CASH FLOWS (UTILISED IN) / GENERATED FROM INVESTING ACTIVITIES									
Net cash (utilised in) / generated from investing activities		**(680 677)**	**(3 634 275)**	**(408 744)**	**(1 399 614)**	**1 605 396**	**547 038**	**747 966**	**64 641**
Acquisition of property, plant and equipment	12	(2 651 111)	(7 305 810)	(1 268 687)	(2 365 583)	(365 038)	(2 852 529)	(111 977)	(901 328)
Proceeds on disposal of property, plant and equipment		1 970 434	3 671 535	859 943	965 969	1 970 434	3 399 567	859 943	965 969
CASH FLOWS GENERATED FROM FINANCING ACTIVITIES									
Net cash flows generated from financing activities		**21 360 154**	**43 949 103**	**21 369 270**	**13 412 418**	**21 360 154**	**43 949 104**	**21 369 270**	**13 412 418**
Lease repayments	21	(3 680 749)	(1 814 266)	(1 776 526)	(515 514)	(3 680 749)	(1 814 266)	(1 776 526)	(515 514)
Receipts from short-term borrowings	22	50 456 529	64 543 997	39 712 105	19 415 697	50 456 529	64 543 997	39 712 105	19 415 697
Repayment of short-term borrowings	22	(25 415 626)	(18 780 628)	(16 566 309)	(5 487 765)	(25 415 626)	(18 780 628)	(16 566 309)	(5 487 765)
Net increase / (decrease) in cash and cash equivalents		**83 188 528**	**16 072 081**	**1 645 525**	**938 938**	**51 032 174**	**(21 477 364)**	**(1 188 816)**	**71 627**
Cash and cash equivalents July 11 2021		**17 337 574**	**30 170 025**	**5 946 433**	**5 007 495**	**8 697 542**	**17 541 417**	**2 983 079**	**2 911 452**
Foreign exchange differences		83 040 059	2 819 274	-	-	7 361 587	829 673	-	-
Effects of inflation on cash and cash equivalents		(175 974 202)	(31 723 806)	-	-	(65 297 040)	11 803 816	-	-
Cash and cash equivalents July 10 2022	25.4	**7 591 959**	**17 337 574**	**7 591 959**	**5 946 433**	**1 794 263**	**8 697 542**	**1 794 263**	**2 983 079**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED JULY 10 2022

	Note	Share capital ZWL	Treasury shares ZWL	Non- distributable reserve ZWL	Revaluation reserve ZWL	Retained earnings ZWL	Total ZWL
		INFLATION ADJUSTED					
GROUP							
Balance at July 12 2020		**1 937 407**	**(15 992)**	**80 162 552**	**-**	**476 967 044**	**559 051 011**
Loss for the period	9	-	-	-	-	(132 277 099)	(132 277 099)
Balance at July 11 2021		**1 937 407**	**(15 992)**	**80 162 552**	**-**	**344 689 945**	**426 773 912**
Loss for the period	9	-	-	-	-	(37 136 777)	(37 136 777)
Revaluation of property, plant and equipment		-	-	-	4 425 020	(1 093 865)	3 331 155
Balance at July 10 2022		**1 937 407**	**(15 992)**	**80 162 552**	**4 425 020**	**306 459 303**	**392 968 290**
COMPANY							
Balance at July 12 2020		**1 937 407**	**(15 992)**	**40 827 194**	**-**	**175 743 232**	**218 491 841**
Loss for the period	9	-	-	-	-	(50 720 218)	(50 720 218)
Balance at July 11 2021		**1 937 407**	**(15 992)**	**40 827 194**	**-**	**125 023 014**	**167 771 623**
Loss for the period	9	-	-	-	-	(82 943 585)	(82 943 585)
Balance at July 10 2022		**1 937 407**	**(15 992)**	**40 827 194**	**-**	**42 079 429**	**84 828 038**
		HISTORICAL COST					
GROUP							
Balance at July 12 2020		**38 407**	**(317)**	**6 765 441**	**-**	**11 817 256**	**18 620 787**
Loss for the period	9	-	-	-	-	(4 191 544)	(4 191 544)
Revaluation of property, plant and equipment		-	-	-	30 696 320	(7 588 130)	23 108 190
Balance at July 11 2021		**38 407**	**(317)**	**6 765 441**	**30 696 320**	**37 582**	**37 537 433**
Loss for the period	9	-	-	-	-	(42 026 175)	(42 026 175)
Revaluation of property, plant and equipment		-	-	-	114 928 136	(20 642 571)	94 285 565
Balance at July 10 2022		**38 407**	**(317)**	**6 765 441**	**145 624 456**	**(62 631 164)**	**89 796 823**
COMPANY							
Balance at July 12 2020		**38 407**	**(317)**	**2 490 162**	**-**	**8 570 471**	**11 098 723**
Loss for the period	9	-	-	-	-	(810 683)	(810 683)
Revaluation of property, plant and equipment		-	-	-	10 140 683	(2 506 777)	7 633 906
Balance at July 11 2021		**38 407**	**(317)**	**2 490 162**	**10 140 683**	**5 253 011**	**17 921 946**
Loss for the period	9	-	-	-	-	(90 382 717)	(90 382 717)
Revaluation of property, plant and equipment		-	-	-	- 31 422 664	(7 767 683)	23 654 981
Balance at July 10 2022		**38 407**	**(317)**	**2 490 162**	**41 563 347**	**(92 897 389)**	**(48 805 790)**

GROUP STATEMENT OF ACCOUNTING POLICIES
FOR THE PERIOD ENDED JULY 10 2022

1. COUNTRY OF INCORPORATION AND MAIN ACTIVITY

The Group is incorporated and domiciled in Zimbabwe and its shares are publicly traded on the Zimbabwe Stock Exchange. It is engaged in retailing of fashion apparel and related merchandise throughout Zimbabwe. The inflationary adjusted consolidated and company financial statements for the period ended July 10 2022 were authorised for issue in accordance with a resolution of the directors taken on January 13 2023.

2. BASIS OF PREPARATION OF FINANCIAL RESULTS

Currency

In February 2019, the Reserve Bank of Zimbabwe announced a monetary policy statement whose highlights among other issues were:
- Denomination of real time gross settlement (RTGS) balances, bond notes and coins collectively as RTGS dollars.

RTGS dollars become part of the multi-currency system.
- Promulgated that RTGS dollars were to be used by all entities (including the Government) and individuals in Zimbabwe for purposes of pricing of goods and services, recording of debts, accounting and settlement of domestic transactions.
- Establishment of an inter-bank foreign exchange market where the exchange rate would be determined on a willing buyer willing seller basis.

The monetary policy announcement was followed by the publication of Statutory Instrument (S.I.) 33 of 2019 on 22 February 2019. The statutory instrument gave legal effect to the introduction of the RTGS dollar as legal tender and prescribed that for accounting and other purposes, certain assets and liabilities on the effective date would be deemed to be RTGS dollars at a rate of 1 to1 to the US dollar and would become opening RTGS dollar values from the effective date.

As a result of these currency changes announced by the monetary authorities, the Directors assessed as required by IAS 21, The Effects of Changes in Foreign Exchange Rates and consistent with the guidance issued by the Public Accountants and Auditors Board (PAAB) whether use of the United States dollar as the functional and reporting currency remained appropriate. Based on the assessment, the Directors concluded that the Group's transactional and functional currency had changed to RTGS dollar. The Group adopted the RTGS dollar as the new functional and reporting currency with effect from 23 February 2019.

The Group performed functional currency validation for the period being reported and has adopted the RTGS dollar (ZWL) as the functional and presentation currency in accordance with IAS 21. The financial statements are presented in RTGS dollar (ZWL), which is the functional and presentation currency of the entity.

All transactions in currencies other than the RTGS dollar post the date of change in functional currency were translated in accordance with IAS 21 at the applicable official interbank rate. The Group translated the statement of financial position at 23 February 2019 at a rate of 1 US dollar to 1 RTGS dollar with the exception of property, plant and equipment, foreign currency denominated cash and cash equivalents, payables and receivables in accordance with S.I.33. The translation bases prescribed by SI.33 and adopted by the Group were not consistent with IAS 21.

The inflation adjusted consolidated and company financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) as well as the requirements of the Zimbabwe Stock Exchange Listing Rules.

Statement of Compliance

Because of the items detailed in the above paragraphs, the financial statements have not been prepared in conformity with the International Financial Reporting Standards (IFRS) specifically International Accounting Standard 21 (IAS) 21, (IAS) 8 and (IAS) 29 promulgated by the International Accounting Standards Board (IASB).

As such the Group has not complied with the Companies And Other Business Entities Act (Chapter 24:31) as it requires the financial statements to be prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the Public Accountants and Auditor's Board (PAAB).

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below.

These policies have been consistently applied unless otherwise stated.

2.1 IAS 29- FINANCIAL REPORTING IN HYPERINFLATIONARY ECONOMIES

In October 2019,the Public Accountants and Auditors Board (PAAB) issued a pronouncement prescribing that the application of financial reporting in hyperinflationary economies had become effective in Zimbabwe, for reporting periods on or after 01 July 2019.These financial statements have been prepared in accordance with IAS 29.

The Group adopted the Zimbabwe Consumer Price Index (CPI) as the general price index to restate transactions and balances.

GROUP STATEMENT OF ACCOUNTING POLICIES
FOR THE PERIOD ENDED JULY 10 2022 (CONTINUED)

Monetary assets and liabilities and non-monetary assets and liabilities carried at fair value have been restated and presented at the measuring unit current at the end of the reporting period.

Items recognised in the statement of profit or loss and other comprehensive income have been restated by applying the change in general price index from the dates when initially recorded in the Group's financial records (transaction date).

A net monetary adjustment was recognised in the statement of profit or loss for the year ended 10 July 2022.

Comparative amounts in the Group financial results have been restated to reflect the change in the general price index from 13 July 2020 (backstop date) to the end of the reporting period. All items in the statement of cashflows are expressed based on the restated financial information for the period.

The factors used during the period are as follows;

	Indices	Conversion factor
CPI on 30 June 2021	8 707.35	1
CPI on 30 June 2021	2 986.44	2.9
CPI on 31 June 2020	1 445.21	6.03
CPI on 31 June 2019	172.60	50.45
Average CPI - 12 months to 30 June 2022	9.61	
Average CPI - 12 months to 30 June 2021	1.21	
Average CPI - 12 months to 30 June 2020	3.12	

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

- ***Revenue, operating expenses and exchange gains or losses***
  The historic line items were segregated into monthly totals and then the applicable monthly conversion factor was applied.
- ***Other income***
  Other income was segregated into the respective month in which it was accrued and then the applicable monthly conversion factor was applied.
- ***Income tax expense***
  Income tax was segregated into the respective quarters and the applicable quarterly conversion factor was applied.
- ***Property, plant and equipment***
  Property, plant and equipment were restated at the 11 July 2021 conversion rate in compliance with S.I. 33. Movements of additions and disposals were recalculated based on the date of the transactions. The difference between the USD carrying amount and the closing ZWL value amount was accounted for as a revaluation gain on the net monetary position and is included in the profit or loss and separately disclosed.
- ***Investment in subsidiaries***
  Investment in subsidiaries represents 100% local investments the balance of which has been restated from the prior year using the conversion factor applicable as at 11 July 2021.
- ***Deferred tax liability***
  The closing balance was calculated based on the inflation adjusted balances of applicable assets and liabilities and the historic tax bases. However monetary items would not be inflation adjusted therefore the deferred tax balance for monetary items should be the same for inflation adjusted and historic amounts.
- ***Inventory***
  Inventories were inflation adjusted using the applicable adjustment factors. Inventories were aged to approximate date of acquisition.
- ***Trade receivables***
  The amounts are a monetary asset and hence were not inflation adjusted as at 10 July 2022. Comparatives were restated at the adjustment factor as at 11 July 2021.
- ***Prepayments***
  The amounts are a non monetary asset and the balance was inflation adjusted using the applicable adjustment factor on the date of payment. The resulting differences were accounted for as part of monetary gain in profit or loss.
- ***Cash and bank***
  The amounts are a monetary asset and hence were not inflation adjusted as at 10 July 2022. Comparatives were restated at the adjustment factor as at 11 July 2021.
- ***Trade payables***
  The amounts are a monetary liability and hence were not inflation adjusted as at 10 July 2022. Comparatives were restated at the adjustment factor as at 11 July 2021.
- ***Provisions***
  Non-monetary provisions were inflation adjusted using the applicable monthly adjustment factors. The resulting differences were accounted for as part of the net – monetary gain in profit or loss. Monetary provisions were not inflation adjusted as at 10 July 2022. The prior year non-monetary and monetary provisions were accounted for using the applicable monthly adjustment factor.

- ***Loans and Borrowings***
  The amounts constitute a monetary liability and thus were not inflation adjusted as at 10 July 2022. Comparatives were restated at the adjustment factor as at 11 July 2021.
- ***Other reserves***
  The opening balance was restated using the adjustment factor as at 10 July 2022. Movements from that date were recalculated using the adjustment factor at the date of the related movement. The opening balance was eliminated against retained earnings.
- ***Issued Capital***
  The opening balance was restated using the adjustment factor as at 10 July 2022. Movements from that date were recalculated using the adjustment factor at the date of the related movement.
- ***Statement of Cash flow***
  The amounts were segregated into the respective months in which the cash flows actually occurred and the applicable monthly factor used to hyper-inflate the amount. Gain or losses on cash flows were included in non-cash items. The Monetary gain or loss should be presented in the statement of cash flow as: presenting the effect of inflation on operating, investing and financing cash flows separately for each of these activities and presenting the net monetary gain or loss as a reconciling item in the cash and cash equivalent reconciliation.
- ***Net monetary gain or loss***
  Gains and losses arising from net monetary position are included in the statement of profit or loss and in the statement of cash flows as non-cash items.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries as at July 10 2022. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it current ability to direct the relevant activities of the investee),
- Exposure, or rights, to variable returns from its involvement with the investee,
- The ability to use its power over the investee to affect its returns, and
  When the Group has less than majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over the investee, including:
  1. The contractual arrangement with the other vote holders of the investee,
  2. Rights arising from other contractual arrangements, and
  3. The Group's voting rights and potential voting rights

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

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

A change in the ownership interest of a subsidiary, without a change of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary,
- Derecognises the carrying amount of any non-controlling interest,
- Derecognises the cumulative translation differences, recorded in equity,
- Recognises the fair value of the consideration received,
- Recognises the fair value of any investment retained,
- All subsidiaries are 100% owned and are based in Zimbabwe, there were subject to IAS29 Financial Reporting in hyperinflationary Economies. For consolidation purposes, all subsidiaries were re-indexed and consolidated, and
- Reclassifies the parent's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

GROUP STATEMENT OF ACCOUNTING POLICIES
FOR THE PERIOD ENDED JULY 10 2022 (CONTINUED)

The investments in subsidiaries are accounted for at cost in the Company's separate financial statements.

The accounting policies below apply to both Group and company.

3.2 Use of estimates and judgments in the preparation of financial statements

In the preparation of the Group financial statements, management is required to make estimates and assumptions that affect reported income, expenses, assets, liabilities and disclosure of contingent assets and liabilities. Use of available information and the application of judgments are inherent in the formation of estimates. Actual results in the future could differ from these estimates and these differences may be material to the Group financial statements within the next reporting period.

The Group operates in an economy which is experiencing a shortage of foreign currency and consequently has exchange control regulations that impact the timing of payment of foreign payables among other matters. Given the context of the environment, management has assessed if there has been a change in the functional currency used by the company. The assessment included consideration of whether the various modes of settlement may represent different forms of currency. It is observed that whether cash, bond notes, electronic money transfers or point of sale transactions, the unit of measure across all these payment modes is the Zimbabwe dollar (ZWL).

The key assumptions concerning estimation uncertainties at the end of the reporting period are discussed below:

Asset impairment

The Group determines whether assets are impaired at each reporting date. Key assumptions applied to discounted cash flow calculations include the sales growth rate, operating margin, return on investment, working capital requirements and capital expenditure. The growth rate used to extrapolate cash flows beyond the most recent budget period is also estimated. In determining the discount rate applied to calculate the present value of future earnings the Group estimates the risk-free rate, market risk return and beta value. Refer to note 12 for the carrying amounts of property, plant and equipment.

Allowances for obsolete inventory

The allowances for markdown, obsolescence and shrinkage take into account historic information related to sales trends and represent the expected markdown between the estimated net realisable value and the original cost. The net realizable value assigned to this inventory is the net selling price in the ordinary course of business less necessary costs to make the sale. Refer to note 15 for the carrying amount of inventory and the provision for obsolete inventory.

Allowance for credit losses

The Group assesses its allowance for credit losses at each reporting date. Key assumptions applied in this calculation are the estimated debt recovery rates within the Company's receivables' book as well as an estimation or view on current and future market conditions that could affect the debt recovery rates. Refer to note 16 for the carrying amount of trade and other receivables and note 16.1 for more information on the allowances for credit losses. The Group has factored in the effect of the Covid-19 induced lockdown and forecasts of its impact on the economy in general and on Truworths in particular in determining the loss rates which were used in the provision matrices.

Lease liabilities

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. The incremental borrowing rate at the commencements date in prior year was calculated as 65%. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments, or a change in the assessment of an option to purchase the underlying asset.

3.3 Foreign currency translation

The Group's functional currency is the ZWL, which is the currency of the primary economic environment in which it operates normally that is the currency of the environment in which an entity primarily generates and expends cash.
The Group has been operating in an economic environment that operated a multi-currency framework since February 2009.

February 22, 2019 saw the floating of the exchange rate from the previous 1:1 fixed rate to 1:2.5 through Statutory Instrument 33 of 2019, whilst Statutory Instrument 142 of 24 June 2019 saw the abolishment of this multi-currency system in favour of the Zimbabwe dollar represented by Bond notes and RTGS funds.

The Group's results are denominated in Zimbabwe Dollar (ZWL) as a consequence of the implementation of the above mentioned Statutory Instruments.

Transactions in foreign currencies are translated to the functional currency at auction exchange rates prevailing at the date of the transaction. Subsequent to initial measurement monetary assets and liabilities are translated at exchange rates prevailing at the end of the reporting period. Non-monetary items carried at cost are translated using the exchange rate at the date of the initial transaction.

Exchange differences arising on the settlement of monetary items or on translation of monetary items at rates different from those at which they were translated at initial recognition are recognised in profit or loss.

On 23 June 2020, the Reserve Bank of Zimbabwe introduced the foreign exchange auction system, which system determines the exchange rates to be used at any given point in time. The Group has been using these rates since then.

3.3.1 Changes in accounting policies and disclosures

Change in accounting policy on property, plant and equipment

On 13 July 2020, the Group elected to change the method of accounting for the property, plant and equipment and the motor vehicles, as the Group believes that the revaluation model provides more relevant information to the users of its financial statements as it is more aligned to practices adopted by its competitors. In addition, available valuation techniques provide reliable estimates of the property, plant and equipment and motor vehicles at fair value. The Group applied the revaluation model prospectively.

After initial recognition, property, plant and equipment and motor vehicles are measured at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. For details refer to Note 12.

3.4 Property, plant and equipment

Initial recognition and measurement

Each item of property, plant and equipment is initially recognised as an asset if it is probable that future economic benefits associated with the item will flow to the entity, and the cost of the item can be reliably measured. Each item that qualifies for recognition is measured at cost, being the cash equivalent of the purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Such cost excludes costs of day to day servicing which are expensed when incurred.

Items of property, plant and equipment are measured at fair value less accumulated depreciation and impairment losses recognized after the date of the revaluation. Valuations are performed frequently to ensure that the fair value of a revalued asset does not differ materially from its carrying amount. Any revaluation surplus is recognised in other comprehensive income and credited to the revaluation reserve included in the equity section of the statement of financial position, except to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss, in which case the increase is recognised in profit or loss. A revaluation deficit is recognised in profit or loss, except to the extent that it offsets an existing surplus on the same asset recognised in the asset revaluation reserve.

Accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Upon disposal, any revaluation reserve relating to the particular asset being sold is transferred to retained earnings.

Asset measured at cost

Leasehold improvements, computer equipment,furniture and fittings are measured using the cost model

Assets measured at fair value

Motor vehicles and plant and machinery are measured at fair value.

Depreciation

Buildings, plant, equipment, motor vehicles, furniture and fittings and computer equipment are depreciated to their estimated residual values on a straight-line basis over their expected useful lives. The depreciation methods, estimated remaining useful lives and residual values are reviewed at each reporting date, taking into account technological innovations and asset maintenance programmes. A change resulting from the review is treated as a change in accounting estimate and adjusted prospectively. The depreciation expense is recognised in profit or loss in the depreciation and amortisation expense category.

Depreciation commences when an asset is available for its intended use and ceases if the residual value exceeds the carrying amount.

Depreciation ceases at the earlier of the date the asset is classified as held for sale in accordance with IFRS 5 and the date that the asset is derecognised. The following estimated depreciation rates apply:

Leasehold improvements	10%
Plant and machinery	10-20%
Furniture and fittings and equipment	10-20%
Motor vehicles	20%
Computer equipment	20%

De-recognition

An item of property, plant and equipment and any significant part initially recognized is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss when the asset is derecognised. The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year-end, and adjusted prospectively, if appropriate. Where parts of an item of plant and equipment have different useful lives, they are accounted for as separate items of plant and equipment.

Impairment

Impairment of property, plant and equipment is assessed in terms of the accounting policy set out in note 3.7.

3.5 Intangible assets

Intangible assets comprise computer software with a finite useful life.

Initial recognition and measurement

Intangible assets are initially measured and recognized at cost. Purchased software and the direct costs associated with the customization and installation thereof is capitalized. Expenditure on software developed internally is capitalized if it meets the criteria for capitalizing development expenditure.

Subsequent measurement

Computer software is stated at cost less accumulated amortisation and accumulated impairment losses. Expenditure incurred to restore or maintain the originally assessed future economic benefits of existing software is recognised in profit or loss. Expenditure incurred to replace or modify software is capitalized if it is probable that future economic benefits associated therewith will flow to the entity and the cost thereof can be reliably measured.

Amortisation

Computer software is amortised to its estimated residual value on a straight-line basis over its expected useful life of ten years. Amortisation commences when the computer software is available for its intended use and ceases if the residual value exceeds the carrying amount. Amortisation ceases at the earlier of the date the asset is classified as held for sale in accordance with IFRS 5 and the date that the asset is de-recognised. The amortization period, amortization method and residual values are reviewed at each reporting date. A change resulting from a review is treated as a change in accounting estimate and adjusted prospectively. The amortisation expense is recognized in profit or loss in the depreciation and amortisation expense category. The amortisation period is 10 years.

De-recognition

Computer software is de-recognised on disposal or when no future economic benefits are expected from its use or disposal. Gains or losses which arise on de-recognition are included in profit or loss in the period of de-recognition. The gain or loss is calculated as the difference between the net disposal proceeds and the carrying amount of the item at the date of sale.

Impairment

Impairment of computer software is assessed in terms of the accounting policy set out in note 3.7.

3.6 Inventories

Inventories are stated at the lower of cost and estimated net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less necessary costs to make the sale.
Raw materials are valued at purchase cost on a first-in-first-out (FIFO) basis.
Work-in-progress is valued at cost of direct materials and labour and a proportion of manufacturing overheads based on operating capacity but excluding borrowing costs.

Finished goods are valued at the lower of cost and net realizable value. The cost is calculated using the first-in-first-out (FIFO) method.

Adjustments are made for any allowances for markdown, obsolescence and shrinkage, where appropriate.

Write-downs to net realisable value and inventory losses are recognised in profit or loss in the reporting period in which the write-downs occur.

Inventories are physically verified at least twice a year, including at the end of the reporting period through the performance of inventory counts, and variances identified are charged to profit or loss.

3.7 Impairment of non-financial assets

The Group's non-financial assets (property, plant, equipment, computer equipment and computer software) are reviewed at each reporting date to determine whether there is any indication of impairment. Whenever events or changes in circumstances indicate that the carrying amount may not be recoverable, the recoverable amount of the asset is estimated. The recoverable amount is the higher of the asset's fair value less cost of disposal and value in use.

If the recoverable amount of the asset is estimated to be less than the carrying amount, the carrying amount of the asset or cash-generating unit is reduced to the recoverable amount. The impairment is recognised in profit or loss as an expense. Recoverable amounts are estimated for individual assets or, where an individual asset cannot generate cash flows independently, for the larger cash-generating unit to which the asset belongs.

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

After recognition of an impairment loss, the depreciation or amortisation charge for the asset is adjusted in future periods to allocate the asset's revised carrying amount, less its residual value, on a systematic basis over its remaining useful life.

At each reporting date the Group assesses whether previously recognized impairment losses may no longer exist or have decreased. If such indication exists, the recoverable amount is estimated in order to reverse the previously recognized impairment loss.

A previously recognized impairment is only reversed if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment was recognised. An impairment is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined had no impairment been recognized. A reversal of impairment is recognized in profit or loss.

3.8 Financial Instruments

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

3.8.1 Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost.

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

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

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

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in the following category:

- Financial assets at amortised cost (debt instruments)
  This category is the most relevant to the Group. The Group measures financial assets at amortised cost if both of the following conditions are met:
- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows And
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. The Group's financial assets at amortised cost includes trade receivables, cash and cash equivalents and loans to related parties. Further disclosures relating to impairment of financial assets are also provided under Trade receivables, Note 15. The Group's financial assets are assessed for impairment based on the forward-looking ECL approach. The ECL model was recalibrated at 10 July

2022 to take into account the changed economic environment in the country due to hyperinflation and Covid-19 pandemic. The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LTECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss.

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

The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The loan to the subsidiary is used to fund the debtor's book. The Group expects to recover the amounts when the customers settle their dues. The Group is exposed to the extent that the subsidiary's debtors fail to honour their commitments. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

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

- The rights to receive cash flows from the asset have expired

Or

- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either

(a) the Group has transferred substantially all the risks and rewards of the asset, or
(b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

3.8.2 Financial liabilities

Initial recognition and measurement
Financial liabilities are classified at initial recognition.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables and loans and borrowings including bank overdrafts.

Subsequent measurement
The measurement of financial liabilities depends on their classification as follows:

Loans and borrowings
After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate method (EIR) amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

The EIR amortisation is included as finance costs in the statement of profit or loss and other comprehensive income.

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

3.8.3 Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in most advantageous market for the asset or liability. The principal or most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non financial asset takes into account a market participants ability to generate economic benefits by using the asset in its highest and best use or selling it to another market participant that would use the asset in its highest and best use.

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

- Level 1- Quoted (unadjusted) market prices in active markets for identical assets and liabilities

- Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

- Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

3.9 Treasury shares

The Group's own equity instruments which are re-acquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognized in the profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount and the consideration if reissued is recognised in share premium.

Shares in the Group held by Group subsidiaries are classified as treasury shares. The cost price of these shares, together with related transaction costs, is deducted from equity.

3.10 Employee benefits

Short-term employee benefits

Remuneration such as bonuses, salaries, employee entitlements to leave pay, medical aid and other contributions to employees is recognised in profit or loss as the services are rendered, except for non-accumulating benefits which are only recognised when the specified event occurs. Provision is made for accumulated and incentive bonuses.

Truworths Pension Fund

The Group operates a defined contribution pension plan which requires contributions to be made to a separately administered fund. Group contributions in respect of the defined contribution plan are recognised as an expense in the year to which they relate.

National Employment Council for the Clothing Industry Pension Fund

The Group participates in the industry-wide defined contribution pension fund. Contributions to this plan are charged against profit or loss as incurred.

National Social Security Authority

The Group participates in this state administered pension plan. Contributions to this plan are made in terms of statutory regulations and are charged to profit or loss as incurred.

3.11 Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognised directly in equity or other comprehensive income is recognised in equity or other comprehensive income and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Tax

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

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

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

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

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

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

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

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred tax assets arising from assessed losses expires after 6 years.

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

Value Added Tax (VAT)

Revenues, expenses and assets are recognised net of the amount of VAT, except:

- When the VAT incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the VAT is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- Receivables and payables that are stated with the amount of VAT included.

The net amount of VAT recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

3.12 IFRS 16 Leases

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

Group as a lessee

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

i) Right of use asset

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

ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments, or a change in the assessment of an option to purchase the underlying asset.

The Group's lease liabilities are shown in note 21.

iii) Short-term leases

The Group applies the short-term lease recognition exemption to its lease of retail space (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option) and are recognised as an expense on a straight-line basis over the lease term. It also applies the short-term lease recognition on lease of motor vehicle (with less than 12 months lease term, where ownership of the asset is passed onto the buyer) and are recognised as an expense on a straight-line basis over the lease term.

The Group's short term lease liabilities relating to the lease of motor vehicle are included in Interest-bearing loans and borrowings (see Note 18).

3.13 Provision for leave pay

Leave pay for employees is provided on the basis of leave days accumulated at an expected rate of payment. The timings of the cash out-flows are by their nature uncertain.

3.14 Revenue

Revenue from contracts with customers (within the scope of IFRS 15)

Accounting policy

The Group adopted IFRS 15 which applies to the Annual Financial Statements for the period beginning on or after 1 January 2018. The objective of IFRS 15 –Revenue from Contracts with Customers, is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer.

The Group uses a 5-step model for revenue recognition from contracts with customers;

1 Identify the performance obligations in the contract;
2 Identification of separate performance obligations in the contract;
3 Determine the transaction price;
4 Allocate the transaction price to the performance obligations; and
5 Recognise revenue when (or as) the entity satisfies a performance obligation.

Revenue from contracts with customers is recognised when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

Sale of merchandise

Revenue from sale of goods (fashion apparel and related merchandise) is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. The normal credit term is 180 days after delivery.

The Group considers whether there are other undertakings in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods, the Group considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

GROUP STATEMENT OF ACCOUNTING POLICIES
FOR THE PERIOD ENDED JULY 10 2022 (CONTINUED)

In the application of IFRS 15, the Group considers the following:
(i) Variable consideration
If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. The rights of return gives rise to variable consideration.

Rights of return
When a contract with a customer provides a right to return the good within the specified period, the Group should account for the right of return using a probability-weighted average amount of return approach. Similar to the expected value method under IFRS 15. Our current returns policy is seven days after date of purchase.

Revenue comprises all sales of goods at the fair value of consideration received or receivable after the deduction of any trade discounts and excluding Value Added Tax (VAT).

Management fees
Management fees accrue in accordance with the terms of the relevant agreement and are usually recognised on that basis unless, having regard to the substance of the agreement it is more appropriate to recognise revenue on some other systematic and rational basis. Management fees are charged to other subsidiaries by Truworths (Company) for shared services.

Service Fees
The Group shares with the financial institution revenue collected on service fees charged on customers. The Group expects the revenue recognition to occur on receipt of payments from debtors.

Other revenue streams which are not within the scope of IFRS 15
Interest
For all financial instruments measured at amortised cost and interest bearing financial assets, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in finance income in profit or loss.

Commissions
The Group receives commissions for services rendered with respect to customers transactions on life insurance policies sold on behalf of a life insurance company. The Group expects the revenue recognition to occur when the customer signs the insurance contract.

3.15 Cost of sales
Cost of sales includes all costs of purchase, costs of conversion, and other costs incurred in bringing inventories to their present location and condition. Costs of purchase comprise the purchase price, royalties paid, import duties and other taxes and transport costs. Inventory write-downs are included in cost of sales when recognised. Trade discounts, settlement discounts and other similar items are deducted in determining the costs of purchase.

Cost of sales is recognised as an expense when the risks and rewards of ownership related to the sale of merchandise pass to the customer or franchisee. Settlement discount granted by a supplier for early payment is a reduction in the inventory cost.

3.16 Retail trading profit
Retail trading profit consists of the surplus of income over expenditure from retail operations only.

3.17 Manufacturing profit
Manufacturing profit consists of income from manufacturing operations, less expenditures relating to manufacturing.

3.18 Trading profit
Trading profit is the total profit from both retail and manufacturing operations.

3.19 Events after the end of the reporting period
There have been no events to be reported post reporting period according to International Accounting Standard (IAS 10) - 'Events After the Reporting Period'. The Group continues to rationalise operations though maintaining profitable sites, as such 4 stores were closed after the reporting period and this had no impact on the financial statements being presented.

GROUP STATEMENT OF ACCOUNTING POLICIES
FOR THE PERIOD ENDED JULY 10 2022 (CONTINUED)

3.20 New standards, interpretations and amendments

3.20.1 New standards adopted as at 10 July 2022

Standard/interpretation	Effective date	Executive summary
Amendments to IFRS 3: Business Combination	1 January 2022	The amendment to IFRS 3 Business Combinations clarifies that to be considered a business, Adds a new exception to the recognition principle in order to make sure that the accounting remains unchanged.
Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16	1 January 2022	In May 2020, the IASB issued Property, Plant and Equipment — Proceeds before Intended Use, which prohibits entities deducting from the cost of an item of property, plant and equipment, any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the costs of producing those items, in profit or loss. The amendment is effective for annual reporting periods beginning on or after 1 January 2022 and must be applied retrospectively to items of property, plant and equipment made available for use on or after the beginning of the earliest period presented when the entity first applies the amendment. The amendments are not expected to have a material impact on the Group.
IAS 37 'Provisions, Contingent Liabilities and Contingent Assets	1 January 2022	Specifies which costs an entity includes when assessing whether a contract will be loss making.

There are no other new standards, interpretations and/or amendments that are issued but not yet effective that are expected to have a material impact on the group.

3.20.2 Standards, amendments and interpretations to existing standards that are not yet effective and have been adopted early by the Group

Standard/interpretation	Effective date	Executive summary
IFRS 3 Business Combinations - References to the Conceptual Framework	01-Jan-22	Adds a new exception to the recognition principle in order to make sure that the accounting remains unchanged.
IAS 16 'Property, Plant and Equipment' - Proceeds before Intended Use	01-Jan-22	Prohibits an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the entity is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss.
IAS 37 Provisions, Contingent Liabilities and Contingent Assets - Onerous Contracts – Cost of Fulfilling a Contract	01-Jan-22	Specifies which costs an entity includes when assessing whether a contract will be loss-making.
IFRS 1 First time Adoption of International Financial Reporting Standards - Subsidiary as a First-time Adopter	01-Jan-22	Simplifies the application of IFRS 1 by a subsidiary that becomes a first time adopter after its parent in relation to the measurement of cumulative translation differences.
IFRS 9 'Financial Instruments' - Fees in the '10 per cent' Test for Derecognition of Financial Liabilities	01-Jan-22	Clarifies the fees an entity should include when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability.
Illustrative Examples Accompanying IFRS 16 'Leases' - Lease Incentives	01-Jan-22	Removes potential for confusion regarding lease incentives.

NOTES TO THE CONSOLIDATED AND COMPANY FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JULY 10 2022

	INFLATION ADJUSTED		HISTORICAL COST		INFLATION ADJUSTED		HISTORICAL COST	
	GROUP 2022 ZWL	GROUP 2021 ZWL	GROUP 2022 ZWL	GROUP 2021 ZWL	COMPANY 2022 ZWL	COMPANY 2021 ZWL	COMPANY 2022 ZWL	COMPANY 2021 ZWL
4. REVENUE								
Revenue	**957 764 123**	**725 851 217**	**483 259 209**	**208 846 707**	**349 525 570**	**257 541 554**	**181 633 108**	**74 894 779**
- Retail merchandise sales	941 028 294	714 044 484	474 260 670	205 591 449	349 525 570	257 541 554	181 633 108	74 894 779
- Factory sales to third parties	16 735 829	11 806 733	8 998 539	3 255 258	-	-	-	-
Finance income:	**162 141 777**	**107 240 769**	**89 001 380**	**32 349 595**	**43 233 843**	**32 407 443**	**25 686 723**	**9 692 880**
- Accounts receivable	162 092 330	107 143 325	85 581 922	32 317 240	43 218 018	32 340 019	25 671 559	9 669 805
- Other	49 447	97 444	3 419 458	32 355	15 825	67 424	15 164	23 075
Other income								
Service fee	2 810 733	3 101 543	1 377 784	884 894	2 810 734	3 101 543	1 377 785	884 894
Commissions	141 346	349 007	59 280	101 990	141 346	246 128	59 280	73 815
Management fees from subsidiaries	-	-	-	-	5 536 944	9 236 228	2 672 425	2 624 426
Total revenue	**1 122 857 979**	**836 542 536**	**573 697 653**	**242 183 186**	**401 248 437**	**303 532 896**	**211 429 321**	**88 170 794**
Revenue from contract with customers comprises of:								
Retail merchandise sales	941 028 294	714 044 483	474 260 670	205 591 449	349 525 570	257 541 554	181 633 108	74 894 779
Service fee	2 810 733	3 101 543	1 377 785	884 894	2 810 733	3 101 543	1 377 785	884 894
Commissions	141 346	349 007	59 280	101 990	141 346	246 128	59 280	73 815
Management fees from subsidiaries	-	-	-	-	5 536 944	9 236 228	2 672 425	2 624 426
	943 980 373	**717 495 033**	**475 697 735**	**206 578 334**	**358 014 593**	**270 125 453**	**185 742 598**	**78 477 914**
4.1 Other operating income	**(17 119 292)**	**7 603 626**	**335 204**	**2 314 791**	**8 892 814**	**5 782 864**	**7 404 190**	**1 701 242**
Profit on disposal of property, plant and equipment	1 370 427	2 753 121	369 341	870 673	1 371 139	2 753 122	369 341	870 673
Unrealised foreign exchange differences	(13 294 637)	4 206 601	(3 169 994)	1 260 320	8 791 200	2 918 770	5 035 706	802 095
Insurance recoveries	609 436	-	548 727	-	609 436	-	548 727	-
Other income	(5 804 518)	643 904	2 587 130	183 798	(1 878 961)	110 972	1 450 416	28 474
5. TRADING EXPENSES								
Trading profit / (loss) is stated after taking account of the following items:								
5.1 Depreciation and amortisation								
- Depreciation retail charge*	5 112 683	15 215 080	2 510 199	1 535 641	4 785 100	11 057 441	2 018 662	1 116 946
- Amortisation retail charge	31 793	719 939	14 853	15 413	28 667	674 482	13 836	14 396
	5 144 476	**15 935 019**	**2 525 052**	**1 551 054**	**4 813 767**	**11 731 923**	**2 032 498**	**1 131 342**

*The retail depreciation charge includes depreciation of the Right of Use Asset.

NOTES TO THE CONSOLIDATED AND COMPANY FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JULY 10 2022 (CONTINUED)

	INFLATION ADJUSTED		HISTORICAL COST		INFLATION ADJUSTED		HISTORICAL COST	
	GROUP 2022 ZWL	GROUP 2021 ZWL	GROUP 2022 ZWL	GROUP 2021 ZWL	COMPANY 2022 ZWL	COMPANY 2021 ZWL	COMPANY 2022 ZWL	COMPANY 2021 ZWL
5.2 Employment costs								
Retail chains employed 271 (2021: 281) full-time equivalent employees during the period. The aggregate remuneration and associated costs for the period relating to the employment of permanent and flexi-time employees, including executive directors, were:								
- Salaries, bonuses, wages and other benefits	294 544 238	205 560 550	145 205 576	59 876 895	134 562 015	64 498 080	76 272 637	19 084 043
- Contributions to defined contribution plans (refer to note 28.1 and note 28.3)	16 950 760	9 715 571	10 089 158	2 945 236	11 609 026	6 048 043	5 806 753	1 832 097
- Medical aid contributions	29 942 113	24 144 573	17 379 134	7 010 362	27 332 188	20 113 175	15 306 687	5 833 615
Total	**341 437 111**	**239 420 694**	**172 673 868**	**69 832 493**	**173 503 229**	**90 659 298**	**97 386 077**	**26 749 755**
5.3 Occupancy costs								
Land and buildings								
- short-term lease payments	92 567 667	125 671 266	84 874 059	36 149 737	65 341 533	51 531 859	35 665 355	14 750 577
Other occupancy costs*	97 411 064	77 588 638	61 135 081	23 064 556	46 066 319	25 861 669	25 396 605	7 707 501
Total	**189 978 731**	**203 259 904**	**146 009 140**	**59 214 293**	**111 407 852**	**77 393 528**	**61 061 960**	**22 458 078**
*Other occupancy costs are electricity, rates, water, shop licences, fuel for generators, store maintenance and lease management related expenses.								
5.4 Trade receivable costs								
Expected credit losses	525 880	2 081 421	450 000	(22 032)	263 869	(5 519)	135 000	(57 799)
Collection and other receivable costs	7 754 653	416 583	1 508 697	604 669	525 880	416 585	269 321	119 737
Total	**8 280 533**	**2 498 004**	**1 958 697**	**582 637**	**789 749**	**411 066**	**404 321**	**61 938**
5.5 Other operating costs								
- Advertising and marketing	23 619 216	17 338 626	12 236 565	5 183 478	17 065 305	9 385 852	9 901 620	2 782 861
- Audit fees	20 503 680	12 744 428	14 246 937	3 880 250	20 348 168	6 141 893	11 875 020	1 870 000
- Management, technical, consulting and secretarial fees	33 840 469	94 834 277	37 503 463	31 263 686	5 785 955	5 184 369	3 394 722	1 534 044
- Transport and travel costs	68 933 394	33 767 840	39 507 936	9 956 345	57 031 383	24 782 556	33 472 826	7 314 214
- Other operating costs*	181 776 858	56 627 984	55 738 881	12 965 170	51 430 885	13 682 695	32 869 619	3 960 047
Total	**328 673 617**	**215 313 155**	**159 233 782**	**63 248 929**	**151 661 696**	**59 177 365**	**91 513 807**	**17 461 166**

*Other operating costs mainly comprise telephone, printing, stationery and insurance expenses

NOTES TO THE CONSOLIDATED AND COMPANY FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JULY 10 2022 (CONTINUED)

	INFLATION ADJUSTED		HISTORICAL COST		INFLATION ADJUSTED		HISTORICAL COST	
	GROUP 2022 ZWL	GROUP 2021 ZWL	GROUP 2022 ZWL	GROUP 2021 ZWL	COMPANY 2022 ZWL	COMPANY 2021 ZWL	COMPANY 2022 ZWL	COMPANY 2021 ZWL
6. MANUFACTURING PROFIT								
Gross profit	55 743 341	46 790 142	36 080 895	13 244 486	-	-	-	-
Manufacturing profit / (loss) is stated after taking account of the following items:	(52 061 197)	(48 636 920)	(22 412 690)	(13 631 500)	-	-	-	-
- depreciation	(402 041)	(1 333 773)	(162 284)	(27 805)	-	-	-	-
- employment costs - short-term benefits	(49 039 671)	(34 885 879)	(27 580 893)	(10 197 769)	-	-	-	-
- administration costs	17 002 240	(7 187 915)	(14 277 483)	(1 632 719)	-	-	-	-
- foreign exchange differences	(19 621 725)	(5 229 353)	19 607 970	(1 773 207)	-	-	-	-
Manufacturing profit / (loss)	**3 682 144**	**(1 846 778)**	**13 668 205**	**(387 014)**	**-**	**-**	**-**	**-**
7. NET FINANCE INCOME								
Interest received								
- accounts receivable	162 092 330	107 143 326	85 581 922	32 317 240	43 218 018	32 234 720	25 671 559	9 669 805
- other	49 447	97 443	3 419 458	32 355	15 825	67 424	15 164	23 075
7.1 Finance income	**162 141 777**	**107 240 769**	**89 001 380**	**32 349 595**	**43 233 843**	**32 302 144**	**25 686 723**	**9 692 880**
7.2 Finance costs	**(46 300 467)**	**(31 866 657)**	**(29 475 283)**	**(9 459 658)**	**(42 321 581)**	**(28 144 025)**	**(22 864 941)**	**(8 309 212)**
- Interest paid on borrowings	(43 359 533)	(30 770 323)	(28 055 831)	(9 148 141)	(39 380 647)	(27 047 693)	(21 445 489)	(7 997 695)
- Interest on lease liability	(2 940 934)	(1 096 334)	(1 419 452)	(311 517)	(2 940 934)	(1 096 332)	(1 419 452)	(311 517)
Net finance income	**115 841 310**	**75 374 112**	**59 526 097**	**22 889 937**	**912 262**	**4 158 119**	**2 821 782**	**1 383 668**
8. TAX								
8.1 Taxation credit / (expense)								
Income tax:								
Current - Standard	(1 333 307)	-	(1 333 307)	-	-	-	-	-
- AIDS levy	(40 000)	-	(40 000)	-	-	-	-	-
- Withholding tax	(157)	(322)	(57)	(96)	(24)	(41)	(10)	(12)
Current tax	(1 373 464)	(322)	(1 373 364)	(96)	(24)	(41)	(10)	(12)
Deferred tax (charge) /credit	(10 735 577)	42 481 602	6 940 358	558 561	(22 003 561)	14 325 183	24 685 562	59 542
	(12 109 040)	**42 481 280**	**5 566 994**	**558 465**	**(22 003 585)**	**14 325 142**	**24 685 552**	**59 530**

Deferred income tax assets are recognised for the carry forward of unused tax losses to the extent that it is probable that taxable profits will be available against which the unused tax losses can be utilised.

NOTES TO THE CONSOLIDATED AND COMPANY FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JULY 10 2022 (CONTINUED)

	INFLATION ADJUSTED		HISTORICAL COST		INFLATION ADJUSTED		HISTORICAL COST	
	GROUP 2022 ZWL	GROUP 2021 ZWL	GROUP 2022 ZWL	GROUP 2021 ZWL	COMPANY 2022 ZWL	COMPANY 2021 ZWL	COMPANY 2022 ZWL	COMPANY 2021 ZWL
8.2 Reconciliation of tax credit / (expense):								
Loss before tax for the period:	(25 027 737)	(174 758 379)	(47 597 731)	(4 750 009)	(60 940 000)	(65 045 360)	(115 068 269)	(870 213)
Tax calculated at 24.72%								
(inclusive of AIDS levy)	(6 186 857)	(43 200 272)	(11 766 158)	(1 174 202)	(15 064 368)	(16 079 213)	(28 444 876)	(215 117)
Effect of interest income taxed at other rates	(28)	(82)	(23)	(23)	(3)	(9)	(3)	(3)
Effect of rebasing of Income Tax Value (ITV)	-	(2 627 984)	-	(901 346)	-	(1 310 810)	-	(449 581)
IAS 29 Effects	(23 255 332)	80 629 754	-	-	(10 596 324)	29 603 586	-	-
Effect of expenses which are								
not tax deductible	17 333 176	7 679 864	17 333 176	2 634 036	3 657 110	2 111 586	3 759 327	724 231
	(12 109 040)	**42 481 280**	**5 566 994**	**558 465**	**(22 003 585)**	**14 325 142**	**(24 685 552)**	**59 530**
9. LOSS FOR THE PERIOD								
Holding company	(82 943 585)	(50 720 219)	(90 382 717)	(810 683)	(82 943 585)	(50 720 218)	(90 382 717)	(810 683)
Subsidiary companies:-								
- Topic Stores (Private) Limited								
(incorporating Number 1 Stores)	(99 603 753)	(50 836 741)	38 903 869	(2 942 763)	-	-	-	-
- Bravette Manufacturing								
Company (Private) Limited	112 720 391	(30 720 139)	9 448 111	(438 098)	-	-	-	-
	(69 826 947)	**(132 277 099)**	**(42 030 737)**	**(4 191 544)**	**(82 943 585)**	**(50 720 218)**	**(90 382 717)**	**(810 683)**

10. (LOSS) / EARNINGS PER SHARE

Basic (loss) / earnings per share is calculated by dividing net profit for the period attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the period. No adjustments have been made in calculating diluted earnings per share as there are no material dilutive instruments.

	INFLATION ADJUSTED		HISTORICAL COST		INFLATION ADJUSTED		HISTORICAL COST	
	GROUP 2022 ZWL	GROUP 2021 ZWL	GROUP 2022 ZWL	GROUP 2021 ZWL	COMPANY 2022 ZWL	COMPANY 2021 ZWL	COMPANY 2022 ZWL	COMPANY 2021 ZWL
Headline loss was determined as follows:								
Loss for the period, fully								
attributable to owners of the parent	(37 136 777)	(132 277 099)	(42 030 737)	(4 191 544)				
Adjusted for:								
Loss on disposal of property, plant								
and equipment (note 4.1 and note 6)	(1 370 427)	(2 753 120)	(369 341)	(870 673)				
Headline (loss) / earnings	**(38 507 204)**	**(135 030 219)**	**(42 400 078)**	**(5 062 217)**				
Weighted average number of ordinary								
shares in issue (note 18.2)	380 901 152	380 901 152	380 901 152	380 901 152				
Basic and diluted (loss) / earnings								
per share (cents)	(9.75)	(34.73)	(11.03)	(1.10)				
Diluted earnings per share (cents)	(9.75)	(34.73)	(11.03)	(1.10)				
Basin and diluted headline (loss) / earnings								
per share (cents)	(10.11)	(35.45)	(11.13)	(1.33)				

There have been no other transactions involving ordinary shares between reporting date and date of completion of these financial statements.

NOTES TO THE CONSOLIDATED AND COMPANY FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JULY 10 2022 (CONTINUED)

	INFLATION ADJUSTED		HISTORICAL COST		INFLATION ADJUSTED		HISTORICAL COST	
	GROUP 2022 ZWL	GROUP 2021 ZWL	GROUP 2022 ZWL	GROUP 2021 ZWL	COMPANY 2022 ZWL	COMPANY 2021 ZWL	COMPANY 2022 ZWL	COMPANY 2021 ZWL
11. INVESTMENT IN SUBSIDIARIES								
Investments in subsidiaries are accounted for at cost in the separate books of the holding company.								
Topic Stores (Private) Limited (incorporating Number 1 Stores) (100% wholly-owned)								
16,000 Ordinary shares of ZWL0.50 each	-	-	-	-	194 393	403 564	8 000	8 000
Bravette Manufacturing Company (Private) Limited (100% wholly-owned)								
2 Ordinary shares of ZWL2.00 each	-	-	-	-	198	198	4	4
Major Merchandising (Private) Limited (Dormant) (100% wholly-owned)								
2 Ordinary shares of ZWL2.00 each	-	-	-	-	198	198	4	4
Effective Debt Collection Company (Private) Limited (Dormant) (100% wholly-owned)								
2 Ordinary shares of ZWL1.00 each	-	-	-	-	102	102	2	2
Top Centre (Private) Limited (Dormant) (100% wholly owned)								
2 Ordinary shares of ZWL1.00 each	-	-	-	-	102	102	2	2
Truworths Management Services (Private) Limited (Dormant) (100% wholly owned)								
2 Ordinary shares of ZWL1.00 each	-	-	-	-	102	102	2	2
Number 1 Stores (1987) (Private) Limited (Dormant) (100% wholly owned)								
2 Ordinary shares of ZWL2.00 each	-	-	-	-	198	198	4	4
	-	**-**	**-**	**-**	**195 293**	**404 464**	**8 018**	**8 018**

NOTES TO THE CONSOLIDATED AND COMPANY FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JULY 10 2022 (CONTINUED)

12. PROPERTY, PLANT AND EQUIPMENT

	Inflation adjusted				
Group	**Lease improvements ZWL**	**Motor vehicles ZWL**	**Furniture & fittings and equipment ZWL**	**Plant and machinery ZWL**	**Total ZWL**
Gross carrying amount at 12 July 2020	**77 693 671**	**41 902 302**	**141 444 545**	**102 303 521**	**363 344 039**
Cost / revalued amount	225 856 739	141 303 551	436 611 744	140 669 665	944 441 699
Accumulated depreciation	(148 163 068)	(99 401 249)	(295 167 199)	(38 366 144)	(581 097 660)
Additions	4 029 722	-	3 276 088	-	7 305 810
Disposals	-	(717 553)	(100 677)	-	(818 230)
Accumulated depreciation on disposals	-	498 030	20 132	-	518 162
Impairment charge	-	(9 897 690)	-	(35 937 293)	(45 834 983)
Depreciation charge for the year	(6 328 427)	-	(3 372 405)	(552 622)	(10 253 454)
Carrying amount at 11 July 2021	**75 394 966**	**31 785 089**	**141 267 683**	**65 813 606**	**314 261 344**
Gross carrying amount at 11 July 2021	**75 394 966**	**31 785 089**	**141 267 683**	**65 813 606**	**314 261 344**
Cost / revalued amount	229 886 461	140 585 998	439 787 155	140 669 665	950 929 279
Accumulated depreciation	(154 491 495)	(108 800 909)	(298 519 472)	(74 856 059)	(636 667 935)
Additions	1 640 019	-	1 011 092	-	2 651 111
Disposals	-	(1 169 234)	(10 931)	-	(1 180 165)
Accumulated depreciation on disposals	-	160 571	3 126	-	163 697
Transfers	-	9 007 719	1 561 177	-	10 568 896
Revaluation	-	6 215 366	-	40 362 313	46 577 679
Depreciation charge for the year	(624 398)	(1 365 823)	(1 681 192)	(188 901)	(3 860 314)
Impairment charge	-	-	(11 719)	-	(11 719)
Carrying amount at 10 July 2022	**76 410 587**	**44 633 688**	**142 139 236**	**105 987 018**	**369 170 529**

NOTES TO THE CONSOLIDATED AND COMPANY FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JULY 10 2022 (CONTINUED)

12. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Historical cost				
Group	**Lease improvements ZWL**	**Motor vehicles ZWL**	**Furniture & fittings and equipment ZWL**	**Plant and machinery ZWL**	**Total ZWL**
Gross carrying amount at 12 July 2020	**1 578 814**	**830 667**	**3 365 817**	**2 029 650**	**7 804 948**
Cost / revalued amount	4 504 178	2 587 534	9 215 405	2 788 623	19 095 740
Accumulated depreciation	(2 925 364)	(1 756 867)	(5 849 588)	(758 973)	(11 290 792)
Additions	1 324 987	-	1 040 595	-	2 365 582
Disposals	-	(227 879)	(31 972)	-	(259 851)
Accumulated depreciation on disposals	-	158 161	6 394	-	164 555
Revaluation	-	10 140 683	-	20 555 637	30 696 320
					-
Depreciation charge for the year	(263 955)	-	(425 772)	(12 567)	(702 294)
Carrying amount at 11 July 2021	**2 639 846**	**10 901 632**	**3 955 062**	**22 572 720**	**40 069 260**
Gross carrying amount at 11 July 2021	**2 639 846**	**10 901 632**	**3 955 062**	**22 572 720**	**40 069 260**
Cost / revalued amount	5 829 165	12 728 217	10 224 028	23 344 260	52 125 670
Accumulated depreciation	(3 189 319)	(1 826 585)	(6 268 966)	(771 540)	(12 056 410)
Additions	722 972	-	545 715	-	1 268 687
Disposals	-	(564 335)	(5 276)	-	(569 611)
Accumulated depreciation on disposals	-	77 500	1 509	-	79 009
Transfers	-	4 114 665	1 561 177	-	5 675 842
Revaluation	-	30 763 445	-	83 505 472	114 268 917
Depreciation charge for the year	(301 368)	(659 219)	(822 746)	(91 174)	(1 863 194)
Impairment charge	-	-	(5 656)	-	(5 656)
Carrying amount at 10 July 2022	**3 061 450**	**44 633 688**	**5 241 097**	**105 987 018**	**158 923 254**

NOTES TO THE CONSOLIDATED AND COMPANY FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JULY 10 2022 (CONTINUED)

12. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Inflation adjusted			
Company	**Lease improvements ZWL**	**Motor vehicles ZWL**	**Furniture & fittings and equipment ZWL**	**Total ZWL**
Gross carrying amount at 12 July 2020	**20 729 913**	**41 902 302**	**54 093 501**	**116 725 716**
Cost / revalued amount	57 738 273	141 303 551	210 057 269	409 099 093
Accumulated depreciation	(37 008 360)	(99 401 249)	(155 963 768)	(292 373 377)
Additions	-	-	2 852 529	2 852 529
Transfers	-	-	37 824	37 824
Disposals	-	(717 553)	(100 677)	(818 230)
Accumulated depreciation on disposals	-	498 030	20 132	518 162
Impairment charge	-	(9 897 690)	-	(9 897 690)
Depreciation charge for the year	(2 374 037)	-	(1 918 444)	(4 292 481)
Carrying amount at 11 July 2021	**18 355 876**	**31 785 089**	**54 984 865**	**105 125 830**
Gross carrying amount at 11 July 2021	**18 355 876**	**31 785 089**	**54 984 865**	**105 125 830**
Cost / revalued amount	57 738 273	140 585 998	213 129 853	411 454 124
Accumulated depreciation and impairment	(39 382 397)	(108 800 909)	(158 144 988)	(306 328 294)
Additions	-	-	365 038	365 038
Disposals	-	(1 169 234)	(10 931)	(1 180 165)
Accumulated depreciation on disposals	-	160 571	3 126	163 697
Transfers	-	9 007 719	1 608 989	10 616 708
Revaluation	-	6 215 366	-	6 215 366
Depreciation charge for the year	-	(1 365 823)	(612 023)	(1 977 846)
Impairment charge	-	-	(6 524)	(6 524)
Carrying amount at 10 July 2022	**18 355 876**	**44 633 688**	**56 332 540**	**119 322 104**

NOTES TO THE CONSOLIDATED AND COMPANY FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JULY 10 2022 (CONTINUED)

12. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Historical cost			
Company	**Lease improvements ZWL**	**Motor vehicles ZWL**	**Furniture & fittings and equipment ZWL**	**Total ZWL**
Gross carrying amount at 12 July 2020	**408 597**	**830 667**	**1 367 281**	**2 606 545**
Cost / revalued amount	1 144 598	2 587 534	4 455 198	8 817 330
Accumulated depreciation	(736 001)	(1 756 867)	(3 087 917)	(5 580 785)
Additions	-	-	901 328	901 328
Transfers	-	-	12 973	12 973
Disposals	-	(227 879)	(31 972)	(259 851)
Accumulated depreciation on disposals	-	158 161	6 394	164 555
Revaluation	-	10 140 683	-	10 140 683
Depreciation charge for the year	(34 978)	-	(287 016)	(321 994)
Carrying amount at 11 July 2021	**373 619**	**10 901 632**	**1 968 988**	**13 244 239**
Gross carrying amount at 11 July 2021	**373 619**	**10 901 632**	**1 968 988**	**13 244 239**
Cost / revalued amount	1 144 598	12 728 217	5 340 698	19 213 513
Accumulated depreciation	(770 979)	(1 826 585)	(3 371 710)	(5 969 274)
Additions	-	-	111 977	111 977
Disposals	-	(564 335)	(5 276)	(569 611)
Accumulated depreciation on disposals	-	77 500	1 509	79 009
Transfers	-	4 114 665	1 151 325	5 265 990
Revaluation	-	30 763 445	-	30 763 445
Depreciation charge for the year	-	(659 219)	(526 085)	(1 185 304)
Impairment charge	-	-	(5 313)	(5 313)
Carrying amount at 10 July 2022	**373 619**	**44 633 688**	**2 697 125**	**47 704 432**

12.1 Property, plant and equipment carried at fair value

The fair value of property, plant and equipment was determined by a Directors' valuation.

Plant & machinery and motor vehicles

An independent professional valuation for the Group's plant, machinery and motor vehicles was performed on 10 July 2021 to determine the fair value. The valuation was done on a depreciated replacement cost basis.

Description of valuation techniques used and key inputs for plant, machinery and motor vehicles:-

Significant unobservable inputs	Valuation technique	Replacement cost	Remaining useful life	Sensitivity of the input to fair value
Plant and machinery	Depreciated replacement value	ZWL12 550 to ZWL15.120 million	1 to 7 years	30% increase / (decrease) in the auction rate would result in an increase / (decrease) in fair value by ZWL31 million
Motor vehicles	Depreciated replacement value	ZWL68 320 to ZWL4.270 million	1 to 2 years	30% increase / (decrease) in the auction rate would result in an increase / (decrease) in fair value by ZWL12.5 million

12.2 Fair value hierarchy

	Group		**Company**	
	Fair value measurement using significant unobservable inputs		**Fair value measurement using significant unobservable inputs**	
	(Level 3) 2022	**(Level 3) 2021**	**(Level 3) 2022**	**(Level 3) 2021**
Assets measured at fair value				
Plant and machinery	44 633 688	22 572 720	-	-
Motor vehicles	105 987 018	10 901 632	44 633 688	10 901 632
	150 620 706	**33 474 352**	**44 633 688**	**10 901 632**
Disclosure of property, plant and equipment carried at fair value has been provided in note 12 above.				
Reconciliation of fair value				
Balance at the beginning of the period	33 474 352	-	10 901 632	-
Initial recognition of fair value instrument (Level 3)*	117 146 354	33 474 352	33 732 056	10 901 632
Balance at the end of the period	**150 620 706**	**33 474 352**	**44 633 688**	**10 901 632**

*Initial recognition was performed at year end, hence the movements in and out of the account are not reflected in the above reconciliation. The revaluations and impairments of these items of property, plant and equipment are disclosed in note 12.

NOTES TO THE CONSOLIDATED AND COMPANY FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JULY 10 2022 (CONTINUED)

	INFLATION ADJUSTED		HISTORICAL COST		INFLATION ADJUSTED		HISTORICAL COST	
	GROUP	GROUP	GROUP	GROUP	COMPANY	COMPANY	COMPANY	COMPANY
	2022	2021	2022	2021	2022	2021	2022	2021
	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL
13. INTANGIBLE ASSETS								
Computer software								
Cost	63 907 338	63 907 338	1 266 892	1 266 892	63 059 215	63 059 215	1 250 080	1 250 080
Accumulated amortisation	(54 810 932)	(51 973 340)	(1 045 168)	(1 030 315)	(54 013 818)	(51 535 306)	(1 035 469)	(1 021 632)
Net Carrying Amount	**9 096 406**	**11 933 998**	**221 724**	**236 577**	**9 045 397**	**11 523 909**	**214 611**	**228 448**
Movements in the net carrying amount for the year								
Balance at the beginning of the period, net of amortisation	**9 128 200**	**12 653 936**	**236 577**	**251 989**	**9 074 064**	**12 198 387**	**228 448**	**242 843**
Amortisation for the year	(31 794)	(719 938)	(14 853)	(15 412)	(28 667)	(674 478)	(13 837)	(14 395)
Net carrying amount at the end of the period	**9 096 406**	**11 933 998**	**221 724**	**236 577**	**9 045 397**	**11 523 909**	**214 611**	**228 448**
14. RIGHT OF USE ASSET								
Opening carrying amount	19 780 889	-	6 665 603	-	19 780 889	-	6 665 603	-
Additions	-	16 980 748	-	4 523 727	-	16 980 748	-	4 523 727
Lease modifications	-	9 095 584	-	3 003 028	-	9 095 584	-	3003028
Depreciation expense	(1 662 765)	(6 295 443)	(802 539)	(861 152)	(1 662 765)	(6 295 443)	(802 539)	(861 152)
Transfer to assets	(6 768 627)	-	(3 455 445)	-	(6 768 627)		(3 455 445)	-
Closing carrying amount	**11 349 497**	**19 780 889**	**2 407 619**	**6 665 603**	**11 349 497**	**19 780 889**	**2 407 619**	**6 665 603**
Cost	26 076 332	26 076 332	7 526 755	7 526 755	26 076 332	26 076 332	7 526 755	7 526 755
Accumulated depreciation	(7 958 208)	(6 295 443)	(1 663 691)	(861 152)	(7 958 208)	(6 295 443)	(1 663 691)	(861 152)
Transfer to assets	(6 768 627)	-	(3 455 445)	-	(6 768 627)	-	(3 455 445)	-
Closing carrying amount	**11 349 497**	**19 780 889**	**2 407 619**	**6 665 603**	**11 349 497**	**19 780 889**	**2 407 619**	**6 665 603**

IFRS 16 requires the recognition of a right of use asset and lease liability where the Group is a leasee and the lease term is twelve months or more. The right of use asset relates to rented office space.

In the prior year, the Group accounted for all leases as short term in line with IFRS 16 short term exemption. However during the year, the Group entered into a long term contract and recognised a right of use asset and lease liability. A few months into this contract the terms of the lease agreement namely the lease payments and interest rates were reviewed resulting in a lease modification.

NOTES TO THE CONSOLIDATED AND COMPANY FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JULY 10 2022 (CONTINUED)

Impact on financial results

The Group recognised right of use asset of ZWL2,407,619 (Historical: ZWL8,943,648) and the underlying lease liability. Right of use asset depreciation amounting to ZWL802,539 (Historical; ZWL2,159,208) was charged to the income statement.

For short-term leases (lease terms of 12 months or less), the Group has opted to recognise a lease expense on a straight-line basis as permitted by IFRS 16. This expense is presented within "occupancy costs" in the statement of profit or loss and other comprehensive income.

	INFLATION ADJUSTED		HISTORICAL COST		INFLATION ADJUSTED		HISTORICAL COST	
	GROUP	GROUP	GROUP	GROUP	COMPANY	COMPANY	COMPANY	COMPANY
	2022	2021	2022	2021	2022	2021	2022	2021
	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL
The following are the lease expenses which were not capitalised due to the above mentioned reason:-								
- Short term leases (lease term of 12 months or less)	92 567 667	125 671 266	84 874 059	36 149 737	65 341 533	51 531 859	35 665 355	14 750 577

The Group has used the following practical expedients when applying the cumulative catch up approach to lease previously classified as operating leases under IAS 17.

(i) The Group has elected not to recognise right-of-use assets and liabilities on leases for which the lease term ends within 12 months of the date of initial application.
(ii) The Group has used hindsight when determining the lease term when the contract contains options to extend or terminate the lease.

	INFLATION ADJUSTED		HISTORICAL COST		INFLATION ADJUSTED		HISTORICAL COST	
	GROUP	GROUP	GROUP	GROUP	COMPANY	COMPANY	COMPANY	COMPANY
	2022	2021	2022	2021	2022	2021	2022	2021
	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL
15. INVENTORIES								
Finished goods	351 746 421	355 609 055	190 585 451	61 753 810	170 700 853	123 111 822	50 330 928	18 872 256
Raw materials	49 794 976	45 570 789	24 031 000	5 075 290	-	-	-	-
Work in progress	1 191 755	2 307 614	575 140	791 464	-	-	-	-
Total	**402 733 152**	**403 487 458**	**215 191 591**	**67 620 564**	**170 700 853**	**123 111 822**	**50 330 928**	**18 872 256**
The amount of inventories expensed as a result of shrinkage during the period which is included in cost of sales amounted to:-	2 612 226	5 938 531	1 049 960	1 604 994	1 984 778	2 247 899	489 085	603 443
Cost of inventory expensed due to sales which is included in cost of sales amounted to:-	372 811 654	276 907 888	113 369 911	40 111 657	49 893 666	81 789 213	58 149 091	13 967 315

On 22 February 2019, the Government of Zimbabwe promulgamated Statutory Instrument 33 (S.I. 33) giving legal effect to the reintroduction of the Zimbabwe Dollar (ZWL) as legal tender and prescribed that for accounting and other purposes, certain assets and liabilities on the effective date would be deemed to be Zimbabwe Dollars at the rate which was at par with the United States Dollar (USD). Inventories were also included in the asets that were translated. Due to the movement in exchange rates, inventories were not reflective of their fair value hence the Group decided to revalue inventories as at 10 July 2022.

NOTES TO THE CONSOLIDATED AND COMPANY FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JULY 10 2022 (CONTINUED)

	INFLATION ADJUSTED		HISTORICAL COST		INFLATION ADJUSTED		HISTORICAL COST	
	GROUP 2022 ZWL	GROUP 2021 ZWL	GROUP 2022 ZWL	GROUP 2021 ZWL	COMPANY 2022 ZWL	COMPANY 2021 ZWL	COMPANY 2022 ZWL	COMPANY 2021 ZWL
16. TRADE AND OTHER RECEIVABLES								
Trade receivables	115 232 688	109 374 300	115 232 688	37 513 147	28 977 389	40 977 669	28 977 389	16 181 115
Allowance for credit losses	(15 184 441)	(7 306 767)	(15 184 441)	(2 506 072)	(3 938 288)	(2 113 790)	(3 938 288)	(2 851 394)
Net receivables	100 048 247	102 067 533	100 048 247	35 007 075	25 039 101	38 864 479	25 039 101	13 329 721
Prepayments	5 779 706	19 033 696	5 621 247	6 127 799	4 450 269	11 286 971	3 400 194	3 559 045
Other receivables	29 027 447	18 400 652	28 795 480	6 250 937	23 377 951	64 001 615	23 377 951	21 951 244
Group companies								
- Bravette Manufacturing Company (Private) Limited	-	-	-	-	28 341 500	38 488 314	28 341 500	13 200 704
	134 855 340	**139 501 881**	**134 464 974**	**47 385 811**	**81 208 821**	**152 641 379**	**80 158 746**	**52 040 714**

16.1 Trade receivables

The Group's trade receivables have payment terms of 180 days (2021: 180 to 360 days). The average debtors' days at the end of the reporting period was 181 days (2021: 187 days). Refer to note 30.1 for additional credit risk disclosures. Also, refer to note 22 for pledges on trade receivables.

Interest is charged on all overdue amounts according to the Group's terms and conditions of granting credit. The rate charged during 2022 was 15% (2021: 6%).
Refer to note 27 for the terms of intercompany receivables.

The Group is in an arrangement with a local financial institution whereby a certain portion of its debtors' book is transferred to the financial institution at the carrying amount in exchange for cash.

In this arrangement, the financial institution allocates limits to customers to pay for their purchases and recovers the money from the customers over a period of three years. The Group is still involved with the administration of collection and payments on behalf of the financial institution.

As at period end the balance of ZWL23,128,933 (2021: ZWL4,815,870) is due from the financial institution for funds collected and is included in other receivables.

The amount that best represents the entity's maximum exposure to loss from its continuing involvement in the derecognised financial assets in the current year amounts to ZWL15,184,441 (historical cost) (2021: ZWL2,506,072 historical cost). These amounts have been included in the computation of the expected credit losses.

Income recognised, both in the current reporting period and cumulatively, from the entity's continuing involvement in the derecognised financial assets amounts to ZWL989,862 (historical cost) (2021: ZWL742,563 historical cost). The cumulative amount recognised in the income statement amounts to ZWL2,384,117 (historical cost).

	INFLATION ADJUSTED		HISTORICAL COST		INFLATION ADJUSTED		HISTORICAL COST	
	GROUP 2022 ZWL	GROUP 2021 ZWL	GROUP 2022 ZWL	GROUP 2021 ZWL	COMPANY 2022 ZWL	COMPANY 2021 ZWL	COMPANY 2022 ZWL	COMPANY 2021 ZWL
16.2 Allowance for credit losses								
Balance at the beginning of the period	7 306 767	15 231 757	2 506 072	2 528 104	2 113 790	4 716 252	15 676	2 909 193
Movement for the period								
Allowances raised	12 678 369	2 081 422	12 678 369	(22 032)	3 922 612	(5 519)	3 922 612	(57 799)
Monetary loss	(4 800 695)	(10 006 412)	-	-	(2 098 114)	(2 596 943)	-	-
Balance at the end of the period	**15 184 441**	**7 306 767**	**15 184 441**	**2 506 072**	**3 938 288**	**2 113 790**	**3 938 288**	**2 851 394**

The Directors consider the carrying amounts of trade and other receivables to approximate their fair values and that no further allowance in excess of the above allowance is required. The trade receivables above are net of the allowance for credit losses.

NOTES TO THE CONSOLIDATED AND COMPANY FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JULY 10 2022 (CONTINUED)

	INFLATION ADJUSTED		HISTORICAL COST		INFLATION ADJUSTED		HISTORICAL COST	
	GROUP 2022 ZWL	GROUP 2021 ZWL	GROUP 2022 ZWL	GROUP 2021 ZWL	COMPANY 2022 ZWL	COMPANY 2021 ZWL	COMPANY 2022 ZWL	COMPANY 2021 ZWL
17. CASH AND CASH EQUIVALENTS								
Balances with banks	7 211 497	17 116 625	7 211 497	5 870 652	1 609 293	8 604 507	1 609 293	2 951 170
Cash on hand	380 462	220 949	380 462	75 781	184 970	93 035	184 970	31 909
Total	**7 591 959**	**17 337 574**	**7 591 959**	**5 946 433**	**1 794 263**	**8 697 542**	**1 794 263**	**2 983 079**
18. SHARE CAPITAL								
18.1 Authorised								
Authorised share capital comprises 1,000,000,000 ordinary share of ZWL0.0001 each. The authorised share capital has not changed during the year.	100 000	100 000	100 000	100 000	100 000	100 000	100 000	100 000
18.2 Issued and fully paid								
The original par value of issued shares of 384,067,512 (2021: 384,067,512) was redenominated to ZWL0.0001 each in 2011.								
The Company has one class of ordinary shares which carry no rights to fixed income.								
Reconciliation of movement in the number of issued shares:								
Ordinary shares in issue at the beginning of the period	384 067 512	384 067 512	384 067 512	384 067 512	384 067 512	384 067 512	384 067 512	384 067 512
Ordinary shares issued during the period	-	-	-	-	-	-	-	-
Balance at the end of the period	384 067 512	384 067 512	384 067 512	384 067 512	384 067 512	384 067 512	384 067 512	384 067 512
Treasury shares held	(3 166 360)	(3 166 360)	(3 166 360)	(3 166 360)	(3 166 360)	(3 166 360)	(3 166 360)	(3 166 360)
Adjusted issued ordinary shares	**380 901 152**	**380 901 152**	**380 901 152**	**380 901 152**	**380 901 152**	**380 901 152**	**380 901 152**	**380 901 152**
Treasury shares as % of issued shares at the end of the period	(0,82)	(0,82)	(0,82)	(0,82)	(0,82)	(0,82)	(0,82)	(0,82)
Market price at the end of the period (cents)	229,00	200,00	229,00	200,00	229,00	200,00	229,00	200,00
Market value of issued shares at the end of the period (ZWL)	879 514 602	768 135 024	879 514 602	768 135 024	879 514 602	215 001 058	879 514 602	7 681 352 024
Nominal value of share capital at the end of the period (ZWL)	**1 937 407**	**1 937 407**	**38 407**	**38 407**	**1 937 407**	**1 937 407**	**38 407**	**38 407**

18.3 Unissued shares

The Company's Articles of Association stipulate that the unissued shares of 615,932,488 (2021: 615,932,488) shall only be dealt with as directed by a General Meeting of Shareholders. Shareholders may in a General Meeting and subject to provisions of the Companies and Other Business Entities Act (Chapter24:31), authorise Directors to dispose of unissued shares as the Directors in their statutory right may see fit.

The number of shares under the control of the Directors for the Share Option Scheme (2008) are 35,000,000 (2021:35,000,000). The Directors decided to suspend any allotments on the scheme and allotment may be reconsidered at a later date.

NOTES TO THE CONSOLIDATED AND COMPANY FINANCIAL STATEMENTS
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18.4 Directors' shareholdings

The Directors' direct and indirect beneficial interest in the shares of the Company are shown below.

	Ordinary shares		Ordinary shares	
	2021	%	2020	%
B. Ndebele - Chief Executive Officer	55 814 914	14.53	55 814 914	14.53
M. P. Mahlangu - Non-Executive Director	13 800	0.00	13 800	0.00
	55 828 714	**14.53**	**55 828 714**	**14.53**

Other than the above, no Director or his nominee, had any interest, beneficial or non-beneficial, in the share capital of the company. There have not been any changes in the Directors' interests in the shares of the company between reporting date and completion of these financial statements.

	INFLATION ADJUSTED		HISTORICAL COST		INFLATION ADJUSTED		HISTORICAL COST	
	GROUP 2022 ZWL	GROUP 2021 ZWL	GROUP 2022 ZWL	GROUP 2021 ZWL	COMPANY 2022 ZWL	COMPANY 2021 ZWL	COMPANY 2022 ZWL	COMPANY 2021 ZWL
18.5 Treasury shares								
Balance at the beginning of the period	**3 166 360**	**3 166 360**	**3 166 360**	**3 166 360**	**3 166 360**	**3 166 360**	**3 166 360**	**3 166 360**
Movement during the period	-	-	-	-	-	-	-	-
Balance at the end of the period	**3 166 360**	**3 166 360**	**3 166 360**	**3 166 360**	**3 166 360**	**3 166 360**	**3 166 360**	**3 166 360**
Market value at the end of the period (ZWL)	7 250 964	6 332 720	7 250 964	6 332 720	7 250 964	6 332 720	7 250 964	6 332 720
Nominal value at the end of the period (ZWL)	(15 992)	(15 992)	(317)	(317)	(15 992)	(15 992)	(317)	(317)
All treasury shares are held by Truworths Limited.								
19. NON-DISTRIBUTABLE RESERVE								
Opening balance	80 162 552	80 162 552	37 461 761	6 765 441	40 827 194	40 827 194	12 630 845	2 490 162
Revaluation of property, plant and equipment	4 425 020	-	114 928 136	30 696 320	-	-	31 422 664	10 140 683
Closing balance	**84 587 572**	**80 162 552**	**152 389 897**	**37 461 761**	**40 827 194**	**40 827 194**	**44 053 509**	**12 630 845**
Made up of:-								
Non-distributable reserve	80 162 552	80 162 552	6 765 441	6 765 441	40 827 194	40 827 194	2 490 162	2 490 162
- Dollarisation (2009)	16 058 623	16 058 623	1 355 292	1 355 292	9 390 254	9 390 254	575 512	575 512
- Share premium (2014)	2 770 765	2 770 765	233 843	233 843	4 082 719	4 082 719	233 843	233 843
- Change in functional currency reserve (2019)	61 333 164	61 333 164	5 176 306	5 176 306	27 354 221	27 354 221	1 680 807	1 680 807
Revaluation reserve								
- Revaluation of property, plant and equipment	4 425 020	-	145 624 456	30 696 320	-	-	41 563 347	10 140 683
Total	**84 587 572**	**80 162 552**	**152 389 897**	**37 461 761**	**40 827 194**	**40 827 194**	**44 053 509**	**12 630 845**

The non-distributable reserve comprises of the change in functional currency reserve, which arose as a result of change in functional currency from the Zimbabwean Dollar to United States Dollar in 2009, share premium on scrip dividend of 2014, change in functional currency from United States Dollars to Zimbabwe Dollars in 2019 and revaluation of property, plant and equipment in 2021 and 2022.

NOTES TO THE CONSOLIDATED AND COMPANY FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JULY 10 2022 (CONTINUED)

	INFLATION ADJUSTED		HISTORICAL COST		INFLATION ADJUSTED		HISTORICAL COST	
	GROUP 2022 ZWL	GROUP 2021 ZWL	GROUP 2022 ZWL	GROUP 2021 ZWL	COMPANY 2022 ZWL	COMPANY 2021 ZWL	COMPANY 2022 ZWL	COMPANY 2021 ZWL
20. DEFERRED TAX								
Net deferred tax liability at the beginning of the period	**125 921 030**	**168 402 632**	**11 321 171**	**3 498 561**	**42 061 478**	**56 386 661**	**3 619 137**	**1 171 900**
Liability	141 195 568	179 830 404	16 560 024	3 725 103	42 061 478	56 386 661	3 619 137	1 171 900
Asset	(15 274 538)	(11 427 772)	(5 238 853)	(226 542)	-	-	-	-
Movement for the period	**10 735 577**	**(42 481 602)**	**(6 940 358)**	**(558 561)**	**22 003 561**	**(14 325 183)**	**(24 685 562)**	**(59 542)**
Charge / (credit) to profit or loss	10 735 577	(42 481 602)	(6 940 358)	(558 561)	22 003 561	(14 325 183)	(24 685 562)	(59 542)
Being:								
(Decrease) / increase in deferred tax liability	**10 735 577**	**(42 481 602)**	**(6 940 358)**	**(558 561)**	**22 003 561**	**(14 325 183)**	**(24 685 562)**	**(59 542)**
Property, plant and equipment and intangible assets	(5 498 035)	4 143 101	(21 523 912)	7 399 185	(4 187 670)	(864 958)	(1 220 413)	1 079 802
Intangible assets	(1 014 376)	(2 957 541)	(3 810)	(3 810)	2 083 980	(2 850 793)	(3 420)	(3 559)
Right of use asset	7 609 781	(4 804 185)	2 343 407	(1 647 737)	7 609 781	(4 804 185)	2 343 407	(1 647 737)
Exchange differences	11 685 157	803 969	12 655 001	789 254	2 944 788	(431 358)	2 986 436	(60 375)
Accounts receivables	(18 009 238)	(16 495 620)	14 651 657	828 735	(5 731 735)	3 842 521	1 060 760	2 536 024
Accrual for audit fees	(659 800)	862 285	(2 539 626)	(363 313)	(1 938 119)	723 609	(2 560 430)	(47 551)
Provision for leave pay	2 823 547	(4 495 143)	(1 219 922)	(1 840 458)	653 828	(586 997)	(323 542)	(360 734)
Effect of change in tax rate	-	(132 958)	-	(22 068)	-	-	-	-
Provision for bonuses	-	644 689	-	107 003	-	258 870	-	42 966
Lease liability	1 607 489	(2 312 211)	881 357	(793 041)	1 607 439	(2 312 211)	88 269	(793 041)
Inventory	24 195 847	(13 891 225)	9 855 970	-	12 533 822	(4 951 619)	(582 639)	-
Utilised assessed loss	(12 004 795)	(3 846 763)	(22 040 480)	(5 012 311)	6 427 447	(2 348 061)	(26 473 990)	(805 337)
Deferred tax arising on revaluation of property, plant and equipment	1 093 865	-	19 849 514	7 588 130	-	-	7 767 684	2 506 779
Deferred tax arising on impairment of property, plant and equipment	(907 374)	-	-	-	-	-	-	-
Net deferred tax liability at the end of the period	**136 843 098**	**125 921 030**	**24 230 327**	**10 528 130**	**64 065 039**	**42 061 478**	**(13 298 741)**	**3 619 137**
Closing balance comprising:								
Deferred tax liability disclosed in financial statements	**136 843 098**	**125 921 030**	**24 230 327**	**10 528 130**	**64 065 039**	**42 061 478**	**(13 298 741)**	**3 619 137**
Property plant and equipment	87 900 666	93 398 701	(3 863 538)	9 279 203	22 375 441	26 563 110	349 080	1 569 493
Property plant and equipment - revaluation	1 093 865	-	19 849 514	7 588 130	-	-	10 274 462	2 506 779
Property plant and equipment - impairment	(907 374)	-	-	-	(910 270)	-	-	-
Intangible assets	(843 864)	170 512	54 672	58 482	2 248 631	164 651	53 052	56 472
Right of use asset	2 805 596	(4 804 185)	695 670	(1 647 737)	2 805 596	(4 804 185)	695 670	(1 647 737)
Exchange differences	13 161 254	1 476 097	13 161 272	506 271	3 008 177	63 389	3 008 177	21 741
Accounts receivable	(6 732 268)	11 276 970	18 519 427	3 867 770	4 606 596	10 338 331	4 606 596	3 545 836
Accrual for audit fees	(3 520 942)	(2 861 142)	(3 520 939)	(981 313)	(2 885 289)	(947 170)	(2 885 289)	(324 860)
Provision for leave pay	(3 330 704)	(6 154 251)	(3 330 704)	(2 110 782)	(833 751)	(1 487 579)	(833 751)	(510 209)
Inventory	75 200 923	51 005 076	9 855 970	-	29 365 025	16 831 203	(582 639)	-
Lease liability	(704 722)	(2 312 211)	88 316	(793 041)	(704 772)	(2 312 211)	(704 772)	(793 041)
Assessable loss	(27 279 333)	(15 274 538)	(27 279 333)	(5 238 853)	4 079 386	(2 348 061)	(27 279 327)	(805 337)
Disclosed as:-								
Deferred tax liability	164 122 432	125 921 030	51 509 660	10 528 130	64 065 039	42 061 478	13 980 586	3 619 137
Deferred tax asset	(27 279 333)	-	(27 279 333)	-	-	-	(27 279 327)	-
Deferred tax liability	**136 843 099**	**125 921 030**	**24 230 327**	**10 528 130**	**64 065 039**	**42 061 478**	**(13 298 741)**	**3 619 137**

NOTES TO THE CONSOLIDATED AND COMPANY FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JULY 10 2022 (CONTINUED)

At 10 July 2022, the Group's subsidiaries had incurred tax losses amounting to ZWL27,279,330 (2021: ZWL21,192,771). In future years, the tax losses will provide the company with income tax relief amounting to ZWL6,743,450 (2021: ZWL5,238,853).

	Opening balance ZWL	Loss / (Utilisation) ZWL	Closing balance ZWL
Analysis of the deferred tax effect of tax losses			
2022 Balance	5 238 853	1 504 579	6 743 450
2021 Balance	226 542	5 012 311	5 238 853
2020 Balance	567 573	(341 031)	226 542
2019 Balance	892 728	(325 155)	567 573
2018 Balance	969 081	(76 353)	892 728
2017 Balance	408 800	560 281	969 081
2016 Balance	214 062	194 738	408 800
2015 Balance	51 692	162 370	214 062

	INFLATION ADJUSTED		HISTORICAL COST		INFLATION ADJUSTED		HISTORICAL COST	
	GROUP 2022 ZWL	GROUP 2021 ZWL	GROUP 2022 ZWL	GROUP 2021 ZWL	COMPANY 2022 ZWL	COMPANY 2021 ZWL	COMPANY 2022 ZWL	COMPANY 2021 ZWL
21. LEASE LIABILITY								
Opening balance	9 353 602	-	3 208 094	-	9 353 602	-	3 208 094	-
Additions	-	2 464 587	-	407 279	-	2 464 587		407 279
Lease modifications	-	9 095 584	-	3 004 812	-	9 095 584		3 004 812
Interest expense on lease liability	2 940 934	1 096 334	1 419 452	311 517	2 940 934	1 096 334	1 419 452	311 517
Lease repayments	(3 680 749)	(1 814 266)	(1 776 525)	(515 514)	(3 680 749)	(1 814 266)	(1 776 525)	(515 514)
IAS 29 Adjustment	(5 762 766)	(1 488 637)	-	-	(5 762 766)	(1 488 637)	-	-
	2 851 019	**9 353 602**	**2 851 019**	**3 208 094**	**2 851 019**	**9 353 602**	**2 851 019**	**3 208 094**
Presented as								
Non-Current Portion of Lease Liability	1 074 493	4 173 911	1 074 493	1 431 566	1 074 493	4 173 911	1 074 493	1 431 566
Current Portion of Lease Liability	1 776 526	5 179 691	1 776 526	1 776 528	1 776 526	5 179 691	1 776 526	1 776 528
	2 851 019	**9 353 602**	**2 851 019**	**3 208 094**	**2 851 019**	**9 353 602**	**2 851 019**	**3 208 094**
Undiscounted future payments:								
Payable within one year	1 074 493	-	1 074 493	1 776 528	1 074 493	-	1 074 493	1 776 528
Payable two to three years	3 553 053	-	3 553 053	-	3 553 053	-	3 553 053	-
Payable two to five years	-	-	-	5 329 584	-	-	-	5 329 584
	4 627 546	**-**	**4 627 546**	**7 106 112**	**4 627 546**	**-**	**4 627 546**	**7 106 112**

NOTES TO THE CONSOLIDATED AND COMPANY FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JULY 10 2022 (CONTINUED)

	INFLATION ADJUSTED		HISTORICAL COST		INFLATION ADJUSTED		HISTORICAL COST	
	GROUP 2022 ZWL	GROUP 2021 ZWL	GROUP 2022 ZWL	GROUP 2021 ZWL	COMPANY 2022 ZWL	COMPANY 2021 ZWL	COMPANY 2022 ZWL	COMPANY 2021 ZWL
22. SHORT-TERM BORROWINGS								
Short term loans from financial institutions								
Balance at beginning period								
- Financial institutions	57 532 407	34 971 991	19 732 438	5 804 507	57 532 407	34 971 991	19 732 438	5 804 507
Add: additional borrowings	50 456 529	64 543 997	39 712 105	19 415 697	50 456 529	64 543 997	39 712 105	19 415 697
- Financial institutions	50 456 529	47 923 000	39 712 105	14 704 406	50 456 529	47 923 000	39 712 105	14 704 406
- Asset finance	-	16 620 997	-	4 711 291	-	16 620 997	-	4 711 291
Add: Interest charged	43 359 533	30 770 323	28 055 831	7 997 695	39 380 647	30 770 323	21 445 489	7 997 695
- Financial institutions	43 359 533	30 376 950	28 055 831	7 874 326	39 380 647	30 376 950	21 445 489	7 874 326
- Asset finance	-	393 373	-	123 369	-	393 373	-	123 369
Deduct: repayments made	(25 415 626)	(18 780 628)	(16 566 309)	(5 487 766)	(25 415 626)	(18 780 628)	(16 566 309)	(5 487 766)
- Financial institutions	(21 778 027)	(8 297 326)	(13 334 944)	(2 379 770)	(21 778 027)	(8 297 326)	(13 334 944)	(2 379 770)
- Asset finance	(3 637 599)	(10 483 302)	(3 231 365)	(3 107 996)	(3 637 599)	(10 483 302)	(3 231 365)	(3 107 996)
Deduct; interest paid	(43 359 533)	(30 770 323)	(28 055 831)	(7 997 695)	(39 380 647)	(30 770 323)	(21 445 489)	(7 997 695)
- Financial institutions	(43 359 533)	(30 376 950)	(28 055 831)	(7 874 326)	(39 380 647)	(30 376 950)	(21 445 489)	(7 874 326)
- Asset finance	-	(393 373)	-	(123 369)	-	(393 373)	-	(123 369)
IAS 29 Adjustment	(39 695 076)	(23 202 953)	-	-	(39 695 075)	(23 202 953)	-	-
	42 878 234	**57 532 407**	**42 878 234**	**19 732 438**	**42 878 234**	**57 532 407**	**42 878 234**	**19 732 438**

Short-term borrowings of ZWL42,878,235 (2021: ZWL18,252,513) are jointly secured cession of book debts, power of attorney to register an notarial general covering bond and cession of insurance policy with security agent as first loss payee.

Short-term borrowings are renewed on maturity in terms of ongoing facilities negotiated with the respective financial institutions.

Short-term borrowings bear interest in accordance with the ruling short-term money market rates. An average rate of 60.31% (2021: 46.4%) per annum was applicable to the outstanding balance. Refer to note 7.2 for an analysis of interest on borrowings from financial institutions.

	INFLATION ADJUSTED		HISTORICAL COST		INFLATION ADJUSTED		HISTORICAL COST	
	GROUP 2022 ZWL	GROUP 2021 ZWL	GROUP 2022 ZWL	GROUP 2021 ZWL	COMPANY 2022 ZWL	COMPANY 2021 ZWL	COMPANY 2022 ZWL	COMPANY 2021 ZWL
23. TRADE AND OTHER PAYABLES								
Trade payables	177 874 376	182 928 584	177 874 376	62 740 760	72 923 466	68 265 143	72 923 466	23 413 547
Other payables and accrued expenses*	165 094 174	86 152 755	164 882 590	28 126 941	56 990 339	50 567 297	56 990 336	17 320 862
Group companies								
- Topic Stores (Private) Limited (Incorporating Number 1 Stores)	-	-	-	-	65 287 605	16 510 586	65 287 605	5 662 793
Total	**342 968 550**	**269 081 339**	**342 756 966**	**90 867 701**	**195 201 410**	**135 343 026**	**195 201 407**	**46 397 202**

*Other payables include: occupancy related accruals, payroll accruals and VAT.

The Directors consider the carrying amounts of all trade and other payables to approximate their fair value due to their short term nature.

Terms and conditions of financial liabilities

- Trade payables are non interest bearing and are normally settled between 30 and 120 days.
- Other payables and accrued expenses are non interest bearing provided they are settled within their respective credit terms. These are normally settled within 90 days.

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	INFLATION ADJUSTED		HISTORICAL COST		INFLATION ADJUSTED		HISTORICAL COST	
	GROUP	GROUP	GROUP	GROUP	COMPANY	COMPANY	COMPANY	COMPANY
	2022	2021	2022	2021	2022	2021	2022	2021
	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL
24. PROVISIONS								
24.1 Employment related provisions								
Balance at beginning of period	11 457 978	9 283 076	3 929 852	1 540 767	6 017 718	4 653 808	2 063 954	772 420
Arising during the year	17 961 634	8 323 030	9 543 870	2 389 085	1 579 829	4 545 342	1 308 824	1 291 534
- Provisions utilised	(8 227 823)	(6 742 776)	(5 790 966)	(2 071 510)	(3 212 602)	(2 884 752)	(2 661 510)	(819 687)
- Provisions raised	26 189 457	15 065 806	15 334 836	4 460 595	4 792 431	7 430 094	3 970 334	2 111 221
Monetary gain	(15 945 890)	(6 148 128)	-	-	(4 224 769)	(3 181 432)	-	-
Balance at end of period	**13 473 722**	**11 457 978**	**13 473 722**	**3 929 852**	**3 372 778**	**6 017 718**	**3 372 778**	**2 063 954**

Timing of outflow embodying economic benefits relating to cash in lieu of leave is expected when individual employee's employment contracts are terminated, the uncertainty relating to the amount of the obligation is attributable to the change in employee pay rates which might take place after the end of the reporting period.

	INFLATION ADJUSTED		HISTORICAL COST		INFLATION ADJUSTED		HISTORICAL COST	
	GROUP 2022 ZWL	GROUP 2021 ZWL	GROUP 2022 ZWL	GROUP 2021 ZWL	COMPANY 2022 ZWL	COMPANY 2021 ZWL	COMPANY 2022 ZWL	COMPANY 2021 ZWL
25. CASH FLOW INFORMATION								
25.1 Cash utilised in trading								
Loss before tax	(25 027 737)	(174 758 379)	(47 597 731)	(4 750 009)	(60 940 000)	(65 045 360)	(115 068 269)	(870 213)
Adjustments for non cash items:-								
Depreciation and amortisation (note 5.1 and 6)	5 546 517	17 268 791	2 691 898	1 578 859	4 813 767	11 731 922	2 032 498	1 131 342
Impairment of property, plant and equipment	3 670 605	45 834 983	5 656	-	6 118 315	9 897 688	-	-
Allowances for credit losses (note 16.2)	12 678 369	2 081 422	12 678 369	(22 032)	3 922 612	(5 519)	3 922 612	(57 799)
Employment related provisions raised (note 24.1)	26 189 457	15 065 806	15 334 836	4 460 595	4 792 431	7 430 094	3 970 334	2 111 221
Unrealised foreign exchange differences on cash and cash equivalents (note 4.1)	13 294 637	(4 206 601)	3 169 994	(1 260 320)	(8 791 200)	(2 918 769)	(5 035 706)	(802 095)
Movement in shrinkage allowance (note 15)	(2 612 226)	5 938 532	1 049 961	1 604 994	1 984 777	2 247 898	489 084	603 443
Loss on disposal of property, plant and equipment (note 4.1)	(1 370 427)	(2 753 121)	(369 341)	(870 673)	(1 371 139)	(2 753 122)	(369 341)	(870 673)
Net finance cost (note 7)	(115 841 310)	(75 374 113)	(59 526 097)	(22 889 937)	(912 261)	(4 158 117)	(2 821 782)	(1 383 668)
	(83 472 116)	**(170 902 679)**	**(72 562 455)**	**(22 148 523)**	**(50 382 698)**	**(43 573 285)**	**(112 880 569)**	**(138 442)**
25.2 Working capital movements								
(Increase) / decrease in inventory	3 366 532	(26 676 361)	(148 620 987)	(48 880 554)	(49 573 809)	48 090 829	(31 947 756)	(11 892 136)
(Increase) / decrease in accounts receivable	(8 031 888)	14 176 846	(99 757 531)	(22 670 715)	67 509 950	(132 946 537)	(32 040 644)	(33 150 322)
Increase / (decrease) in accounts payable	36 418 861	83 785 664	242 779 762	59 736 001	61 214 567	58 297 400	151 421 021	30 391 813
	31 753 505	**71 286 149**	**(5 598 756)**	**(11 815 268)**	**79 150 708**	**(26 558 308)**	**87 432 621**	**(14 650 645)**
25.3 Tax paid								
Amounts owing at the beginning of the period	(6 182 876)	(12 776 555)	(2 120 600)	(2 120 600)	(3 205 981)	(6 624 975)	(1 099 586)	(1 099 586)
IAS 29 Adjustment	3 128 661	6 593 676	-	-	1 172 647	3 419 000	-	-
Tax charged	(1 373 463)	(327)	(1 373 316)	(12)	(23)	(38)	(10)	(12)
Amounts owing at the end of the period	2 814 030	6 182 876	2 814 030	2 120 600	419 710	3 205 981	419 710	1 099 586
Amounts paid during the year	**(1 613 648)**	**(329)**	**(679 886)**	**(12)**	**(1 613 648)**	**(32)**	**(679 886)**	**(12)**

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	INFLATION ADJUSTED		HISTORICAL COST		INFLATION ADJUSTED		HISTORICAL COST	
	GROUP 2022 ZWL	GROUP 2021 ZWL	GROUP 2022 ZWL	GROUP 2021 ZWL	COMPANY 2022 ZWL	COMPANY 2021 ZWL	COMPANY 2022 ZWL	COMPANY 2021 ZWL
25.4 Cash and cash equivalents								
Made up as follows:								
Cash at bank and on hand (Note 17)	7 591 959	17 337 574	7 591 959	5 946 433	1 794 263	8 697 542	1 794 263	2 983 079
26. CAPITAL COMMITMENTS								
Capital commitments include all projects for which specific board approval has been obtained.								
Capital expenditure authorised	**33 667 200**	**48 078 671**	**33 667 200**	**16 490 000**	**22 220 352**	**27 841 020**	**22 220 352**	**9 548 900**
Motor vehicles	-	7 434 846	-	2 550 000	-	7 434 846	-	2 550 000
Computer infrastructure	33 667 200	40 643 825	33 667 200	13 940 000	22 220 352	20 406 174	22 220 352	6 998 900

These commitments will be financed by cash generated from operations and existing facilities from financial institutions.

27. RELATED PARTY DISCLOSURES

The consolidated financial statements of the Group include the Parent company Truworths Limited and its subsidiaries as follows:-

Name	Country of Incorporation	Effective % holding 2021
Topic Stores (Private) Limited (incorporating Number 1 Stores)	Zimbabwe	100%
Bravette Manufacturing Company (Private) Limited	Zimbabwe	100%
Major Merchandising (Private) Limited (Dormant) (100% wholly-owned)	Zimbabwe	100%
Effective Debt Collection Company (Private) Limited (Dormant) (100% wholly-owned)	Zimbabwe	100%
Top Centre (Private) Limited (Dormant) (100% wholly owned)	Zimbabwe	100%
Truworths Management Services (Private) Limited (Dormant) (100% wholly owned)	Zimbabwe	100%
Number 1 Stores (1987) (Private) Limited (Dormant) (100% wholly owned)	Zimbabwe	100%

The following table provides the total amount of transactions, which have been entered into with related parties and the respective loan balances.

	Management fees ZWL	Merchandise sold to/ (purchased from) ZWL	Amounts owing (to)/by ZWL
INFLATION ADJUSTED			
2022 Company			
Topic Stores (Private) Limited (incorporating Number 1 Stores)	5 338 044	(108 414 247)	(65 287 605)
Bravette Manufacturing Company (Private) Limited	198 900	(47 643 260)	28 341 500
2021 Company			
Topic Stores (Private) Limited (incorporating Number 1 Stores)	9 067 305	-	(16 510 586)
Bravette Manufacturing Company (Private) Limited	168 928	(35 812 577)	38 488 314
HISTORICAL COST			
2022 Company			
Topic Stores (Private) Limited (incorporating Number 1 Stores)	2 576 425	(52 326 514)	(65 287 605)
Bravette Manufacturing Company (Private) Limited	96 000	(22 995 185)	28 341 500
2021 Company			
Topic Stores (Private) Limited (incorporating Number 1 Stores)	2 576 426	-	(5 662 793)
Bravette Manufacturing Company (Private) Limited	48 000	(10 175 950)	13 200 704

Terms of intercompany balances

There are no fixed terms of repayment for intercompany receivables and payables and no interest is charged on outstanding balances. No allowance for credit losses is made on intercompany receivables as the balances will be recovered in the normal course of business.

	INFLATION ADJUSTED		HISTORICAL COST		INFLATION ADJUSTED		HISTORICAL COST	
	GROUP 2022 ZWL	GROUP 2021 ZWL	GROUP 2022 ZWL	GROUP 2021 ZWL	COMPANY 2022 ZWL	COMPANY 2021 ZWL	COMPANY 2022 ZWL	COMPANY 2021 ZWL
Compensation of key management personnel								
The remuneration of directors and other members of key management during the year was as follows:								
Short - term benefits	83 433 979	55 479 745	41 804 807	16 155 007	74 085 628	54 856 498	41 804 807	16 155 007
Post - employment benefits	2 304 950	1 861 925	1 371 915	564 435	2 742 772	1 863 289	1 371 915	564 435
	85 738 929	**57 341 670**	**43 176 722**	**16 719 442**	**76 828 400**	**56 719 787**	**43 176 722**	**16 719 442**
Included in the above amounts are the following in respect of directors' emoluments:								
Fees as directors	2 556 291	2 659 488	1 245 055	773 616	2 556 291	2 659 488	1 245 055	773 616
Otherwise in connection with management	48 245 930	31 715 665	18 538 311	7 754 154	43 077 823	31 354 973	18 538 311	7 754 154
	50 802 221	**34 375 153**	**19 783 366**	**8 527 770**	**45 634 114**	**34 014 461**	**19 783 366**	**8 527 770**
Loans to key management personnel								
Loans granted to key management personnel are interest bearing and balances outstanding at the end of the period were as follows:	111 836	283 539	111 836	97 248	111 836	283 539	111 836	97 248
These balances have been included in trade and other receivables								
28. EMPLOYEE BENEFITS								
The Group participates in three pension plans covering substantially all of its employees.								
28.1 Truworths Pension Fund								
The Group operates a defined contribution plan which requires contributions to be made to a separately administered fund. Contributions to this fund are recognised as an expense in the period to which the employees service relates.	12 585 465	8 722 669	7 414 627	2 647 350	7 785 226	4 746 304	3 867 726	1 445 529
28.2 National Employment Council for the Clothing Industry Pension Fund								
The Bravette Manufacturing Company employees make contributions towards the Clothing Industry Pension Fund.	420 639	297 137	230 972	87 427	-	-	-	-
28.3 National Social Security Scheme								
The scheme was promulgated under the National Social Security Act (1989). The Group's obligation under the scheme is limited to specific contributions as legislated from time to time.	7 700 892	3 297 488	4 482 442	974 452	3 823 800	1 301 739	1 939 027	386 568

28.4 Employee share incentive plan

2008 Share Incentive Scheme

Shareholders placed 35,000,000 shares under the control of the Directors for a Share Option Incentive Scheme. After considering the incentive nature of the scheme and the valuations prevailing on the Zimbabwe Stock Exchange, the Directors decided to suspend any allotments under this scheme. The Incentive Scheme may be considered at a later date.

29. BORROWING POWERS

In terms of the company's Articles of Association the aggregate amount owing in respect of monies borrowed by the company and its subsidiaries shall not, except with the consent of the company in a general meeting, exceed two times the amount of the issued share capital plus the aggregate of two times the amounts standing to the credit of all distributable and non-distributable reserves and any share premium account of the company and its subsidiaries.

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to fund the Group's operations. The Group has trade and other receivables, cash and bank balances that arise directly from its operations.

The Group is exposed to credit risk, liquidity risk and interest rate risk and currency risk.

The Group's senior management oversees the management of these risks. The Group's senior management is supported by the audit committee that advises on financial risk and appropriate risk governance framework for the Group.

30.1 Credit risk

Financial assets which potentially subject the Group to credit risk consist principally of trade receivables and bank and cash balances. The Group's cash equivalents are placed with high credit quality institutions and are not all at any one time held by a single institution.

All short-term cash investments are invested with major reputable financial institutions in order to manage credit risk.

Trade receivables are presented net of allowance for credit losses. These trade receivables accounts are due from a large customer base. Group entities perform ongoing credit evaluations of the financial position of their customers. Before accepting any new credit customer or offering additional credit to existing account holders, the Group uses scoring systems, external credit bureau data and affordability assessments to determine the customer's credit quality. Credit risk in respect of trade account receivables is limited due to the large number of customers comprising the Group's customer base and their employment across different economic and geographical area. As a result the Group does not consider there to be any significant concentration of credit risk.

Customers that are overdue can no longer purchase until they have made payment to bring their account up to date.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e. by payment patterns or forms of credit insurance). The calculation reflects the probability-weighted outcome and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written-off if past due for more than one year and are not subject to enforcement activity. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Group does not hold collateral as security. Credit insurance is considered integral part of trade receivables and considered in the calculation of impairment. These credit enhancements obtained by the Group resulted in a decrease in the Expected Credit Losses (ECL).

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in trade receivables, the historical default rates have been adjusted accordingly (refer to expected credit losses calculations). At every reporting date, the historical observed default rates are updated and changes in the forward looking estimates are analysed. The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

The Group's maximum exposure to credit risk is limited to the carrying amount of the trade and other receivables and cash and equivalents.

The directors believe that no further allowance in excess of the allowance for credit losses made is required. The directors assessed the credit risk for intergroup transactions and noted them to be minimal as intergroup transaction balances are deem recoverable during the normal course of business.

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The table below represents an age analysis of past due but not impaired. The trade and other receivables are considered past due should an instalment not be received within 30 days.

	Carrying amount ZWL	Expected Credit Loss ZWL	Trade & other receivables, net of allowance ZWL	Expected credit loss rate %
INFLATION ADJUSTED				
2022				
GROUP				
Neither past due nor impaired	28 170 343	-	28 170 343	0.0%
Past due but not impaired				
30 - 59 days	15 896 648	(1 065 075)	14 831 573	6.7%
60 - 89 days	8 923 787	(597 894)	8 325 893	6.7%
90 - 119 days	7 280 691	(487 806)	6 792 885	6.7%
> 120 days	37 582 718	(7 576 663)	30 006 055	20.2%
Total trade receivables	97 854 187	(9 727 438)	88 126 749	9.9%
Other receivables neither past due nor impaired	29 034 370	-	29 034 370	-
Total trade and other receivables (excluding prepayments)	**126 888 557**	**(9 727 438)**	**117 161 119**	**9.9%**
COMPANY				
Neither past due nor impaired	18 307 605	-	18 307 605	0.0%
Past due but not impaired				
30 - 59 days	3 024 109	(258 346)	2 765 763	8.5%
60 - 89 days	1 119 663	(125 588)	994 075	11.2%
90 - 119 days	726 533	(196 971)	529 562	27.1%
> 120 days	5 799 479	(3 357 383)	2 442 096	57.9%
Total trade receivables	28 977 389	(3 938 288)	25 039 101	13.6%
Other receivables neither past due nor impaired	51 719 451	-	51 719 451	-
Total trade and other receivables (excluding prepayments)	**80 696 840**	**(3 005 256)**	**76 758 553**	**13.6%**
2021				
GROUP				
Neither past due nor impaired	25 005 443	(1 162 236)	23 843 207	4.6%
Past due but not impaired				
30 - 59 days	12 807 085	(263 371)	12 543 714	2.1%
60 - 89 days	12 134 675	(101 889)	12 032 785	2.1%
90 - 119 days	4 530 582	(126 981)	4 403 601	0.8%
> 120 days	54 896 517	(5 652 290)	49 244 227	10.3%
Total trade receivables	109 374 301	(7 306 767)	102 067 534	6.7%
Other receivables neither past due nor impaired	18 400 652	-	18 400 652	-
Total trade and other receivables (excluding prepayments)	**127 774 953**	**(7 306 767)**	**120 468 185**	**6.7%**

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	Carrying amount ZWL	Expected Credit Loss ZWL	Trade & other receivables, net of allowance ZWL	Expected credit loss rate %
COMPANY				
Neither past due nor impaired	5 895 693	(376 366)	5 519 326	6.4%
Past due but not impaired				
30 - 59 days	3 647 340	(86 772)	3 560 568	2.4%
60 - 89 days	3 827 430	(35 839)	3 791 591	2.4%
90 - 119 days	797 829	(34 098)	763 731	0.9%
> 120 days	26 809 978	(1 580 715)	25 229 264	5.9%
Total trade receivables	40 978 270	(2 113 790)	38 864 479	5.2%
Other receivables neither past due nor impaired	102 489 929	-	102 489 929	-
Total trade and other receivables (excluding prepayments)	**143 468 199**	**(2 113 790)**	**141 354 409**	**5.2%**
HISTORICAL COST				
2022				
GROUP				
Neither past due nor impaired	28 293 855	-	28 293 855	0.0%
Past due but not impaired				
30 - 59 days	15 896 648	(1 065 075)	14 831 573	6.7%
60 - 89 days	8 923 787	(597 894)	8 325 893	6.7%
90 - 119 days	7 280 691	(487 806)	6 792 885	6.7%
> 120 days	37 582 718	(7 576 663)	30 006 055	20.2%
Total trade receivables	97 977 699	(9 727 438)	88 250 261	9.9%
Other receivables neither past due nor impaired	28 802 404	-	28 802 404	-
Total trade and other receivables (excluding prepayments)	**126 780 103**	**(9 727 438)**	**117 052 665**	**9.9%**
COMPANY				
Neither past due nor impaired	11 240 742	-	11 240 742	0.0%
Past due but not impaired				
30 - 59 days	3 855 917	(258 346)	3 597 571	6.7%
60 - 89 days	1 874 443	(125 588)	1 748 855	6.7%
90 - 119 days	2 939 859	(196 971)	2 742 888	6.7%
> 120 days	9 066 428	(2 424 351)	6 642 077	26.7%
Total trade receivables	28 977 389	(3 005 256)	25 972 133	10.4%
Other receivables neither past due nor impaired	50 793 343	-	50 793 343	-
Total trade and other receivables (excluding prepayments)	**79 770 732**	**(3 005 256)**	**76 765 476**	**10.4%**

The comparative figures below are stated under IAS 39.

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	Carrying amount ZWL	Expected Credit Loss ZWL	Trade & other receivables, net of allowance ZWL	Expected credit loss rate %
2021				
GROUP				
Neither past due nor impaired	8 576 355	(398 623)	8 177 732	4.6%
Past due but not impaired				
30 - 59 days	4 392 568	(90 331)	4 302 237	2.1%
60 - 89 days	4 161 945	(34 946)	4 126 999	0.8%
90 - 119 days	1 553 897	(43 552)	1 510 345	2.8%
> 120 days	18 828 382	(1 938 620)	16 889 762	10.3%
Total trade receivables	37 513 147	(2 506 072)	35 007 075	6.7%
Other receivables neither past due nor impaired	6 250 937	-	6 250 937	-
Total trade and other receivables (excluding prepayments)	**43 764 084**	**(2 506 072)**	**41 258 012**	**6.7%**
COMPANY				
Neither past due nor impaired	2 022 102	(129 086)	1 893 016	6.4%
Past due but not impaired				
30 - 59 days	1 250 963	(29 761)	1 221 202	2.4%
60 - 89 days	1 312 730	(12 292)	1 300 438	0.9%
90 - 119 days	273 639	(11 695)	261 944	4.3%
> 120 days	9 195 270	(542 149)	8 653 121	5.9%
Total trade receivables	14 054 704	(724 983)	13 329 721	5.2%
Other receivables neither past due nor impaired	35 151 948	-	35 151 948	-
Total trade and other receivables (excluding prepayments)	**49 206 652**	**(724 983)**	**48 481 669**	**5.2%**

30.2 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The holding company performs the Group's treasury function and hence borrows on behalf of the entire Group. The Group's exposure to the risk of changes in market interest rate relates primarily to the Group's short term borrowings which have variable interest rates.

The Group policy is to adopt a non speculative approach to managing interest rates. The Group borrows principally in Zimbabwe Dollars and Group policy is to keep as much of its borrowings at a low rate of interest as possible. This is achieved through its multi banked position which promotes use of of the more affordable facility.

The Group manages its interest rate risk by borrowing from financial institutions at favourable interest rates for its borrowings.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on borrowings. The impact on the Group's profit before tax and equity is as follows:

	2022 ZWL	2021 ZWL
Effect on profit before tax		
Increase of 10%	(1 183 787)	(1 736 763)
Decrease of 10%	1 183 787	1 736 763
Effect on equity		
Increase of 10%	(891 155)	(1 307 435)
Decrease of 10%	891 155	1 307 435

Interest rate analysis

The Group has interest-bearing instruments with varying maturity profiles. The interest rates of interest-bearing financial instruments at the end of the reporting period are as summarised below:

	2022 %	2021 %
Floating rate		
Balance with bank	8.05	0.4
Interest bearing portion of trade receivables*	15	6
Average Interest on borrowings	60.3	46.4

* At the end of the reporting period 100% (2021: 100%) of trade receivables were interest-bearing due to a change in credit policy on interest.

30.3 Liquidity risk

The Group's objective in managing liquidity risk is to maintain a balance between continuity of funding and flexibility through the use of bank facilities.

The Group assessed the concentration of risk with respect to refinancing its debt and considered it to be low. Access to sources of funding is sufficiently available and debt maturing within 12 months can be rolled over with respective lenders.

The Group's exposure to liquidity risk relates to borrowings , lease liabilities and trade and other payables. In terms of the holding Company's Articles of Association, its borrowings shall not, except with the consent of the company in a general meeting, exceed two times the amount of the issued share capital plus the aggregate of two times the amounts standing to the credit of all distributable and non-distributable reserves and any share premium account of the company and its subsidiaries.

The table below summarises the maturity profile of the financial liabilities:

	Within 3 months ZWL	Between 4 to 12 months ZWL	1 to 5 years ZWL	Total ZWL
INFLATION ADJUSTED				
2022				
GROUP				
Liabilities				
Interest-bearing borrowings	(24 547 788)	(24 547 788)	-	(49 095 576)
Trade and other payables	(171 484 275)	(171 484 275)	-	(342 968 550)
TOTAL	**(196 032 064)**	**(196 032 064)**	**-**	**(392 064 126)**
Assets				
Cash and cash equivalents	7 591 959	-	-	7 591 959
Trade and other accounts receivable (excluding prepayments)	50 230 540	94 731 124	-	144 961 662
TOTAL	**57 822 498**	**94 731 124**	**-**	**152 553 621**
COMPANY				
Liabilities				
Interest-bearing borrowings	(24 547 788)	(24 547 788)	-	(49 095 576)
Trade and other payables	(97 600 703)	(97 600 703)	-	(195 201 406)
TOTAL	**(122 148 491)**	**(122 148 491)**	**-**	**(244 296 982)**
Assets				
Cash and cash equivalents	1 794 263	-	-	1 794 263
Trade and other accounts receivable (excluding prepayments)	10 499 257	41 073 303	-	51 572 560
TOTAL	**12 293 520**	**41 073 303**	**-**	**53 366 823**

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	Within	Between 4 to		
	3 months	12 months	1 to 5 years	Total
INFLATION ADJUSTED (CONTINUED)	ZWL	ZWL	ZWL	ZWL
2021				
GROUP				
Liabilities				
Interest-bearing borrowings	(32 937 301)	(32 937 301)	-	(65 874 601)
Trade and other payables	(134 540 670)	(134 540 670)	-	(269 081 340)
TOTAL	**(167 477 970)**	**(167 477 970)**	**-**	**(334 955 940)**
Assets				
Cash and cash equivalents	17 337 574	-	-	17 337 574
Trade and other accounts receivable (excluding prepayments)	52 923 703	89 192 821	-	142 116 523
TOTAL	**70 261 277**	**89 192 821**	**-**	**159 454 098**
COMPANY				
Liabilities				
Interest-bearing borrowings	(32 937 301)	(32 937 301)	-	(65 874 601)
Trade and other payables	(67 671 513)	(67 671 513)	-	(135 343 026)
TOTAL	**(100 608 814)**	**(100 608 814)**	**-**	**(201 217 628)**
Assets				
Cash and cash equivalents	8 697 542	-	-	8 697 542
Trade and other accounts receivable (excluding prepayments)	12 287 949	90 409 625	-	102 697 574
TOTAL	**20 985 491**	**90 409 625**	**-**	**111 395 116**
HISTORICAL COST				
2022				
GROUP				
Liabilities				
Interest-bearing borrowings	(24 547 788)	(24 547 788)	-	(49 095 576)
Trade and other payables	(171 484 275)	(171 484 275)	-	(342 761 528)
TOTAL	**(196 032 064)**	**(196 032 064)**	**-**	**(391 857 104)**
Assets				
Cash and cash equivalents	7 591 959	-	-	7 591 959
Trade and other accounts receivable (excluding prepayments)	50 230 540	94 731 124	-	144 961 662
TOTAL	**57 822 498**	**94 731 124**	**-**	**152 553 621**
COMPANY				
Liabilities				
Interest-bearing borrowings	(24 547 788)	(11 296 822)	-	(35 844 610)
Trade and other payables	(97 600 703)	(97 600 703)	-	(195 208 328)
TOTAL	**(122 148 491)**	**(108 897 525)**	**-**	**(231 052 938)**
Assets				
Cash and cash equivalents	1 794 263	-	-	1 794 263
Trade and other accounts receivable (excluding prepayments)	10 499 257	41 073 303	-	51 572 560
TOTAL	**12 293 520**	**41 073 303**	**-**	**53 366 823**

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	Within 3 months ZWL	Between 4 to 12 months ZWL	1 to 5 years ZWL	Total ZWL
2021				
GROUP				
Liabilities				
Interest-bearing borrowings	(11 296 820)	(11 296 820)	-	(22 593 640)
Trade and other payables	(46 144 696)	(46 144 696)	-	(92 289 392)
TOTAL	**(57 441 515)**	**(57 441 516)**	**-**	**(114 883 031)**
Assets				
Cash and cash equivalents	5 946 433	-	-	5 946 433
Trade and other accounts receivable (excluding prepayments)	18 151 747	30 591 312	-	48 743 059
TOTAL	**24 098 179**	**30 591 312**	**-**	**54 689 491**
COMPANY				
Liabilities				
Interest-bearing borrowings	(11 296 820)	(11 296 822)	-	(22 593 642)
Trade and other payables	(23 209 944)	(23 209 944)	-	(46 419 888)
TOTAL	**(34 506 764)**	**(34 506 766)**	**-**	**(69 013 530)**
Assets				
Cash and cash equivalents	2 983 079	-	-	2 983 079
Trade and other accounts receivable (excluding prepayments)	4 214 515	31 008 651	-	35 223 166
TOTAL	**7 197 594**	**31 008 651**	**-**	**38 206 245**

The Group has access to financing facilities of ZWL42,878,438 (2021: ZWL19,732,949) which can be utilised. The amount before limitations of the Company's Articles of Association are breached is ZWL136,715,208 (2021: ZWL55,152,949) at the end of the period.

30.4 Currency risk

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a different currency from the Group's functional currency).

The Group manages its currency risk by either pre-paying for purchases or retaining stock until the foreign currency to settle the related liability has been secured.

The following exchange rates applied during the period:

	Average rate		Spot rate	
	2022	2021	10 July 2022	11 July 2021
United States Dollar	250	82.68	308.56	85.51
South African Rands	6	5.41	5.97	5.96
Great British Pounds	119	112.06	120.03	117.85
Botswana Pula	8	7.46	7.93	7.78

The Group's exposure to currency risk results mainly from its South African Rand based imports from South African suppliers, to the extent that they cannot be matched with inflows. Consequently, exchange rate fluctuations may have an impact on future cash flows.

The exchange rates shown in the current period relate to ZWL against US$ in the prior period.

30.4 Currency risk (continued)

The carrying amount of foreign currency denominated monetary assets and liabilities at the reporting date are as follows:

	Currency	Liabilities	Assets	Net position
2022				
GROUP				
July 10 2022	United States Dollar	(51 261)	24 469	(26 792)
July 10 2022	South African Rand	(382 899)	144 111	(238 788)
July 10 2022	British Pound	-	40	40
July 10 2022	Botswana Pula	-	344	344
COMPANY				
July 10 2022	United States Dollar	(51 261)	13 936	(37 325)
July 10 2022	South African Rand	(7 015)	50 166	43 151
July 10 2022	British Pound	-	40	40
July 10 2022	Botswana Pula	-	344	344
2021				
GROUP				
July 11 2021	United States Dollar	(149 458)	71 342	52 763
July 11 2021	South African Rand	(1 116 390)	420 174	(1 069 261)
July 11 2021	British Pound	-	117	117
July 11 2021	Botswana Pula	-	1 003	1 003
COMPANY				
July 11 2021	United States Dollar	(149 458)	40 632	38 864
July 11 2021	South African Rand	(20 453)	146 265	21 033
July 11 2021	British Pound	-	117	117
July 11 2021	Botswana Pula	-	1 003	1 003

The following demonstrates the sensitivity of results to a possible change in the Zimbabwe dollar (ZWL) exchange rate against the United States Dollar, South African Rand, British Pound, Botswana Pula, with all other variables held constant. Impact on profit before tax and equity is not material.

	2022 ZWL	2021 ZWL	2022 ZWL	2021 ZWL
EFFECT ON PROFIT BEFORE TAX				
GROUP				
Increase of 10%	(968 501)	(370 917)	(968 501)	(370 917)
Decrease of 10%	968 501	370 917	968 501	370 917
COMPANY				
Increase of 10%	765 116	292 662	765 116	292 662
Decrease of 10%	(765 116)	(292 662)	(765 116)	(292 662)
IMPACT ON EQUITY				
GROUP				
Increase of 10%	(729 087)	(279 226)	(729 087)	(279 226)
Decrease of 10%	729 087	279 226	729 087	279 226
COMPANY				
Increase of 10%	575 979	220 316	575 979	220 316
Decrease of 10%	(575 979)	(220 316)	(575 979)	(220 316)

30.5 Capital management

The Group manages its capital to ensure that the entities in the Group will be able to continue as going concerns while enhancing the return to its stakeholders.

The capital structure of the Group consists of equity (fully attributable to owners of the parent), comprising issued ordinary share capital, non-distributable reserves and retained earnings, less treasury shares. Refer to notes 18 and 19.

The Group's primary objectives in managing capital are and were the same as in the prior year:
- to ensure that the Group maintains healthy capital ratios in order to support its business;
- to ensure that entities within the Group will be able to continue as going concern and have sufficient capital for their operations;
- to provide flexibility so as to be able to take advantage of opportunities that could improve returns to shareholders and enhance shareholder value.

No changes were made in objectives, policies or processes for managing capital during the periods ended July 10 2022.

	INFLATION ADJUSTED		HISTORICAL COST	
	2022	2021	2022	2021
	ZWL	ZWL	ZWL	ZWL
(Loss) / profit for the period	(37 136 777)	(132 277 099)	(42 026 175)	(4 191 544)
Total assets	934 796 943	906 303 144	518 801 121	167 924 248
Total equity	392 968 290	426 773 912	89 796 823	37 537 433
Total borrowings	42 878 234	57 532 407	42 878 234	19 732 439
Ratios				
Return on equity	(9.5%)	(31.0%)	46.8%	11.2%
Return on assets	(4.0%)	(14.6%)	8.1%	2.5%
Gearing	10.9%	13.5%	47.8%	52.6%

30.6 INSURANCE COVER

The Group's assets are adequately insured, as premiums are constantly reviewed to bring up sum insured values in line with the realisable values.

31. GOING CONCERN

The Directors have assessed the Group`s ability to continue operating as a going concern for the foreseeable future and believe that the preparation of the financial statements on a going concern is applicable. The Group continues to rationalise operations though maintaining profitable sites, as such 4 stores were closed after the reporting period and this had no impact on the financial statements being presented. In addition, the Group will continue to improve cash sales and productively control costs.

NOTES TO THE CONSOLIDATED AND COMPANY FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JULY 10 2022 (CONTINUED)

32. SEGMENT INFORMATION (HYPERINFLATED) (AUDITED)

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment, segment performance is evaluated based on operating profit or loss and is measured consistently with the operating profit or loss in the group financial statements. However, some Group assets (comprising intangible assets, motor vehicles and deferred tax assets) and liabilities (comprising deferred and current tax liabilities) are managed on a Group basis and are not allocated to operating segments.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

No operating segments have been aggregated to form the reportable operating segments below:

Business segments: For management purposes the Group is organised into two operating segments, namely manufacturing and retail. The manufacturing segment sells the majority of its products to the retail segment, which sells goods to the public.

Geographical information: The Group operates principally in one geographical area, namely Zimbabwe. Therefore, no further information about geographical segments is provided.

Major customer information: The Group does not generate at least 10% of its revenue from any single external customer.

Products and services information: The Group's revenue is derived from the sale of clothing.

	MANUFACTURING SEGMENT		RETAIL SEGMENT						ELIMINATIONS		CONSOLIDATED	
	Bravette Manufacturing Company		Truworths		Topic Stores incorporating Number 1 Stores		Total Retail Segment					
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL
Revenue*												
(Sale of Merchandise)	147 816 738	121 642 971	349 525 570	257 541 554	591 502 724	456 502 931	941 028 294	714 044 485	(131 080 908)	(109 836 236)	957 764 124	725 851 219
External sales	16 735 830	11 806 734	349 525 570	257 541 554	591 502 724	456 502 931	941 028 294	714 044 485	-	-	957 764 124	725 851 219
Inter-segment sales	131 080 908	109 836 236	-	-	-	-	-	-	(131 080 908)	(109 836 236)	-	-
Interest receivable	-	-	43 233 843	32 407 443	118 907 934	74 833 329	162 141 777	107 240 773	-	-	162 141 777	107 240 773
Management fees	-	-	5 536 944	9 236 229	-	-	-	9 236 229	(5 536 944)	(9 236 229)	-	-
Service fees	-	-	2 810 733	3 101 543	-	-	2 810 733	3 101 543	-	-	2 810 733	3 101 543
Commissions	-	-	141 346	246 128	-	102 875	141 346	349 003	-	-	141 346	349 003
Total revenue	147 816 738	121 642 971	401 248 437	302 532 898	710 410 658	531 439 135	1 106 122 149	833 972 033	(136 617 852)	(119 072 465)	1 122 857 979	836 542 536
Result												
Segment (loss) / profit	3 740 083	(1 677 849)	(171 834 299)	(47 501 975)	(144 884 582)	(186 672 560)	(316 085 474)	(234 174 536)	(191 873)	(168 928)	(313 170 671)	(236 021 314)
Finance income	-	-	43 233 843	32 302 144	118 907 934	74 938 626	162 141 777	107 240 770	-	-	162 141 777	107 240 770
Finance cost	-	-	(42 321 581)	(28 144 025)	(3 978 886)	(3 722 630)	(46 300 467)	(31 866 656)	-	-	(46 300 467)	(31 866 656)
Impairment of Property plant and equipment	(12 325 756)	(35 937 293)	-	-9 897 690	-3 394 705,00	-	(3 394 705)	(9 897 690)		-	(3 670 605)	(45 834 983)
Monetary gain / (loss)	95 094 272	(1 892 480)	109 982 037	(11 803 814)	(16 350 509)	45 420 101	93 631 528	33 616 287	-	-	161 185 187	31 723 807
Taxation	16 664 546	9 376 669	(22 003 585)	14 325 142	8 017 041	18 779 468	(13 986 543)	33 104 609	-	-	2 678 003	42 481 278
(Loss) / profit for the period	103 173 145	(30 130 953)	(82 943 586)	(50 720 218)	(41 683 707)	(51 256 996)	(123 993 885)	(101 977 215)	(191 873)	(168 928)	(37 136 777)	(132 277 097)
Other information												
Segment assets	283 989 901	163 105 902				-	648 110 923	816 339 096	(148 075 088)	(116 641 409)	784 025 736	862 803 589
Unallocated corporate assets											150 771 212	43 499 555
	283 989 901	163 105 902					648 110 923	816 339 096	(148 075 088)	(116 641 409)	934 796 948	906 303 144
Segment liabilities	(85 033 393)	(54 527 679)					634 203 158	514 420 506	(148 075 088)	(116 641 409)	401 094 677	343 251 418
Unallocated corporate liabilities											140 731 623	136 277 814
Consolidated total liabilities	(85 033 393)	(54 527 679)					634 203 158	514 420 506	(148 075 088)	(116 641 409)	541 826 300	479 529 232
Capital expenditure	645 196	-					5 365 996	7 305 809			6 011 192	7 305 809
Depreciation and amortisation	402 041	1 333 773					5 144 476	15 935 018			5 546 517	17 268 791

* The total segment revenue balance excludes finance income separately disclosed on the segment report.

NOTES TO THE CONSOLIDATED AND COMPANY FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JULY 10 2022 (CONTINUED)

32. SEGMENT INFORMATION (HISTORICAL COST) (UNAUDITED)

	MANUFACTURING SEGMENT		RETAIL SEGMENT						ELIMINATIONS		CONSOLIDATED	
	Bravette Manufacturing Company		Truworths		Topic Stores incorporating Number 1 Stores		Total Retail Segment					
	2022 ZWL	2021 ZWL	2022 ZWL	2021 ZWL	2022 ZWL	2021 ZWL	2022 ZWL	2021 ZWL	2022 ZWL	2021 ZWL	2022 ZWL	2021 ZWL
Revenue*												
(Sale of Merchandise)	84 320 237	35 068 708	181 633 108	74 894 779	292 627 562	130 696 670	474 260 670	205 591 449	(75 321 699)	(31 813 450)	483 259 208	208 846 707
External sales	8 998 538	3 255 258	181 633 108	74 894 779	292 627 562	130 696 670	474 260 670	205 591 449	-	-	483 259 208	208 846 707
Inter-segment sales	75 321 699	31 813 450							(75 321 699)	(31 813 450)	-	-
Interest receivable	-	-	25 686 723	9 692 880	63 314 657	22 656 715	89 001 380	32 349 595	-	-	89 001 380	32 349 595
Management fees	-	-	2 672 426	2 624 426	-	-	-	-	(2 672 426)	(2 624 425)	-	-
Service fees	-	-	1 377 785	884 894	-	-	1 377 785	884 894			1 377 785	884 894
Commissions	-	-	59 280	73 815	-	28 175	59 280	101 990			59 280	101 990
Total revenue	84 320 237	35 068 708	211 429 322	88 170 794	355 942 219	153 381 561	564 699 114	238 927 929	(77 994 125)	(34 437 875)	573 697 652	242 183 187
Result												
Segment (loss) / profit	13 668 205	(387 014)	(117 890 051)	(2 253 881)	(2 805 982)	(24 951 051)	(120 309 018)	(27 204 932)	(96 000)	(48 000)	(107 123 828)	(27 639 946)
Finance income	-	-	25 686 723	9 692 880	63 314 657	22 656 715	89 001 380	32 349 595	-	-	89 001 380	32 349 595
Finance cost	-	-	(22 864 941)	(8 309 212)	(6 610 341)	(1 150 446)	(29 475 283)	(9 459 658)	-	-	(29 475 283)	(9 459 658)
Taxation	(3 849 497)	70 336	24 685 552	59 530	(15 269 061)	428 599	9 416 491	488 129	-	-	5 566 994	558 465
(Loss) /profit for the period	9 818 708	(316 678)	(90 382 717)	(810 683)	38 629 273	(3 016 183)	(51 366 429)	(3 826 866)	(96 000)	(48 000)	(42 030 737)	(4 191 544)
Other information												
Segment assets	135 134 672	32 542 750					486 542 734	164 248 905	(148 075 088)	(40 005 616)	473 602 318	156 786 039
Unallocated corporate assets											45 191 882	11 138 209
	135 134 672	32 542 750					486 542 734	164 248 905	(148 075 088)	(40 005 616)	518 794 201	167 924 248
Segment liabilities	(47 162 691)	(8 766 141)					596 120 869	165 078 277	(148 075 088)	(40 005 616)	400 883 091	116 306 520
Unallocated corporate liabilities											35 886 534	14 080 295
Consolidated total liabilities	(47 162 691)	(8 766 141)					596 120 869	165 078 277	(148 075 088)	(40 005 616)	436 769 626	130 386 815
Capital expenditure	325 053	-					4 505 119	2 365 583			4 830 172	2 365 583
Depreciation and amortisation	162 284	27 805					2 529 614	1 551 054			2 691 898	1 578 859

* The total segment revenue balance excludes finance income separately disclosed on the segment report.

33. EVENTS AFTER REPORTING DATE

There have not been any events after reporting date that have had an impact on the financial statements. The group continues to rationalise operations though maintaining profitable sites, as such 4 Stores were closed after the reporting period and this had no impact on the financial statements being presented.

NOTICE OF MEETING
65TH ANNUAL GENERAL MEETING

Notice is hereby given that the Sixty Fifth Annual General Meeting of Shareholders of Truworths Limited will be held in the Boardroom, Truworths Limited, Prospect Park, Stand 808, Seke Road, Harare on Wednesday 22 February 2023 at 9.00am to transact the following business:

ORDINARY BUSINESS

1. Financial Statements
To receive, approve and adopt the financial statements and reports of the Directors and Auditors for the year ended July 10 2022.

2. Directorate
To re-elect Directors by Individual resolutions in terms of section 201 of the Companies and Other Business Entities Act (Chapter 24:31),

2.1 To re-elect the following Director, Mr Modecai Pilate Mahlangu, who retires by rotation in terms of the Articles of Association of the Company, and being eligible, offers himself for re-election.

Mr Modecai Pilate Mahlangu is a Lawyer who has over 33 years experience. He is a holder of a Bachelor of Law (Hons) LLB qualification and is a Partner at Gill, Godlonton and Gerrans.

2.2 To re-elect the following Director, Mr Washington Matsaira, who retires by rotation in terms of the Articles of Association of the Company, and being eligible, offers himself for re-election.

Mr Washington Matsaira is a Banker by profession and holds a Bachelors of Arts Degree. He is a former Chief Executive Officer of Standard Chartered Bank Zimbabwe, former Chief Executive Officer of TSL Limited and sits on various Board including Non-Executive Chairman – CABS, Non-Executive Chairman – Takura Capital and Non-Executive Director – TSL Limited.

2.3 To approve the appointment of Mr Bruce Hendrik Henderson who was appointed to the Board with effect from 1 December 2022 and being eligible offers himself for election at the forthcoming Annual General Meeting in terms of the Articles of Association of the Company.

Mr Bruce Hendrik Henderson is a Chartered Accountant by profession with experience in diverse industries. He is also a Non-Executive Director of Dairibord Holdings Limited and Powerspeed Electrical Limited.

3. Directors' Fees
To consider, and if deemed fit, to approve the Directors' remuneration for the past financial year.

4. Auditors' Remuneration for the past year
To consider, and if deemed fit, to approve the Auditors' remuneration for the past audit.

5. Appointment of Auditors for the current year
To consider, and if deemed fit, to appoint Grant Thornton as auditors for the ensuing year.

ANY OTHER BUSINESS
To transact any other business competent to be dealt with at an Annual General Meeting.

APPOINTMENT OF PROXIES
A member entitled to attend and vote at the meeting may appoint one or more proxies to attend, vote and speak in his or her stead. The proxy need not be a member of the Company. If a proxy form is used, it must be lodged at or posted and must be received not later than 48 hours before the meeting to the office of the company's transfer secretaries;

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Cnr Kwame Nkrumah Avenue/First Street
P.O. Box 2208
Harare
Zimbabwe
Tel: 263 4 758193, 750711/2
Email: corpserve@escrowgroup.org

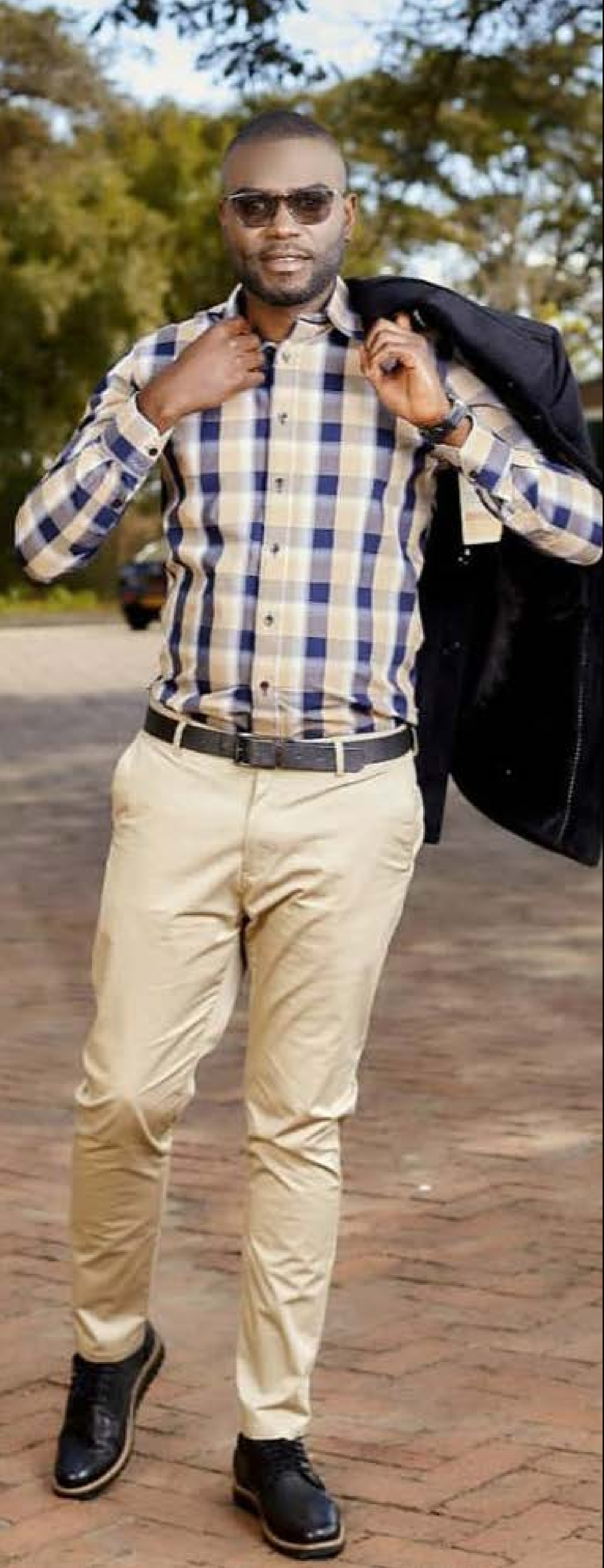
Registered Office
Stand 808 Seke Road
Prospect Park
Hatfield
P.O. Box 2898
Harare
Tel: +263 4 576441/9, 576465
Email: truworths@truworths.co.zw
Website: www.truworths.co.zw

By Order of the Board

Chibanda

B M CHIBANDA
SECRETARY

January 24 2023



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www.truworths.co.zw