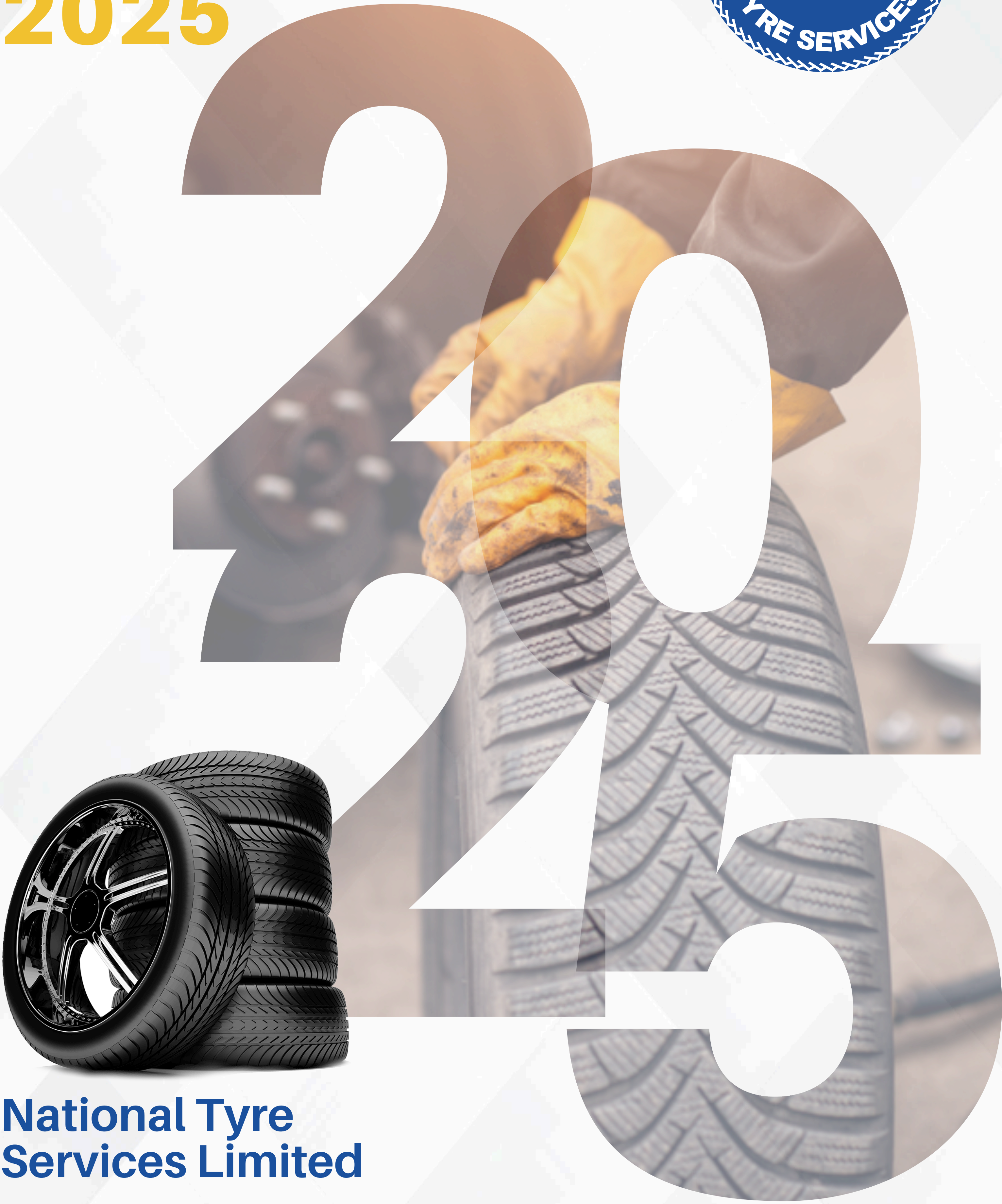
ANNUAL REPORT 2025



National Tyre Services Limited

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DIRECTORATE AND ADMINISTRATION

Directors

Mr. R. J. Moyo	(Independent Non-Executive Director - Chairman)
Mr. S. Shonhiwa	(Independent Non-Executive Director)
Mr. M. T. Chingwena	(Non-Executive Director)
Mr. A. S. Ushe	(Acting Managing Director)
Mr. S. N. Mandimika	(Administration Director)

Registered office

Stand No. 4608
Corner Cripps and Seke Road
Graniteside
P.O. Box 3018
Harare

Auditors

Grant Thornton
Chartered Accountants (Zimbabwe)
Registered Public Auditors
Camelsa Business Park
135 Emmerson Dambudzo Mnangagwa Road
Highlands
Harare

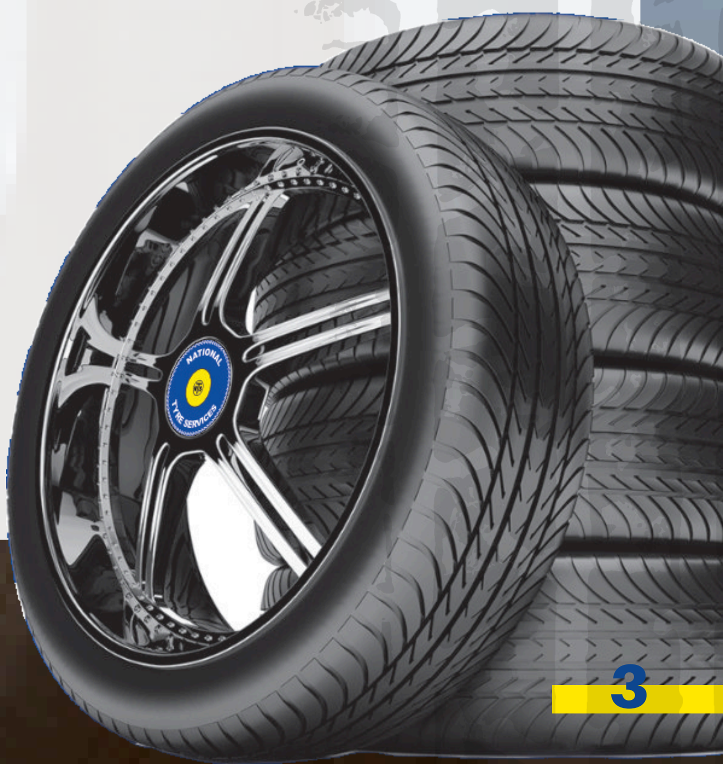
Main bankers

FBC Bank Limited
FBC Crown Bank
Stanbic Bank Zimbabwe Limited
Nedbank Zimbabwe Limited
Steward Bank Limited
ZB Bank Limited
CABS
CBZ Bank Limited
POSB Bank Limited

Lawyers

Messrs. Atherstone & Cook
119 Josiah Chinamano Avenue
P.O. Box 2625
Harare

Scanlen & Holderness, 13th Floor
CABS Centre, 74 Jason Moyo Avenue
P.O. Box 188
Harare



OUR PRODUCTS, BRANDS AND SERVICES

NEW TYRES

The Company supplies a wide range of new tyres of Passenger tyres, Light Truck, Truck and Bus, Off-the-Road and Agriculture tyres on Premium and Budget sizes.

RETREADING

The Company offers retreading for Light Truck and Truck & Bus Radial tyres. Retreading quality remains unmatched given the rich technical experience that the Company has accumulated over the years.

SERVICES

3D computerized wheel alignment, fitting, and balancing.

ACCESSORIES

All tyre accessories, tubes, flaps, and factory repairs.

SUPPORT SERVICES

Tyre management solutions, tyre knowledge trainings, out of service tyre analysis, fleet surveys, route, and load studies.

Tyre brands include the following:

DUNLOP
BRIDGESTONE
Comforser
AUFINE
MRL
LEADER TREAD leading the way

A key component of the Company's business is retreading. The main retreading factory is in Harare, complemented by our Bulawayo factory.

CHAIRMAN AND MANAGING DIRECTOR'S REPORT

Economic overview

The country's operating environment showed signs of short-term stability and growth potential. The growing informalization of the economy is impacting negatively on formal businesses. The retail sector is facing unfair competition stemming from informal market practices including smuggled goods that are often sold exclusively in United States Dollars (USD). Competitiveness in the market can be achieved through the Government measures of streamlining regulatory processes and curbing smuggling of imports into the country. The new currency reforms introduced by the Reserve Bank of Zimbabwe at the beginning of the Financial Year 2025 have brought market stability and controlled inflation, boosting market confidence.

Operations review

We maintained a strong presence within Government institutions and corporates, supported by the availability of preferred tyre brands and long-standing trading relationships that reinforced customer trust and sustained business continuity.

Retreading

Despite the challenges posed by the influx of cheap smuggled tyres, our retreading operations demonstrated resilience, with both our Harare and Bulawayo factories maintaining sustainable production levels throughout the year.

Financial review

Sales declined by 25% (inflation adjusted) to ZWG 143,358,489 (2024: ZWG 191,734,197). Gross profit declined by 41% (inflation adjusted) to ZWG 45,969,409 (2024: ZWG 77,761,875). Total operating expenses decreased by 17% (inflation adjusted) to ZWG 70,132,646 (2024: ZWG 84,224,649). The company incurred a loss (before tax and monetary loss) of ZWG 54,574,959 inflation adjusted) from a loss of ZWG 29,000,469 in the previous year.

Dividend

The Directors have considered it prudent not to declare a dividend in consideration of the need to enhance working capital in the business.

Outlook

As we look ahead to the financial year 2026, we are optimistic that the stability in currency and foreign exchange rate will prevail. The local currency has shown notable stability since its inception in April 2024, bringing improved pricing clarity and predictability to our business operations.

We anticipate increased tyre demand, driven by the ongoing Government infrastructure projects, including road rehabilitation works, particularly in the commercial and transport sectors. The proposed measures to curb smuggling of goods, including tyres, will promote fair competition and support formal businesses.

National Tyre Services is upbeat and positive that the new supply chain strategy of importing affordable and meticulously engineered tyre brands is robust enough to achieve seamless stock supply and competitiveness. We have already witnessed growing customer preferences in our newly launched tyre brands, and we anticipate improved performance in the second half of the 2025 financial year.

We also hope for stable power supply from Kariba to reduce operating costs. Improved rainfall forecasts and a recovering agricultural sector also point to stronger demand for agriculture tyres.

Although we are affected by challenges, including tariff wars in the global market, commitment from our critical stakeholders continues to unlock value and opportunities for the business. The Company is leveraging on the rich experience of employees and their technical expertise in enhancing customer service offering, retaining market share and strengthening its branch network.

Mr. R. J. Moyo
Chairman

Mr. A. S. Ushe
Acting Managing Director

27 August 2025

CORPORATE GOVERNANCE STATEMENT

General overview

National Tyre Services Limited is committed to corporate governance which endorses a culture of good business ethics, openness, transparency, integrity and accountability in its dealings with all its stakeholders.

Board of Directors

The majority of Board members are non-executive Directors with an independent non-executive Director as its Chairman. Board meetings were held during the year to discuss and map strategies and objectives of the Company. The Board continued in its key role of determining the Company's strategic direction and responsibility for the continued control and management of the Company. To achieve this, the Board established two committees to give detailed attention to each specific area. These are the Audit and Risk Committee, and the Human Resources and Nomination Committee.

Audit and Risk Committee

The Audit and Risk Committee chaired by an Independent non-Executive Director engaged with the Board of Directors to consider compliance with financial reporting requirements, accounting policies, effectiveness of internal control systems, reviewing of financial reports, reviewing of the scope of internal and external audits, ensuring compliance with the country's legal framework and risk management issues. Any major issues arising from these meetings were brought to the attention of the Board. Meetings were held with internal and independent auditors to ensure that internal controls were effective and reliable.

Human Resources and Nomination Committee

The Human Resources and Nomination Committee chaired by an independent non-Executive Director assisted the Board of Directors throughout the year to exercise effective oversight on management and optimization of human capital in the Company.

Business ethics

Directors and employees are committed to high ethical standards and to conduct the Company's business honestly, scrupulously and with integrity. At the core of the Company's business ethics are values of integrity, reliability, customer centric, continual growth, learning, teamwork, leadership and safety. These are used to guide and direct the way the Company's business is done.

In addition, there is a requirement not to engage in business dealings or transactions which could give rise to conflict of interest. For transparency, dispute resolution, operational efficiency and other related attributes, there is a registered code of conduct for employees' guidance.

Risk management

Evaluation of significant business risks and the implementation of appropriate mitigatory action to address these risks were periodically undertaken by management. These were reported through the Audit and Risk Committee at its regular meetings for consideration, review and guidance to ensure that strategies and plans remain on course.

Health and safety issues

We consider health and safety in our workplace critical to all our operations. Any health and safety related incidents are treated seriously and receive necessary attention. Regular inspections are conducted to ensure that safety measures are always in place and appropriate training is conducted to ensure that all employees are aware of health and safety issues.

Stakeholder engagement

Our stakeholders who include our employees, customers, suppliers, regulators, society, shareholders, investors, various government ministries and agencies are regarded as partners in the business. Stakeholder engagement is a day-to-day operation and the responsibility of all employees and management within the Company. In keeping with our corporate strategy, we try our best to give attention to material issues raised by our stakeholders whether they are economic, environmental or social issues.

The Company seeks to continuously comply with national, industrial and trade regulations.

CORPORATE GOVERNANCE STATEMENT (cont.)

Environmental management

In pursuit of our mission to enhance value for all stakeholders by providing tyre management solutions in our chosen markets through quality products, innovative technologies and systems, we believe that protecting the environment is part of sound business practice, which contributes towards sustainable business development. We recognize that some of our activities, products and services may have negative impacts on the environment. In mitigating these, we commit ourselves to:

- Comply with all the applicable laws, regulations and other requirements.
- Continual review of our activities, products and services in order to improve environmental performance and prevent pollution particularly from oils, heat, buffing dust and waste.
- Efficiently utilize raw materials and energy and minimize waste.
- Establish environmental objectives and targets, at appropriate levels, and periodically review them to ensure adequate pollution prevention.
- Identify employees, contractors and sub-contractors training needs and train them to achieve awareness and personal responsibility.
- Regularly review and openly communicate this policy to employees, customers and other stakeholders.

SUSTAINABILITY REPORTING

During the year under review, National Tyre Services Limited reinforced its commitment to sustainable business practices through intentional actions across environmental, social and governance dimensions. Our vision is to align with Zimbabwe's Vision 2030 and the United Nations Sustainable Development Goals (SDGs).

Environment

National Tyre Services is committed to protecting the environment by ensuring safety on our roads and protecting the environment through responsible business practices, community partnerships and innovation as we strive to create lasting value beyond our operations.

Our activities include:

- Efficient use of raw materials and energy to minimise waste.
- Retreading tyres, to reduce waste from used tyres.
- Recycling plastic waste from raw material packaging to keep our environment clean.
- Complying with all the applicable laws, regulations and requirements.
- Supporting national road safety campaigns.
- Promoting correct tyre use and emphasising regular maintenance.

Social

National Tyre Services promotes an inclusive workplace focused on fair employment practices, equal opportunity, gender equality and empowerment of people living with disabilities. The workforce is diverse with women representing 42% of the executive management team. In addition, continuous training and skills development are integral to the company's human capital strategy.

The company's social commitment extends beyond the workplace into the communities in which it operates. The company has participated in environmental clean up activities. It also offers internship and apprenticeship opportunities to students from technical institutions, contributing to skills transfer and improved youth employability. These initiatives collectively strengthen the company's role as a responsible corporate citizen that contributes to sustainable national development.

Governance

National Tyre Services uphold high governance standards. The company's governance framework hinges on transparency, accountability and ethical decision making at every level. The Board of Directors provides strategic oversight and ensures full compliance with the Zimbabwe Stock Exchange (ZSE) listing requirements, the National Code on Corporate Governance (ZIMCODE) and other applicable laws and regulations.

All directors and senior management are required to declare potential conflicts of interest and to refrain from activities that may compromise integrity.

The company maintains effective internal and external audit processes to safeguard compliance with policies, strengthen risk management and uphold operational efficiency. Governance and ethics training is provided to management and directors to reinforce adherence to company values and best practices.

The company engages transparently with its stakeholders, regulators, customers, suppliers and employees. Constructive dialogue ensures that stakeholder feedback informs business strategy, enhances trust and supports responsible decision making.

In conclusion, National Tyre Services remains dedicated to operating as a responsible enterprise through implementing effective environmental strategies, promoting inclusive hiring practices, and maintaining robust governance, the company consistently creates long-term benefits for its stakeholders, while also supporting Zimbabwe's social, economic, and developmental progress.

Our mission remains clear and unwavering: to keep Zimbabwe moving – responsibly, sustainably and together.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

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

The Directors have assessed the ability of the Company to continue as a going concern and believe that the preparation of these financial statements on a going concern basis is still appropriate. However, the Directors believe that under the current economic environment a continuous assessment of the ability of the Company to continue to operate as a going concern will need to be performed to determine the continued appropriateness of the going concern assumption that has been applied in the preparation of these financial statements.

The financial statements set out in this report have been prepared by management in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB), which includes standards and interpretations approved by the IASB and Standing Interpretations Committee (SIC) interpretations issued under previous constitutions.

The Conceptual Framework for Financial Reporting requires that in applying fair presentation of financial statements, entities should go beyond the consideration of the legal form of transactions and any other factors that could have an impact on them. IAS 21 requires a company to apply certain parameters in determining the functional currency of a company for use in the preparation of its financial statements. This standard also requires a company to make certain judgments, where applicable, regarding appropriate exchange rates between currencies where exchangeability through a legal and market exchange mechanism is not achievable.

The Directors carried out an assessment of the impact of liquidity constraints and foreign currency shortages on the Company's operations and income streams and came to a conclusion that the impact is not material to affect the ability of the Company to continue as a going concern for the twelve months ended 31 March 2026.

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

The Company's financial statements which are set out on pages 15 to 37 were, in accordance with their responsibilities, approved by the Board of Directors on 27 August 2025 and are signed on its behalf by:

Mr. R. J. Moyo
Chairman

Mr. A. S Ushe
Acting Managing Director

INDEPENDENT AUDITOR'S REPORT

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To the members of National Tyre Services Limited

Report on the Audit of the Inflation Adjusted Financial Statements

Adverse Opinion

We have audited the inflation adjusted financial statements of National Tyre Services Limited set out on pages 15 to 37, which comprise the statement of financial position as at 31 March 2025, and the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and the notes to the inflation adjusted financial statements, including a summary of the Company's significant accounting policies.

In our opinion, because of the significance of the matters described in the Basis for Adverse Opinion section of our report, the inflation adjusted financial statements do not present fairly, in all material respects, the financial position of National Tyre Services Limited as at 31 March 2025, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Adverse Opinion

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

As disclosed in **Note 2.1** to the financial statements, the Company has continued to apply the Zimbabwe Gold (ZWG) as its functional currency for the year ended 31 March 2025.

In our assessment, the underlying transactions, events, and conditions of the Company indicate that the United States Dollar (USD), and not the local currency, is the currency that most faithfully represents the economic effects of the Company's operations. The continued use of the ZWG as the functional currency without reassessment therefore represents a departure from the requirements of IAS 21. The effects of this departure are pervasive to the financial statements as a whole.

In addition, during the year ended 31 March 2024, the Company implemented an accounting system reconfiguration that resulted in the use of inappropriate spot exchange rates in translating foreign currency transactions. IAS 21 requires the use of the spot exchange rate for translation of transactions from a foreign currency to the functional currency. The use of inappropriate rates resulted in the distortion of the amounts presented in the statement of profit or loss for the year ended 31 March 2024, which are disclosed as comparative figures in the current year's financial statements, as well as the opening balance of retained earnings for the year ended 31 March 2025.

Had the financial statements been prepared in compliance with the requirements of IAS 21, many elements of the financial statements would have been materially different.

Valuation of investment property and owner-occupied property

The determination of fair values for assets presented in the inflation-adjusted financial statements is significantly affected by the prevailing economic environment. These financial statements include investment property and owner-occupied property carried at revalued amounts. The last valuation of the investment property and owner-occupied property was performed by professional valuers as at 31 March 2023. However a valuation of the investment property was not perfomed by professional valuers as at March 2025 in accordance with IAS40, which requires that fair values be determined at each reporting date when the fair value model is applied.

Valuation of investment property and owner-occupied property

In addition, the valuations of the investment property and owner-occupied property as at 31 March 2023 were determined in USD and subsequently translated into Zimbabwe Gold (ZWG) using the interbank exchange rate. While the USD valuations may reasonably reflect fair value in USD, the converted ZWG values are not fully compliant with IFRS 13 – Fair Value Measurement, as they may not incorporate the assumptions that market participants would apply in valuing similar items denominated in ZWG. Consequently, the reported revalued amounts of investment property, and owner-occupied property in ZWG may not represent their fair values at the reporting date. The opinions for the years ended 31 March 2022 and 31 March 2023 and 31 March 2024 were modified in respect of this matter as there were no subsequent revaluations of investment property, and owner-occupied property. This matter continue to affect the financial statements for the year ended 31 March 2025.

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

Key Audit Matters

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

IFRS 15 - Revenue from Contracts with customers	**How our audit addressed the Key Audit Matter**
• There is a presumed fraud risk with regards revenue recognition as guided by International Standard on Auditing (ISA 40: Revised). There is a risk that the revenue is presented at amounts higher than what has been actually generated by the Company. This is a significant risk and accordingly a key audit matter. The revenue recognised in these financial statements has been disclosed in **Note 18.**	Our audit procedures incorporated a combination of tests of the Company's controls relating to revenue recognition and the appropriateness of revenue recognition policies as well as substantive procedures in respect of testing the occurrence assertion. Our substantive procedures included but were not limited to the following: • Reviewed that revenue recognition criteria is appropriate and in line with the requirements of IFRS 15. • Tested design, existence and operating effectivenesss effectiveness of internal controls implemented as well as test of details to ensure accurate processing of revenue transactions. • Identified key controls and tested these controls to obtain satisfaction that they were operating effectively for the year under review. • Furthermore, we performed analytical procedures and assessed the reasonableness of explanations provided by management. • Performed cut-off tests on year end balances to ensure revenue is recognised in the correct period. • Inspected reversals and credit memos performed in the period subsequent to year end and established if they were for valid revenue transactions. Based on the audit work performed, we satisfied ourselves that the revenue recognition is appropriate and in compliance with the requirements of IFRS 15 - Revenue from Contracts with Customers.

Key Audit Matter	How our audit addressed the Key Audit Matter
Going concern • As disclosed in **Note 32** to the financial statements, the Company incurred a loss before tax of **ZWG 102 448 300** and a net loss of **ZWG 121 199 536** (inflation- adjusted) for the year ended 31 March 2025. As at that date, the Company's current liabilities exceeded its current assets by **ZWG 55 239 098.** • These events and conditions may cast significant doubt on the Company's ability to continue as a going concern. Accordingly, we considered the appropriateness of the going concern assumption, including the adequacy of the related disclosures, to be a key audit matter.	Our procedures included, but were not limited to the following: • Reviewed management's assessment of going concern to evaluate whether their conclusions were appropriate. • Evaluated management's cash flow forecasts, including the underlying assumptions (that is projected revenue growth, margin improvem-ents and cost savings), to assess whether these support the going concern assumption. • Assessed the availability of financing facilities and the related terms conditions to determine whether these would help improve the Company's cashflows. • Evaluated the reasonableness of manageme-nt's turnaround strategy and whether it is ade - quate to improve the Company's profitability and liquidity. • Reviewed management's going concern disclosure disclosuewdisclosures in the financial statements for adequacy and appropriateness. Based on the audit work perfomed, we concluded that management's assessment of going concern is appropriate, and the related disclosures are ade - quate.

Other Information

The Directors are responsible for the other information. The other information comprises the 'Corporate information', 'Directors' report', 'Corporate governance' and 'Chairman's report',which we obtained prior to the date of this auditor's report. The other information does not include the inflation adjusted financial statements and our auditor's report thereon. Our opinion on the inflation adjusted 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 inflation adjusted financial statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the inflation adjusted financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

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

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE INFLATION ADJUSTED FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the inflation adjusted financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company'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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the inflation adjusted financial statements or, if such disclosures are inadequate, to modify our opinion.

- Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the inflation adjusted financial statements, including the disclosures, and whether the inflation adjusted financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the inflation adjusted financial statements. We are responsible for the direction, supervision and performance of Company's audit. We remain solely responsible for our audit opinion.

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

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

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

Grant Thornton

James Marambire
Partner

Registered Public Auditor (PAAB No: 0846)

Grant Thornton
Chartered Accountants (Zimbabwe)
Registered Public Auditors

05 September 2025

HARARE

STATEMENT OF FINANCIAL POSITION
as at 31 March 2025

	Notes	Inflation adjusted 2025 ZWG	Inflation adjusted 2024 ZWG	Historical cost 2025 ZWG	Historical cost 2024 ZWG
Assets					
Non-current assets					
Property, plant and equipment	5	248 087 442	249 073 434	4 182 143	4 225 193
Intangible assets	6	225 468	340 789	544	703
Investment property	7	40 539 415	40 539 415	714 125	714 125
Investments	8	94 160	94 160	22 632	22 632
Right of use asset	9	4 428 164	7 371 027	37 685	62 729
Deferred tax	15	-	-	61 597	-
		293 374 649	297 418 825	5 018 726	5 025 382
Current assets					
Inventories	10	20 307 646	78 987 370	19 598 686	7 901 239
Trade and other receivables	11	6 218 978	3 743 335	6 118 340	1 996 640
Bank and cash balances	12	1 227 049	1 508 424	1 227 049	817 572
Corporate tax asset	13	25 040	46 199	25 040	25 040
		27 778 713	84 285 328	26 969 115	10 740 491
Total assets		321 153 362	381 704 153	31 987 841	15 765 873
Equity and liabilities					
Equity					
Share capital	14	107 853	107 853	10	10
Share premium		97 058	97 058	9	9
Fair Value through OCI reserve		(200 579)	(200 579)	945	945
Revaluation reserve		226 740 668	226 740 668	4 242 364	4 242 364
Retained earnings		(36 092 366)	85 107 170	(57 024 446)	(12 110 823)
		190 652 634	311 852 170	(52 781 118)	(7 867 495)
Non-current liabilities					
Deferred tax	15	45 731 769	26 980 533	-	396 857
Lease liabilities	9	1 751 148	1 775 095	1 751 148	962 109
		47 482 917	28 755 628	1 751 148	1 358 966
Current liabilities					
Trade and other payables	17	28 048 592	13 276 094	28 048 592	7 195 701
Short-term borrowings	16.1	54 969 219	27 820 261	54 969 219	15 078 701
		83 017 811	41 096 355	83 017 811	22 274 402
Total liabilities		130 500 728	69 851 983	84 768 959	23 633 368
Total equity and liabilities		321 153 362	381 704 153	31 987 841	15 765 873

Mr. R. J. Moyo
CHAIRMAN

Mr. A. S. Ushe
ACTING MANAGING DIRECTOR

27 August 2025

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the year ended 31 March 2025

		Inflation adjusted		Historical cost	
		2025	2024	2025	2024
	Notes	ZWG	ZWG	ZWG	ZWG
Revenue	**18**	143 358 489	191 734 197	105 000 154	15 563 907
Cost of sales		(97 389 080)	(113 972 322)	(71 278 505)	(8 175 905)
Gross profit		45 969 409	77 761 875	33 721 649	7 388 002
Other income	**19**	7 160 660	5 941 381	5 243 324	425 636
Exchange (loss)	**20**	(26 835 887)	(18 621 634)	(26 835 887)	(10 619 479)
Operating expenses	**21**	(70 132 646)	(84 224 649)	(49 069 663)	(7 513 630)
Loss from operations		(43 838 464)	(19 143 027)	(36 940 577)	(10 319 471)
Net finance costs	**22**	(10 736 495)	(9 857 442)	(8 431 500)	(1 730 309)
Monetary (loss)/gain		(47 873 341)	93 745 910	-	-
(Loss)/Profit before tax		(102 448 300)	64 745 441	(45 372 077)	(12 049 780)
Income tax (expense)/credit	**24**	(18 751 236)	2 737 227	458 454	(178 387)
(Loss)/Profit for the year		(121 199 536)	67 482 668	(44 913 623)	(12 228 167)
Other comprehensive income					
Other comprehensive income net of tax		-	-	-	-
Total comprehensive (loss)/income for the year		(121 199 536)	67 482 668	(44 913 623)	(12 228 167)
Number of shares in issue		253 872 420	253 872 420	253 872 420	253 872 420
Basic earnings per share (cents)	**25**	(48)	27	(18)	(5)
Diluted earnings per share (cents)	**25**	(48)	27	(18)	(5)
Headline earnings per share (cents)	**25**	(38)	34	(7)	(1)

STATEMENT OF CHANGES IN EQUITY
for the year ended 31 March 2025

INFLATION ADJUSTED

	Share capital ZWG	Share premium ZWG	Revaluation reserve ZWG	Fair value through OCI reserve ZWG	Retained earnings ZWG	Total ZWG
Balance at 1 April 2023	107 853	97 058	226 740 668	(200 579)	17 624 502	244 369 502
Total comprehensive income for the year	-	-	-	-	67 482 668	67 482 668
Balance at 31 March 2024	107 853	97 058	226 740 668	(200 579)	85 107 170	311 852 170
Balance at 1 April 2024	107 853	97 058	226 740 668	(200 579)	85 107 170	311 852 170
Total comprehensive loss for the year	-	-	-	-	(121 199 536)	(121 199 536)
Balance as at 31 March 2025	107 853	97 058	226 740 668	(200 579)	(36 092 366)	190 652 634

HISTORICAL COST

	Share capital ZWG	Share premium ZWG	Revaluation reserve ZWG	Fair value through OCI reserve ZWG	Retained earnings ZWG	Total ZWG
Balance at 1 April 2023	10	9	4 242 364	945	117 344	4 360 672
Total comprehensive loss for the year	-	-	-	-	(12 228 167)	(12 228 167)
Balance at 31 March 2024	10	9	4 242 364	945	(12 110 823)	(7 867 495)
Balance at 1 April 2024	10	9	4 242 364	945	(12 110 823)	(7 867 495)
Total comprehensive loss for the year	-	-	-	-	(44 913 623)	(44 913 623)
Balance as at 31 March 2025	10	9	4 242 364	945	(57 024 446)	(52 781 118)

STATEMENT OF CASH FLOWS
for the year ended 31 March 2025

		Inflation adjusted		Historical cost	
		2025	2024	2025	2024
	Notes	ZWG	ZWG	ZWG	ZWG
Cash flows from operating activities					
(Loss)/ Profit before tax		(102 448 300)	64 745 441	(45 372 077)	(12 049 780)
Adjusted for:					
Depreciation of property, plant and equipment	5	939 185	1 192 691	72 727	76 889
Depreciation of right of use assets	9	2 942 863	52 769	25 044	10 959
Amortisation of intangible assets	6	115 321	112 417	159	675
Profit on disposal of equipment	19	(1 297 825)	-	(778 982)	-
Unrealized exchange loss	20	40 152 096	22 936 604	40 152 096	12 431 738
Finance cost-lease liability	9.2	168 548	46 601	168 548	25 258
Finance costs		10 567 947	9 810 841	8 262 952	1 705 051
Monetary loss/(gain)		47 873 341	(93 745 910)	-	-
Operating cash flows before working capital changes		(986 824)	5 151 454	2 530 467	2 200 790
Changes in working capital					
Decrease /(Increase) in inventory		58 679 724	(53 699 703)	(11 697 447)	(7 459 870)
(Increase)/ Decrease in trade and other receivables		(2 475 643)	1 799 006	(4 121 700)	(1 899 558)
Increase/(Decrease) in trade and other payables		14 772 498	(8 734 178)	20 852 891	10 687 253
Net cash generated from /(utilised in) operations		69 989 755	(55 483 421)	7 564 211	3 528 615
Income tax paid		-	(86 974)	-	(47 140)
Net cash generated from /(utilised in)operating activities		69 989 755	(55 570 395)	7 564 211	3 481 475
Cash flows from investing activities					
Purchase of property, plant and equipment	5	(30 357)	(29 402)	(30 357)	(13 613)
Proceeds from disposals		1 374 989	-	779 663	-
Net cash utilised in investing activities		1 344 632	(29 402)	749 306	(13 613)
Cash flows from financing activities					
Loan raised	16.2	63 361 648	10 901 521	45 838 719	5 908 671
Loan repayments	16.2	(57 898 259)	(12 187 823)	(44 255 297)	(6 605 852)
Principal paid on lease liability	9.2	(1 417 228)	(483 661)	(1 055 962)	(262 147)
Finance costs	22	(10 736 495)	(9 857 442)	(8 431 500)	(1 730 309)
Net cash utilised in financing activities		(6 690 334)	(11 627 405)	(7 904 040)	(2 689 637)
Net increase/(decrease) in cash and cash equivalents		64 644 053	(67 227 202)	409 477	778 225
Cash and cash equivalents at beginning of the year		1 508 424	846 330	817 572	39 347
Effects of inflation		(64 925 428)	67 889 296	-	-
Cash and cash equivalents at end of year	12	1 227 049	1 508 424	1 227 049	817 572

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2025

1. CORPORATE INFORMATION

1.1 Nature of business

National Tyre Services Limited ("the Company") was incorporated in Zimbabwe on 20 October 1961 and is listed on the Zimbabwe Stock Exchange. The main business of the Company, which is incorporated in Zimbabwe (Registration Number 644/61), is that of retailing and retreading of tyres, wheel alignment, wheel balancing and related services.

2. GENERAL INFORMATION AND STATEMENT OF COMPLIANCE WITH IFRS

2.1 Functional and presentational currency

On 5 April 2024, the Government of Zimbabwe through Statutory Instrument 60 of 2024, introduced a new currency, Zimbabwe Gold (ZWG) to be the unit of account for transactions previously denominated in ZWL. Prior to the introduction of the ZWG management had performed an assessment of the functional currency to be the local currency which was the ZWL. However, following the introduction of the ZWG, management did not perform an assessment to determine the Company's functional currency as required by IAS 21. Instead, the Company adopted the ZWG as its functional currency.

The financial statements are presented in Zimbabwe Gold (ZWG).

2.2 Basis of preparation

The principal accounting policies adopted in the preparation of financial statements are set out below. The policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are based on statutory records that are maintained under the historical cost convention.

These financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IASB) and interpretations as issued by the International Financial Reporting Interpretations Committee (IFRS IC) applicable to companies reporting under IFRS and in the manner required by the Companies and Other Business Entities Act (Chapter 24:31), except for non-compliance with International Accounting Standard 21 (IAS 21), "The effect of changes in foreign exchange rates".

The preparation of financial statements in compliance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the accounting policies. The areas where significant judgments and estimates have been made in preparing the financial statements and their effect are disclosed in note 4.15.

The financial statements have been prepared on a going concern basis. The directors have assessed the Company's ability to continue as a going concern and have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future However, the directors note that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Details of this uncertainty are disclosed in Note 32.

2.3 Application of IAS 29 - Financial Reporting in Hyperinflationary Economies

These financial statements have been prepared in accordance with IAS 29 as if the economy had been hyperinflationary from 1 October 2018 as prescribed by the Public Accountants and Auditors Board (PAAB). In order to account for the rapid loss in the purchasing power of the local currency, hyperinflation accounting principles require transactions and balances to be stated in terms of the measuring unit current at the end of the reporting period.

Since the adoption of IAS 29 on 1 October 2018, the Company adopted the Reserve Bank of Zimbabwe consumer price index (CPI) as the general price index to prepare inflation adjusted financial statements. IAS 29 recommends the restatement of financial statements using a general price index to enhance comparability of financial statements reporting in the same hyperinflationary economy. As a result of S.I. 27 of 2023 and the provisions of IAS 29, the company estimated the consumer price index using the total consumption poverty line. Non-monetary assets and liabilities carried at historical cost have been restated to reflect the change in the general price index from 1 April 2024 to the end of the reporting period.

Monetary assets and liabilities; and non-monetary assets and liabilities carried at revalued amounts or linked by agreement to changes in prices have not been restated as they are presented at the measuring unit current at the end of the reporting period.

Items recognised in the statement of profit or loss have been restated by applying the change in the general price index from the dates when the transactions were initially earned or incurred. A net monetary adjustment was recognised in the statement of profit or loss. All items in the statement of cash flows are expressed in terms of the general price index at the end of the reporting period.

IAS 29 paragraph 17 permits the use of an estimate-based price index in circumstances where the rate is not available. In the absence of the official ZWL Indices the Company opted to use the Total Consumption Poverty Line to estimate the CPIs. The conversion factors used to restate the financial statements at 31 March 2025 are as follows:

Period	Apr	May	Jun	Jul	Aug	Sept
Year	2024	2024	2024	2024	2024	2024
Adjusting Factor	1.845	1.891	1.89	1.892	1.865	1.764

Prior	Oct	Nov	Dec	Jan	Feb	Mar
Year	2024	2024	2024	2025	2025	2025
Adjusting Factor	1.285	1.15	1.109	1.004	0.999	1

The main procedures applied in the above mentioned restatement of transactions are follows:

- All corresponding comparative figures as of and for the period ended 31 March 2024 are restated by applying the change in the index from 31 March 2023 to 31 March 2025.
- Gains and losses arising from the net monetary position are included in the statement of profit or loss and other comprehensive income.
- Monetary assets and liabilities are not restated because they are already stated in terms of the measuring unit current at reporting date.
- Non-monetary assets and liabilities that are not carried at amounts current at reporting date and components of equity are restated by applying the change in the index from the date of the transaction or if applicable from their most recent revaluation.
- Property, plant and equipment is restated by applying the change in the index from the date of acquisition or the date of their most recent revaluation to 31 March 2025. Depreciation and amortisation amounts are based on the restated amounts.
- All items in the cash flow statement are expressed in terms of the measuring unit current at the reporting date.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2025 (Cont'd)

3. New or Revised Standards or Interpretations

3.1 New Standards adopted as at 1 April 2024

3.1.1 Classifications of liabilities as Current or Non-current (Ammendments ro IAS 1)

The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current.

3.1.2 Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)

In September 2022, the IASB issued amendments to IFRS 16 Leases regarding the measurement of lease liabilities in a sale and leaseback transaction. The amendments are effective for annual reporting periods beginning on or after 1 January 2024, with earlier application permitted.

The amendments clarify that, in a sale and leaseback transaction, a seller-lessee is required to determine the lease payments or revised lease payments in a way that ensures no portion of the gain or loss relating to the right-of-use asset retained by the seller-lessee is recognised at the date of the transaction. After the commencement date, the seller-lessee applies the requirements in IFRS 16 on subsequent measurement of lease liabilities to the lease liability arising from the leaseback.

The amendments will be applied retrospectively to sale and leaseback transactions entered into after the date of initial application of IFRS 16, in line with the transition requirements of the amendments.

3.1.3 Amendments to IAS

At the date of authorisation of these financial statements, the Company has not applied the following new and revised IFRS 'standards that have been issued but are not yet effective.

The amendments require additional disclosures that complement the existing disclosures in these two standards. They require entities to disclose:

- the terms and conditions of the arrangement;
- the amount of the liabilities that are part of the arrangements, breaking out the amounts for which the suppliers have already received payment from the finance providers, and stating where the liabilities are included on the statement of financial position;
- ranges of payment due dates; and
- liquidity risk information.

3.1.4 Non-current Liabilities with Covenants (Amendments to IAS 1)

In October 2022, the IASB issued amendments to IAS 1 Presentation of Financial Statements on the classification of liabilities as current or non-current when those liabilities are subject to covenants. The amendments are effective for annual reporting periods beginning on or after 1 January 2024, with earlier application permitted.

The amendments clarify that covenants which an entity must comply with only after the reporting date do not affect whether a liability is classified as current or non-current at that date. However, entities are required to disclose information about such covenants if they could affect the entity's liquidity risk and its ability to refinance or roll over liabilities in the next twelve months.

3.2 Standards, amendments and Interpretations to existing Standards that are not yet effective and have not been adopted early by the Company

At the date of authorisation of these financial statements, several new, but not yet effective, Standards and amendments to existing Standards, and Interpretations have been published by the IASB. None of these Standards or amendments to existing Standards have been adopted early by the Company.

3.2.1 Lack of Exchangeability IAS 21

Lack of Exchangeability amends IAS 21 The Effects of Changes in Foreign Exchange Rates to require an entity to apply a consistent approach to assessing whether a currency is exchangeable into another currency and, when it is not, to determining the exchange rate to use and the disclosures to provide.

3.2.2 Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and 7)

In May 2024, the IASB issued amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures. The amendments are effective for annual reporting periods beginning on or after 1 January 2026, with earlier application permitted.

The amendments to IFRS 9 clarify requirements relating to the derecognition of financial liabilities, the assessment of contractual cash flow characteristics when financial assets include ESG-linked or contingent features, and the treatment of non-recourse arrangements and contractually linked instruments. The amendments to IFRS 7 introduce expanded disclosure requirements for financial instruments with contingent terms and for equity instruments measured at fair value through other comprehensive income.

3.2.3 IFRS 18 'Presentation and Disclosure in Financial Statements'

In April 2024, the IASB issued IFRS 18 Presentation and Disclosure in Financial Statements, which will replace IAS 1 Presentation of Financial Statements. The new standard is effective for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted.

The standard introduces significant changes to the presentation and disclosure of financial information, including:

- the requirement to present new defined subtotals in the statement of profit or loss, such as operating profit and profit before financing and income taxes;
- enhanced principles for aggregation and disaggregation to improve the clarity and comparability of new disclosure requirements for management-defined performance measures (MPMs), including reconciliations to IFRS-defined subtotals.

The amendments are applied retrospectively, with restatement of comparative periods required.

4. Summary of Material Accounting Policies

4.1 Revenue

Revenue arises mainly from sale of goods and rendering of services such as retreading of tyres, retailing of new tyres, tyre fitment and related services.

To determine whether to recognise revenues, the Company follows a 5 step process:
1. Identifying the contract with the customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transactional price to the performance obligations
5. Recognising revenues when/as performance obligation(s) are satisfied.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2025 (Cont'd)

The Company often enters into customer contracts to supply products and services. The contract is then assessed to determine whether it contains a single combined performance obligation or multiple performance obligations. If applicable the total transaction price is allocated amongst the various performance obligations based on their relative stand-alone selling prices. The transaction price for a contract excludes any amounts collected on behalf of third parties.

Revenue is recognised either at a point in time or over time, when (or as) the Company satisfies performance obligations by transferring the promised goods or services to its customers.

Revenue from the sale of goods consisting mainly of tyres is recognised when the Company has satisfied its performance obligation under a contract with the customer. Revenue is recognised when the goods have been delivered to/or collected by the customer, that is, the point when the customer obtains control of the goods.

4.1.2 Rendering of Services

Revenue from rendering services is recognised by reference to the stage of completion of the project or service provided if the amount of revenue can be measured reliably.

Revenue for over-time contracts is recognised on a time-and-materials basis as services are provided and costs are expensed as incurred. Amounts remaining unbilled at the end of a reporting period are presented in the consolidated statement of financial position as accounts receivable if only the passage of time is required before payment of these amounts will be due or as contract assets if payment is conditional on future performance. For the point-in-time contracts, materials and supplies are recognised as inventory and other directly attributable costs are initially recognised as contract fulfilment assets. These costs are expensed on delivery and acceptance (i.e. when the related revenue is recognised).

4.1.3 Interest Income

Interest income is accrued on a time proportionate basis, by reference to the principal outstanding and effective interest rate applicable.

4.1.4 Dividend Income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

4.1.5 Rental Income

Rental income is recognised over the non-cancellable term of the related leases on a straight-line basis.

4.1.6 Other Income

Other income is recognised on the date when the company has fulfilled its performance obligations and all risks and rewards associated with the transaction have been transferred to the customer.

4.2 Operating Expenses

Operating expenses are recognised in profit or loss upon utilisation of the service or as incurred.

4.3 Property, plant and equipment

Land and buildings

Land and buildings owned is stated at revalued amounts. Revalued amounts are fair values based on appraisals prepared by external professional valuers once every two years or more frequently if market factors indicate a material change in fair value. Any revaluation surplus is recognised in other comprehensive income and credited to the revaluation reserve in equity. To the extent any revaluation decrease or impairment loss has previously been recognised in profit or loss, a revaluation increase is credited to profit or loss with the remaining part of the increase recognised in other comprehensive income. Downward revaluations of land are recognised upon appraisal or impairment testing, with the decrease being charged to other comprehensive income to the extent of any revaluation surplus in equity relating to this asset and any remaining decrease recognised in profit or loss. Any revaluation surplus remaining in equity on disposal of the asset is transferred to retained earnings. As no finite useful life for land can be determined, related carrying amounts are not depreciated.

Plant and equipment

Plant and equipment are initially recognised at acquisition cost or manufacturing cost, including any costs directly attributable to bringing the assets to the location and condition necessary for them to be capable of operating in the manner intended by the Company's management. Plant and machinery, computer equipment, furniture and fittings are subsequently measured at cost less accumulated depreciation and impairment losses.

Depreciation is recognised on a straight-line basis to write down the cost less estimated residual value of buildings, plant and machinery, computer equipment and furniture and fittings. The following useful lives are applied:

Buildings	40 Years
Plant and machinery	5 Years
Motor Vehicles	5 Years
Computer equipment	4 Years
Furniture and fittings	3 Years

Land is not depreciated.

Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised in profit or loss either within other income or other expenses.

Property, plant and equipment are initially measured at cost. Cost includes expenditure that is directly attributable to the acquisition of the asset. Subsequent costs are included in the asset's carrying amounts or recognised as separate assets, as appropriate, only when it is probable that future economic benefits associated with the items will flow to the entity and the costs can be measured reliably. All other repairs and maintenance costs are charged to profit or loss during the period in which they are incurred. Subsequent to initial measurement property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. Annual depreciation is charged proportionately over the remaining useful life of an asset where its carrying amount is higher than its residual value. If the carrying amount is lower than the residual value, no depreciation is charged.

4.3.1 Impairment of property, plant and equipment

The carrying amount of property, plant and equipment is reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2025 (Cont'd)

Impairment loss is recognised directly through profit or loss when the carrying amounts of the assets exceed the fair values of the respective assets.

4.3.2 De-recognition of property, plant and equipment

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from use or disposal. Any gains or losses are recognised in profit or loss.

4.4 Intangible assets

Intangible assets comprise of acquired computer softwares and developed marketing concept, which are capitalised on the basis of the costs incurred to acquire the specified assets. The costs are amortised over the estimated useful lives using the straight line method. Costs associated with developing or maintaining computer software programmes are recognised as expenses when incurred. Costs that are directly associated with the production of identifiable and unique software products controlled by the Company, and that will probably generate economic benefits exceeding costs beyond one year, are recognised as intangible assets. Direct costs include the software development employee costs and an appropriate portion of relevant overheads. Computer software development costs recognised as assets are amortised over their estimated useful lives.

The following useful lives are applied:

Software	4 Years
Marketing concept	4 Years

4.4.1 Cost model

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least once at the end of each reporting period.

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of comprehensive income in the expense category that is consistent with the function of the intangible assets.

An intangible asset is derecognised on disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss.

4.5 Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units (CGU) fair value less costs of disposal and its value in use.

The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company of assets.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators. The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years.

4.6 Investment property

Investment properties are properties held to earn rentals or for capital appreciation, or both, and are accounted for using the fair value model. Investment properties are revalued after every two (2) years with resulting gains and losses recognised in profit or loss.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

4.7 Inventories

Inventories are initially measured at cost and subsequently measured at the lower of cost and net realisable value, after making allowance for obsolete inventory. Net realisable value is the expected selling price in the ordinary course of business minus any costs of completion, disposal, and transportation. The basis of determining cost is the weighted average method.

When inventories are sold, the carrying amount of those inventories shall be recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories shall be recognised as an expense in the period the write-down or loss occurs.

4.8 Leases

The entity assesses at contract inception whether a contract 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 a consideration.

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:
- Leases of low value assets; and
- Leases with a duration of 12 months or less.

Initial Recognition

Lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date and are usually discounted using the incremental borrowing rate. Lease payments included in the lease liability include:
- fixed payments and in-substance fixed payments during the term of the lease;
- variable lease payments that depend on an index or a rate;
- amounts expected to be payable by the lessee under residual value guarantees;
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option;
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The right of use asset is initially measured at cost, being the present value of the lease payments paid or payable, plus any initial direct costs incurred in entering the lease and dismantling costs, less any lease incentives received.

Subsequent measurement

After initial recognition, the lease liability is recorded at amortised cost using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2025 (Cont'd)

It is remeasured when:
- there is a change in the residual value guarantee;
- there is a change in future lease payments arising from a change in an index or rate (e.g. an inflation related increase);
- the Company's assessment of the lease term changes;
- lease modifications occur that are not treated as separated leases;

Any change in the lease liability as a result of these changes also results in a corresponding change in the right of use asset.

Right of use assets are depreciated on a straight-line basis from the commencement date to the earlier of the end of the asset's useful life or the end of the lease term.

Lease modification

The Company accounts for a change in the scope of a lease or the consideration for a lease that was not part of the original terms and conditions of the lease either as a separate lease or by decreasing the carrying amount of the lease liability.

Lease modifications are accounted for as separate leases if the following conditions are met:
- the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- the consideration for the lease increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

Lease modifications that are not accounted for as separate lease modifications are accounted as follows:
- decreasing the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease for lease modifications that decrease the scope of the lease. National Tyre Services Limited recognises in profit or loss any gain or loss relating to the partial or full termination of the lease.
- making a corresponding adjustment to the right-of-use asset for all other lease modifications.

4.9 Employee Benefits

Employee benefits are all forms of consideration given in exchange for services rendered by employees or for the termination of employment. The classification, recognition and measurement of these employee benefits is as follows:

a) Short-term employee benefits

Short-term employee benefits are employee benefits (other than termination benefits) that are expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service. The Company's short term employee benefits comprise remuneration in the form of salaries, wages, bonuses, employee entitlement to leave pay and medical aid.

The undiscounted amount of all short-term employee benefits expected to be paid in exchange for service rendered are recognised as an expense or as part of the cost of an asset during the period in which the employee renders the related service. The Company recognizes the expected cost of bonuses only when the Company has a present legal or constructive obligation to make such payment and a reliable estimate can be made.

b) Post-employment benefits

Post-employment benefits are employee benefits (other than termination benefits and short-term employee benefits) that are payable after the completion of employment.

Post-employment benefits comprise retirement benefits that are provided for Company employees through an independently administered defined contribution fund and by the National Social Security Authority (NSSA), which is also a defined contribution fund from the Company's perspective.

Payments to the defined contribution fund and to the NSSA scheme are recognised as an expense when they fall due, which is when the employee renders the service. The Company has no liability for Post-employment Retirement Benefit Funds once the current contributions have been paid at the time the employees render service. During the year the Company contributed to the Company defined contribution fund and to the NSSA scheme.

4.10 Financial Instruments

4.10.1 Financial assets

a) Initial recognition and measurement

Financial assets are classified, at initial recognition, as financial assets at fair value through profit or loss, at amortised cost or financial assets at fair value through OCI. The classification depends on both;
- the Company's business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset.

The Company's accounting policy for each category of financial asset held is as follows:

Amortised cost

Financial assets are classified at amortised cost if the contractual terms give rise to payments that are solely payments of principal and interest on the principal amount outstanding and the financial asset is held in a business model whose objective is to hold financial assets in order to collect contractual cash flows. These assets are subsequently measured at amortized cost using the effective interest method, minus impairment allowances. Interest income and gains and losses from financial assets at amortised cost are recognised in statement of profit or loss as financial income. The Company's financial assets measured at amortised cost include trade and other receivables and cash and cash equivalents.

Financial assets at fair value through other comprehensive income "OCI"

The Company accounts for financial assets at fair value through OCI if the assets are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets. 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. Upon disposal any balance in the fair value through OCI reserve is reclassified to profit or loss. The Company's financial assets at fair value through OCI consist of timeshare investments.

Purchases and sales of financial assets measured at fair value through other comprehensive income are recognised on settlement date with any change in fair value between trade date and settlement date being recognised in the fair value through other comprehensive income reserve.

b) Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a company of similar financial assets) is primarily derecognized when:
- The rights to receive cash flows from the asset have expired or;
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either or
  - a) the Company has transferred substantially all the risks and rewards of the asset,
  - b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2025 (Cont'd)

Amortised cost

Financial assets are classified at amortised cost if the contractual terms give rise to payments that are solely payments of principal and interest on the principal amount outstanding and the financial asset is held in a business model whose objective is to hold financial assets in order to collect contractual cash flows. These assets are subsequently measured at amortized cost using the effective interest method, minus impairment allowances. Interest income and gains and losses from financial assets at amortised cost are recognised in statement of profit or loss as financial income. The Company's financial assets measured at amortised cost include trade and other receivables and cash and cash equivalents.

Financial assets at fair value through other comprehensive income "OCI"

The Company accounts for financial assets at fair value through OCI if the assets are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets. 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. Upon disposal any balance in the fair value through OCI reserve is reclassified to profit or loss. The Company's financial assets at fair value through OCI consist of timeshare investments.

Purchases and sales of financial assets measured at fair value through other comprehensive income are recognised on settlement date with any change in fair value between trade date and settlement date being recognised in the fair value through other comprehensive income reserve.

b) Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a company of similar financial assets) is primarily derecognized when:

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

c) Impairment of financial assets

Impairment provisions for trade receivables are recognised based on the simplified approach within IFRS 9 using a provision matrix in the determination of the lifetime expected credit losses. During this process the probability of the non-payment of the trade receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. For trade receivables, which are reported net, such provisions are recorded in a separate provision account with the loss being recognised in the statement of comprehensive income. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

c) Impairment of financial assets

Impairment provisions for trade receivables are recognised based on the simplified approach within IFRS 9 using a provision matrix in the determination of the lifetime expected credit losses. During this process the probability of the non-payment of the trade receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. For trade receivables, which are reported net, such provisions are recorded in a separate provision account with the loss being recognised in the statement of comprehensive income. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

4.10.2 Financial liabilities

The Company's financial liabilities include trade and other payables and borrowings.

a) Recognition and measurement

Financial liabilities are recognised initially at fair value and, in the case of loans and borrowings, less directly attributable transaction costs.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate method "EIR". Gains and losses are recognised in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized 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 amortization is included as finance costs in the statement of comprehensive income. This category generally applies to interest-bearing loans and borrowings.

b) Derecognition

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

4.11 Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and – for the purpose of the statement of cash flows - bank overdrafts. Bank overdrafts are shown separate from borrowings in current liabilities on the statement of financial position.

4.12 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events and a reliable estimate of the obligation can be made. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

4.13 Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are expensed in the period in which they are incurred.

4.14 Income Tax

4.14.1 Current Tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2025 (Cont'd)

4.14.2 Deferred tax

Deferred tax is set aside on the full liability basis in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes, and the tax bases.

Defered tax liabilities are recognised for all taxable temporary differences except where the deferred tax liability arises from:
a) the initial recognition of goodwill; or
b) the initial recognition of an asset or liability in a transaction which:
i) is not a business combination; and
ii) at the time of the transaction affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, carry-forward of unused tax credits and unused tax losses 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 utilized. Deferred tax assets are recognised only to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

4.15. Significant management judgement in applying accounting policies and estimation uncertainty

In preparing the financial statements, management is required to make estimates and assumptions that affect the amounts presented in the financial statements and related disclosures. Use of available information and the application of judgment is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the financial statements. Significant judgments include:

4.15.1 Trade and other receivables

Impairment provisions for trade receivables are recognised based on the simplified approach within IFRS 9 using a provision matrix in the determination of the lifetime expected credit losses. During this process the probability of the non-payment of the trade receivables is assessed. In determining these probabilities and whether an impairment loss should be recorded in profit or loss, the Company makes judgments as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from the trade and other receivables.

4.15.2 Impairment testing

The company assesses its assets for impairment at each reporting date. Impairment testing is an area involving management judgment, requiring assessment as to whether the carrying amount of assets can be supported by the net present value of future cash flows derived from such assets using cash flow projections which have been discounted at an appropriate rate.

4.15.3 Provisions and contingent liabilities

The company reviews outstanding legal cases following developments in the legal proceedings at each reporting date, in order to assess the need for provisions and disclosures in its financial statements. Among the factors considered in making decisions on provisions are the nature of litigation, claim or assessment, the legal process and potential level of damages in the jurisdiction in which the litigation, claim or assessment has been brought, the progress of the case (including the progress after the date of the financial statements but before those statements are issued), the opinions or views of legal advisers, experience on similar cases and any decision of the company's management as to how it will respond to the litigation, claim or assessment.

4.15.4 Useful live and residual values of property, plant and equipment

The Company reviews the estimated useful lives and residual values of property, plant and equipment, and investment property at the end of the reporting period. Remaining useful lives and residual values are reassessed based on business trends, technological developments, asset conditions and management's future plans. The useful lives and residual values so determined involved the exercise of significant levels of judgement based on data that was not readily observable.

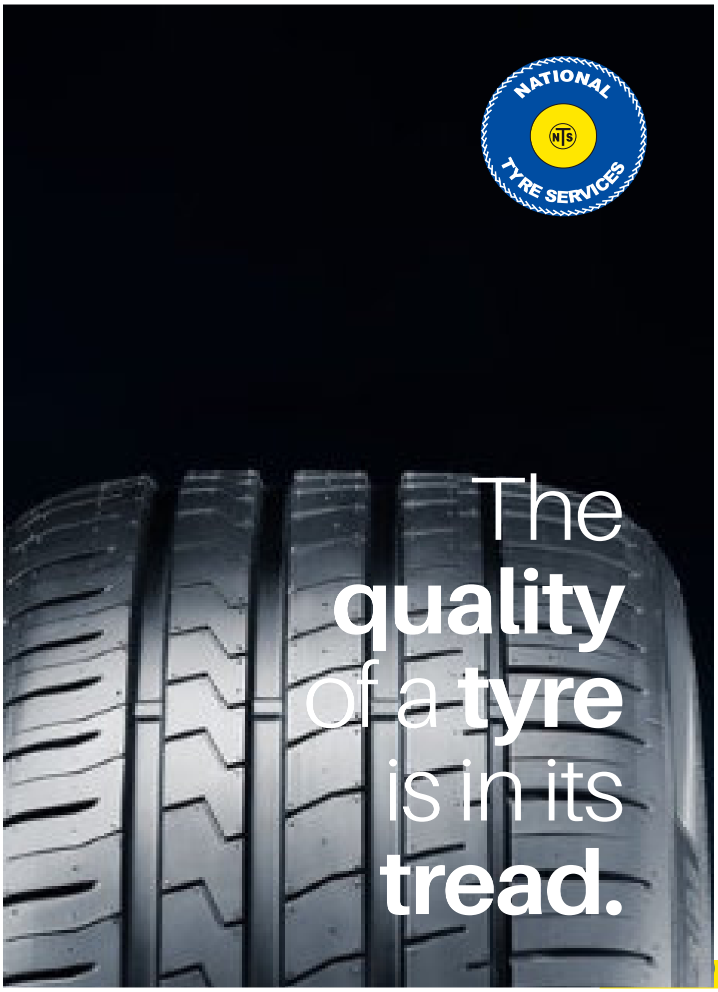
4.15.6 Hyperinflation

In July 2019, the 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 1 July 2019. These financial statements have been prepared in accordance with IAS 29 together with International Financial reporting Interpretations Committee ("IFRIC") 7 as if the economy has been in hyperinflation from 1 January 2019.

The financial statements (including comparative amounts) of the company, whose functional currency is the currency of hyperinflationary economy, are adjusted in terms of the measuring unit current at the end of the reporting period.

The carrying amounts of non-monetary assets and liabilities were adjusted to reflect the change in the general price index from the date of acquisition to the end of the reporting period. On initial application of hyperinflation, prior period gains and losses were recognised directly in equity.

Gains or losses on the net monetary position are recognised in profit or loss. All items recognised in the income statement are restated by applying the change in the general price index (CPI) from the dates when the items of income and expenses were initially earned or incurred.



NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2025 (Cont'd)

5. PROPERTY, PLANT AND EQUIPMENT

INFLATION ADJUSTED

	Land ZWG	Buildings ZWG	Lease Improvements ZWG	Plant and machinery ZWG	Motor vehicles ZWG	Computer Equipment ZWG	Furniture & Fittings ZWG	Total ZWG
Carrying amount as at 31 March 2023	**71 949 823**	**168 440 765**	**536 314**	**5 004 181**	**3 007 207**	**1 076 452**	**221 982**	**250 236 723**
Gross carrying amount-cost/ valuation	71 949 823	168 440 765	561 463	10 276 528	5 343 425	2 678 201	683 332	259 933 536
Accumulated depreciation	-	-	(25 149)	(5 272 347)	(2 336 218)	(1 601 749)	(461 350)	(9 696 813)
Revaluation								
Additions	-	-	-	1182	-	27 654	565	29 401
Depreciation charge for the year	-	(116 332)	(5 965)	(525 133)	(306 510)	(198 115)	(40 636)	(1 192 691)
Carrying amount as at 31 March 2024	**71 949 823**	**168 324 433**	**530 349**	**4 480 230**	**2 700 697**	**905 991**	**181 911**	**249 073 434**
Gross carrying amount-cost/ valuation	71 949 823	168 440 765	561 463	10 277 710	5 343 425	2 705 855	683 897	259 962 938
Accumulated depreciation	-	(116 332)	(31 114)	(5 797 480)	(2 642 728)	(1 799 864)	(501 986)	(10 889 504)
Additions	-	-	-	-	-	30 357	-	30 357
Disposals	-	-	-	-	(237 247)	-		(237 247)
Disposals accumulated depreciation	-	-	-	-	160 083	-	-	160 083
Depreciation charge for the year	-	(116 332)	(5 965)	(499 435)	(165 515)	(128 775)	(23 163)	(939 185)
Carrying amount as at 31 March 2025	**71 949 823**	**168 208 101**	**524 384**	**3 980 795**	**2 458 018**	**807 573**	**158 748**	**248 087 442**
Gross carrying amount-cost/ valuation	71 949 823	168 440 765	561 463	10 277 710	5 106 178	2 736 212	683 897	259 756 048
Accumulated depreciation	-	(232 664)	(37 079)	(6 296 915)	(2 648 160)	(1 928 639)	(525 149)	(11 668 606)

Land and buildings with a carrying amount of ZWG 120 399 740 (Inflation adjusted) were pledged as collateral in respect of borrowings which are disclosed in note 16.

HISTORICAL COST

	Land ZWG	Buildings ZWG	Lease Improvements ZWG	Plant and machinery ZWG	Motor vehicles ZWG	Computer Equipment ZWG	Furniture & Fittings ZWG	Total ZWG
Carrying amount as at 31 March 2023	**1 267 438**	**2 967 183**	**662**	**27 273**	**22 164**	**3 281**	**468**	**4 288 469**
Gross carrying amount-cost/ valuation	1 267 438	2 967 183	693	29 728	26 588	5 540	761	4 297 931
Accumulated depreciation	-	-	(31)	(2 455)	(4 424)	(2 259)	(293)	(9 462)
Additions	-	-	-	602	-	12 684	327	13 613
Depreciation charge for the year	-	(63 053)	(15)	(5 132)	(4 755)	(3 764)	(170)	(76 889)
Carrying amount as at 31 March 2024	**1 267 438**	**2 904 130**	**647**	**22 743**	**17 409**	**12 201**	**625**	**4 225 193**
Gross carrying amount-cost/ valuation	1 267 438	2 967 183	693	30 330	26 588	18 224	1 088	4 311 544
Accumulated depreciation	-	(63 053)	(46)	(7 587)	(9 179)	(6 023)	(463)	(86 351)
Additions	-	-	-	-	-	30 357	-	30 357
Disposals		-	-	-	(2 721)	-	-	(2 721)
Disposals accumulated depreciation	-	-	-	-	2 041	-	-	2 041
Depreciation charge for the year	-	(63 053)	(15)	(4 179)	(3 651)	(1 680)	(149)	(72 727)
Carrying amount at 31 March 2025	**1 267 438**	**2 841 077**	**632**	**18 564**	**13 078**	**40 878**	**476**	**4 182 143**
Gross carrying amount-cost/ valuation	1 267 438	2 967 183	693	30 330	23 867	48 581	1 088	4 339 180
Accumulated depreciation	-	(126 106)	(61)	(11 766)	(10 789)	(7 703)	(612)	(157 037)

Land and buildings with a carrying amount of ZWG 2 120 912 (Historical Cost) were pledged as collateral in respect of borrowings which are disclosed in note 16.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2025 (Cont'd)

6. Intangible assets

	Inflation Adjusted			Historical Cost		
	Computer software ZWG	Marketing concept ZWG	Total ZWG	Computer software ZWG	Marketing concept ZWG	Total ZWG
Carrying amount at 31 March 2023	**448 973**	**4 233**	**453 206**	**1 378**	**-**	**1 378**
Gross carrying amount	1 386 043	21 235	1 407 278	1 909	2	1 911
Accumulated amortisation	(937 070)	(17 002)	(954 072)	(531)	(2)	(533)
Amortisation charge for the year	(108 184)	(4 233)	(112 417)	(675)	-	(675)
Carrying amount at 31 March 2024	**340 789**	**-**	**340 789**	**703**	**-**	**703**
Gross carrying amount	1 386 043	21 235	1 407 278	1 909	2	1 911
Accumulated amortisation	(1 045 254)	(21 235)	(1 066 489)	(1 206)	(2)	(1 208)
Amortisation charge for the year	(115 321)	-	(115 321)	(159)	-	(159)
Carrying amount at 31 March 2025	**225 468**	**-**	**225 468**	**544**	**-**	**544**
Gross carrying amount	1 386 043	21 235	1 407 278	1 909	2	1 911
Accumulated amortisation	(1 160 575)	(21 235)	(1 181 810)	(1 365)	(2)	(1 367)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2025 (Cont'd)

7. Investment property

	Inflation Adjusted	Historical Cost
	ZWG	**ZWG**
Carrying amount at 31 March 2023	**40 539 415**	**714 125**
Fair value gain	-	-
Carrying amount at 31 March 2024	**40 539 415**	**714 125**
Fair value gain	-	-
Carrying amount at 31 March 2025	**40 539 415**	**714 125**

8 . Investments

	Inflation Adjusted			Historical Cost		
	At fair value ZWG	At cost ZWG	Total ZWG	At fair value ZWG	At cost ZWG	Total ZWG
Balance at 31 March 2023	**54 165**	-	**54 165**	**954**	-	**954**
Exchange rate movement	39 995	-	39 995	21 678	-	21 678
Balance at 31 March 2024	**94 160**	-	**94 160**	**22 632**	-	**22 632**
Fair value gain	-	-	-	-	-	-
Balance at 31 March 2025	**94 160**	-	**94 160**	**22 632**	-	**22 632**

The investments at fair value relates to 6 units of unquoted African Sun time shares. The fair value of time shares is based on the market value. The investment at cost relates to a 0.57% equity shareholding in Medical Investments (Private) Limited.

The Company's Directors believe that the carrying values of the investments are reasonable.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2025 (Cont'd)

9. Right of use assets and leases

9.1 Right of use assets

	Inflation Adjusted		Historical Cost	
	2025 ZWG	2024 ZWG	2025 ZWG	2024 ZWG
Opening balance	7 371 027	7 936 765	62 729	21 417
Right of use reassessment	-	(512 969)	-	52 271
Depreciation	(2 942 863)	(52 769)	(25 044)	(10 959)
Closing balance	4 428 164	7 371 027	37 685	62 729

9.2 Lease liabilities

	Inflation Adjusted 2025 ZWG	Inflation Adjusted 2024 ZWG	Historical Cost 2025 ZWG	Historical Cost 2024 ZWG
Opening balance	1 775 095	4 110 205	962 109	72 404
Monetary adjustment	(451 720)	(3 976 620)	-	-
Initial Recognition	-	459 387	-	248 990
Exchange loss	1 676 453	1 625 176	1 676 453	880 852
Finance cost	168 548	46 601	168 548	25 258
Lease payments	(1 417 228)	(483 661)	(1 055 962)	(262 147)
Restatement	-	(5 993)	-	(3 248)
Closing balance	1 751 148	1 775 095	1 751 148	962 109

9.3 Short term lease expense

	Inflation Adjusted 2025 ZWG	Inflation Adjusted 2024 ZWG	Historical Cost 2025 ZWG	Historical Cost 2024 ZWG
9.3 Short term lease expense	-	303 471	-	39 803

10 Inventories

	Inflation Adjusted		Historical Cost	
	2025 ZWG	2024 ZWG	2025 ZWG	2024 ZWG
Tyres	18 238 917	62 506 881	17 968 509	6 620 971
Rubbber and patches	1 435 033	8 316 988	1 179 018	1 074 788
Other consumables	633 696	8 163 501	451 159	205 480
	20 307 646	78 987 370	19 598 686	7 901 239

11 Trade and other receivables

		Inflation Adjusted		Historical Cost	
		2025 ZWG	2024 ZWG	2025 ZWG	2024 ZWG
Trade receivables		2 780 661	2 059 997	2 780 661	1 116 527
Other receivables		2 218 067	1 444 681	2 218 067	783 023
Allowance for credit losses	11.1	(160 129)	(118 498)	(160 129)	(64 226)
		4 838 599	3 386 180	4 838 599	1 835 324
Prepayments		1 380 379	357 155	1 279 741	161 316
Total		6 218 978	3 743 335	6 118 340	1 996 640

The carrying value of trade and other receivables at amortised cost approximates their fair value.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2025 (Cont'd)

11. Trade and other receivable (continued)

11.1 Impairment of trade and other receivables

The Company makes use of a simplified approach in accounting for trade and other receivables as well as contract assets and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating, the Company uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix. The Company assesses impairment of trade receivables on a collective basis as they possess shared credit risk characteristics they have been grouped based on the days past due. To measure expected credit losses on a collective basis, trade and other receivables are grouped based on similar credit risk and their aging.

Default Rates

Default rates are defined as the percentage of receivables that are expected to be uncollectible. The Company calculates default rates based on historical data and adjusts for forward-looking information. The default rates are reviewed and updated regularly to reflect current conditions and expectations.

The expected loss rates are based on the Company's historical credit losses. The historical loss rates are then adjusted for current and forward-looking information on macroeconomic factors affecting the Company's clients.

At 31 March 2025 the lifetime expected credit loss provision for trade and other receivables is as follows:

	Current	1 to 30 days	31 to 90 days	91 - 120 days	More than 120 days past due	Total
	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG
Expected credit loss rate	0.09%	0.65%	9.17%	26.75%	100.00%	-
Gross carrying amount	1896 718	413 386	191 701	192 082	86 774	2 780 661
Loss provision	**1 707**	**2 687**	**17 579**	**51 382**	**86 774**	**160 129**

At 31 March 2024 lifetime expected loss provision for trade and other receivables is as follows:

Historical Cost

	1 to 30 days	31 to 60 days	61 to 90 days	91 - 120 days	More than 120 days past due	Total
	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG
Expected credit loss rate	0.09%	0.65%	9.17%	26.75%	100.00%	-
Gross carrying amount	842 292	171 157	37 628	8 934	56 515	1 116 527
Loss provision	**758**	**1 113**	**3 450**	**2 390**	**56 515**	**64 226**

Inflation Adjusted

	1 to 30 days	31 to 60 days	61 to 90 days	91 - 120 days	More than 120 days past due	Total
	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG
Expected credit loss rate	0.09%	0.65%	9.17%	26.75%	100.00%	-
Gross carrying amount	1 554 033	315 786	69 423	16 483	104 272	2 059 997
Loss provision	**1 399**	**2 053**	**6 366**	**4 409**	**104 271**	**118 498**

12 . Cash and cash equivalents

	Inflation Adjusted		Historical Cost	
	2025	2024	2025	2024
	ZWG	ZWG	ZWG	ZWG
For the purposes of the cash flow statement, cash and cash equivalents comprise of:				
Bank balances	965 505	594 608	965 505	322 280
Cash on hand	261 544	913 816	261 544	495 292
	1 227 049	**1 508 424**	**1 227 049**	**817 572**

13. Corporate tax asset

	Inflation Adjusted		Historical Cost	
	2025	2024	2025	2024
	ZWG	**ZWG**	**ZWG**	**ZWG**
Balance at beginning of the year	46 199	(40 775)	25 040	(22 100)
Current tax expense	-	-	-	-
Tax paid during the year	-	86 974	-	47 140
Under/(over provision) in respect of prior years	-	-	-	-
Monetary adjustment	(21159)	-	-	-
Balance at end of the year	**25 040**	**46 199**	**25 040**	**25 040**

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2025 (Cont'd)

14. Share capital

	Inflation Adjusted		Historical Cost	
	2025	2024	2025	2024
Authorised	ZWG	ZWG	ZWG	ZWG
400 000 000 ordinary shares of ZWG 0.00000004002 each	16	16	16	16
Issued and fully paid				
253 872 420 ordinary shares of ZWG 0.00000004002 each	107 853	107 853	10	10

Unissued shares are under the control of the directors subject to the limitations imposed by the Companies and Other Business Entities Act (Chapter 24:31) and the requirements of the Zimbabwe Stock Exchange.

15. Deferred tax

Analysis of deferred tax

	Inflation Adjusted		Historical Cost	
	2025	2024	2025	2024
	ZWG	ZWG	ZWG	ZWG
Accelerated wear and tear of property, plant and equipment	45 351 317	27 412 340	746 363	753 920
Accelerated wear and tear of intangible assets	58 006	110 796	88	74
Lease liability	(450 921)	(438 803)	(450 921)	(247 743)
Right of use asset	1 140 252	1 840 736	9 704	16 153
Provisions	(366 885)	(1 944 536)	(366 831)	(125 547)
	45 731 769	**26 980 533**	**(61 597)**	**396 857**
Reconciliation				
Opening balance	26 980 533	29 717 760	396 857	218 470
Recognised through statement of profit or loss	18 751 236	(2 737 227)	(458 454)	178 387
Closing balance	**45 731 769**	**26 980 533**	**(61 597)**	**396 857**

16. Borrowings

16.1 Short term	**54 969 219**	**27 820 261**	**54 969 219**	**15 078 701**
FBC loan	33 116 520	10 437 034	33 116 520	5 656 917
Standard Chartered Bank	-	4 885 585	-	2 648 008
Bellerive	1 430 708	849 266	1 430 708	460 306
Ecobank	3 967 656	3 357 442	3 967 656	1 819 748
Radun Investments	16 454 335	8 290 934	16 454 335	4 493 722
Total borrowings	54 969 219	27 820 261	54 969 219	15 078 701

FBC Loan

A short term loan capped at USD 1 300 000 million was obtained from FBC Bank Limited to finance working capital needs. The loan attracts interest at 18% per annum and matures on 31 October 2026. The facility is secured by land and buildings with a carrying amount of USD 3 104 355.

Ecobank Loan

A short term loan facility was obtained from Ecobank for the purposes of funding working capital needs. The loan attracts interest at 15.5% per annum and matures on 30 September 2025. The facility is secured by land and buildings with a carrying amount of USD 750 000.

Radun loan

A short term loan facility, capped at USD 400 000, was obtained from Radun investments to finance the purchase of tyres and raw materials. The loan attracts interest at 16.5% per annum.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2025 (Cont'd)

16. Borrowings (continued)

16.2 Reconciliation of liabilities arising from financing activities

	Inflation Adjusted		Historical Cost	
	2025	2024	2025	2024
Short term Borrowings	ZWG	ZWG	ZWG	ZWG
Opening balance	27 820 261	23 144 032	15 078 701	4 417 287
Loan balances movement:				
Loan proceeds	63 361 648	9 920 384	45 838 719	5 376 891
Accrued Interest	2 559 928	981 137	2 041 800	531 780
Exchange rate loss	36 265 296	20 956 652	36 265 296	11 358 595
Loan repayments	(57 898 259)	(12 187 823)	(44 255 297)	(6 605 852)
Effects of inflation on opening balances	(17 139 655)	(14 994 121)	-	-
	54 969 219	**27 820 261**	**54 969 219**	**15 078 701**

17. Trade and other payables

	Inflation Adjusted		Historical Cost	
	2025	2024	2025	2024
	ZWG	ZWG	ZWG	ZWG
Trade payables	15 257 387	7 690 481	15 257 387	4 168 274
Other payables	10 377 071	5 082 232	10 377 071	2 754 592
Provisions:				
Director's fees	1 517 810	383 243	1 517 810	207 719
Audit fees	896 324	120 138	896 324	65 116
Total trade and other payables	**28 048 592**	**13 276 094**	**28 048 592**	**7 195 701**

Total financial liabilities classified as financial liabilities are measured at amortised cost

18. Revenue

	Inflation Adjusted		Historical Cost	
	2025	2024	2025	2024
	ZWG	ZWG	ZWG	ZWG
Sale of tyres	135 666 052	179 058 528	99 275 644	14 568 087
Rendering of services	7 692 437	12 675 669	5 724 510	995 820
	143 358 489	191 734 197	105 000 154	15 563 907

19. Other income

	Inflation Adjusted		Historical Cost	
	2025	2024	2025	2024
	ZWG	ZWG	ZWG	ZWG
Rental income	5 110 104	4 149 920	3 790 570	357 658
Sundry income	751 457	1 791 452	672 600	67 975
Interest	1 274	9	1 172	3
Profit on disposal of motor vehicle	1 297 825	-	778 982	-
	7 160 660	**5 941 381**	**5 243 324**	**425 636**

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2025 (Cont'd)

20. Exchange gains and losses

	Inflation Adjusted		Historical Cost	
	2025	2024	2025	2024
	ZWG	ZWG	ZWG	ZWG
Unrealised exchange losses	(40 152 096)	(2 936 604)	(40 152 096)	(12 431 738)
Realised exchange gain	13 316 209	4 314 970	13 316 209	1 812 259
	(26 835 887)	(18 621 634)	(26 835 887)	(10 619 479)

21. Operating expenses

	Inflation Adjusted		Historical Cost	
	2025	2024	2025	2024
	ZWG	ZWG	ZWG	ZWG
Staff expenses	36 258 331	44 926 881	27 366 214	4 252 810
Administration expenses	29 876 946	37 939 891	21 605 519	3 172 128
Depreciation and amortisation	3 997 369	1 357 877	97 930	88 692
	70 132 646	**84 224 649**	**49 069 663**	**7 513 630**

22. Net finance costs

	Inflation Adjusted		Historical Cost	
	2025	2024	2025	2024
	ZWG	ZWG	ZWG	ZWG
Interest expense from borrowings	10 567 947	9 810 841	8 262 952	1 705 051
Interest expense from leasing arrangements	168 548	46 601	168 548	25 258
Total interest expense	10 736 495	9 857 442	8 431 500	1 730 309

23. Profit before tax

Profit before tax has been arrived at after accounting for the following:

	Inflation Adjusted		Historical Cost	
	2025	2024	2025	2024
	ZWG	ZWG	ZWG	ZWG
Income:				
Rental income	5 110 104	4 149 920	3 790 570	357 658
Expenses:				
Audit fees and expenses	814 459	787 874	653 813	99 232
Operating lease rentals	-	303 471	-	39 803
Depreciation and amortisation	3 997 369	1 357 877	97 930	88 692
Exchange losses on foreign transactions	26 835 887	18 621 634	26 835 887	10 619 479
Transport charges	123 291	1 935 307	768 022	159 095
Technical fees	-	1 012 572	-	38 396
Electricity and lighting	1 488 616	1 519 836	1 015 607	104 219
Employee costs :				
Staff remuneration	36 258 331	44 926 881	27 366 214	4 252 810
Pension (National Social Security Authority)	2 701 736	324 908	2 251 447	121 449
Other defined contribution plans	815 646	117 077	604 182	42 304
Directors' remuneration of:				
Fees for services as Directors	420 950	1 282 073	169 366	197 909

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2025 (Cont'd)

24 . Income tax

	Inflation Adjusted		Historical Cost	
	2025	2024	2025	2024
	ZWG	ZWG	ZWG	ZWG
Current	-	-	-	-
Deferred tax	18 751 236	(2 737 227)	(458 454)	178 387
	18 751 236	(2 737 227)	(458 454)	178 387
Tax rate reconciliation				
Profit before tax	(102 448 300)	64 745 441	(45 372 077)	(12 049 780)
Tax at statutory rate of 25.75%	(26 380 437)	16 671 951	(11 683 310)	(3 102 818)
Tax effect of:				
Non-taxable income	-	(20 250 985)	-	-
Non-deductible expenses	45 131 673	841 807	11 224 856	3 281 205
	18 751 236	**(2 737 227)**	**(458 454)**	**178 387**

25. Earnings per share

	Inflation Adjusted		Historical Cost	
	2025	2024	2025	2024
	ZWG	ZWG	ZWG	ZWG
(Loss)/Profit from operations	(121 199 536)	67 482 668	(44 913 623)	(12 228 167)
Number of shares used in calculating earnings per share				
Shares in issue	253 872 420	253 872 420	253 872 420	253 872 420
Weighted average number of shares in issue	253 872 420	253 872 420	253 872 420	253 872 420

Basic earnings per share

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

Headline earnings per share

Headline earnings per share is calculated by dividing the headline earnings for the year attributable to ordinary equity holders of the Company by the weighted average number of shares in issue during the year. Headline earnings are determined by adding back or deducting specefic capital or non-trading items to the profit attributable to ordinary shareholders.

26. Post employement benefits

26.1 National Tyre Services Pension Fund

The Company and its employees contribute to the National Tyre Services Pension Fund. The fund operates a defined contribution plan, the assets of which are held in a separate trustee-administered fund. Contributions during the year were ZWG 604 182 (2024: ZWG 42 304).

26.2 National Social Security Authority

The National Social Security Authority Scheme was promulgated under the National Social Security Authority Act (Chapter 17:04).Contributions amount to 9.0% of pensionable emoluments subject to a limit of per employee. Contributions during the year were ZWG 2 251 447.

27. Related Party Information

27.1 Related Party	Nature of Relationship
Simply Africa (Private) Limited	Ultimate shareholder
Auto Tyres Zimbabwe (Private) Limited	Common control
Mr. A.S. Ushe	Key management
Mr. S.N. Mandimika	Key management

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2025 (Cont'd)

27.1 Related Party Information (continued)

The following represents transactions with related parties during the year:

	Inflation Adjusted		Historical Cost	
	2025	2024	2025	2024
	ZWG	ZWG	ZWG	ZWG
Related party				
Simply Africa (Private) Limited	-	1 012 572	-	38 396
Related party payables				
Simply Africa (Private) Limited	78 808	123 654	78 808	67 021

Simply Africa provides technical assistance to the Company. The Simply Africa related party payable attracts interest at a rate of 1% per month and the payable is not secured.

Radun Investments	16 454 335	8 290 934	16 454 335	4 493 722

The Radun Investments related party is a loan of USD 400 000 and attracts interest at a rate of 16,5% per annum.

Compensation to key management personnel

Key management are employees who have authority and are responsible for planning, directing and controlling the activities of the company on a day to day basis.

	Inflation Adjusted		Historical Cost	
	2025	2024	2025	2024
	ZWG	ZWG	ZWG	ZWG
Key management				
Short term benefits	3 813 566	1 115 562	2 581 734	403 093
Post-employment benefits	16 136	2 244	11 299	811
	3 829 702	1 117 806	2 593 033	403 904

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2025 (Cont'd)

28. Financial Instruments - Risk Management

The Company is exposed through its operations to the following financial risks:

Credit risk
Liquidity risk
Foreign exchange risk and interest rate risk

In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies and processes for managing those risks and methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in the Company's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from the previous periods unless otherwise stated in this note.

Principal financial instruments

The principal financial instruments used by the Company, from which financial instrument risk arises, are as follows:

Trade and other receivables;
Bank and cash balances;
Trade and other payables and
Borrowings

A summary of the financial instruments held by category is provided below:

	Inflation Adjusted		Historical Cost	
	Armotised cost	Armotised cost	Armotised cost	Armotised cost
	2025	2024	2025	2024
Financial assets	**ZWG**	**ZWG**	**ZWG**	**ZWG**
Bank and cash balances	1 227 049	1 508 424	1 227 049	817 572
Trade and other receivables	6 218 978	3 743 335	6 118 340	1 996 640
Fair value through OCI investments	94 160	94 160	22 632	22 632
	7 540 187	**5 345 919**	**7 368 021**	**2 836 844**
Financial liabilities				
Trade and other payables	28 048 592	13 276 094	28 048 592	7 195 701
Borrowings	54 969 219	27 820 261	54 969 219	15 078 701
	83 017 811	**41 096 355**	**83 017 811**	**22 274 402**

29. Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with liabilities. The Company operates within Board approved borrowing limits, which are geared for peak and seasonal trading requirements. The Company manages liquidity risk by maintaining adequate reserves and by continuously monitoring forecast and actual cash flows.

The table summarizes the maturity profile of the Company's liabilities as at 31 March 2025 based on contractual undiscounted payments:

			Inflation Adjusted		
	Up to 3 months	**3 to 12 months**	**1 to 5 years**	**Over 5 years**	**Total**
	ZWG$	**ZWG$**	**ZWG$**	**ZWG$**	**ZWG$**
At 31 March 2025					
Trade and other payables	15 426 726	12 621 866	-	-	28 048 592
Short term borrowings	-	3 967 656	51 001 563	-	54 969 219
	15 426 726	**16 589 522**	**51 001 563**	-	**83 017 811**

			Historical Cost		
	Up to 3 months	**3 to 12 months**	**1 to 5 years**	**Over 5 years**	**Total**
	ZWG$	**ZWG$**	**ZWG$**	**ZWG$**	**ZWG$**
At 31 March 2025					
Trade and other payables	15 426 726	12 621 866	-	-	28 048 592
Short term borrowings	-	3 967 656	51 001 563	-	54 969 219
	15 426 726	**16 589 522**	**51 001 563**	-	**83 017 811**

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2025 (Cont'd)

30. The Company's objective when managing capital are:

i) To safeguard the entity's ability to continue operating as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and
ii) To provide adequate return to shareholders by pricing products and services commensurately with the level of risk.

The Company sets the amount of capital it requires in proportion to risk. The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

	Inflation Adjusted		Historical Cost	
	2025	2024	2025	2024
	ZWG	ZWG	ZWG	ZWG
Share capital	107 853	107 853	10	10
Share premium	97 058	97 058	9	9
FVOCI reserve	(200 579)	(200 579)	945	945
Revaluation reserve	226 740 668	226 740 668	4 242 364	4 242 364
Retained earnings	(36 092 366)	85 107 170	(57 024 446)	(12 110 823)
	190 652 634	**311 852 170**	**(52 781 118)**	**(7 867 495)**

31. Capital expenditure commitments

Authorised but not contracted for	7 895 677	124 589	7 895 677	67 528

The capital expenditure will be funded by a combination of the Company's own resources and local borrowings.

32. Going concern

The company incurred a loss before tax of ZWG 102 448 300 Inflation adjusted and a net loss of ZWG 121 199 536 for the year ended 31 March 2025, and as of that date. The Company's current liabilities exceeded current assets by ZWG 55 239 098

In response to this, management has initiated steps, embarking on a turnaround strategy hinging on an adoption of measures to cut and minimise operating costs, whilst increasing sales through importation of budget tyres brands directly from China, with the expectation that the company will return to profitability by the end of year 2026.

The company has also managed to retain a good relationship with both its key suppliers and key customers.

A well-crafted turnaround strategic plan has been implemented, focusing on cost containment measures, increasing volumes through product diversification whilst strictly managing its cashflows to improve liquidity.

The ability of the Company to continue as a going concern is dependent on improved business and the directors believe that by pursuing the above mentioned strategies, the company will be adequately capitalised and at the same time return to profitability in the short to long term.

33. Events after the reporting date

No adjusting or significant non-adjusting events have occurred between the 31 March 2025 reporting date and the date of authorisation of the financial statements.

34. Approval of financial statements

The financial statements were approved for issue on 27 August 2025 by the Board of Directors of the Company.

ANALYSIS OF SHAREHOLDERS

MAJOR SHAREHOLDERS: TOP TEN AS AT 31 MARCH 2025 Rank	Names	Shares	Percentage
1.	MBCA Nominees (Private) Limited	86 867 731	34.22
2.	Group Five Companies (Private) Limited	72 303 639	28.48
3.	Radun Investments (Private) Limited	31 194 348	12.29
4.	Willoughby's Consolidated Plc	23 330 664	9.19
5.	Messina Investments Limited	17 411 952	6.86
6.	Enborate Investments (Private) Limited	6 892 377	2.71
7.	Clifford Walton	1 716 428	0,68
8.	Gayle Holland	1 716 428	0.68
9.	Stanbic Nominees (Private) Limited	1 135 907	0.64
10.	Mr. Li Ping Wang	1 074 800	0.42
	Selected Shares	**243 644 274**	**95.97**
	Non-Selected Shares	**10 228 146**	**4.03**
	Issued Shares	**253 872 420**	**100.00**

ANALYSIS BY INDUSTRY AS AT 31 MARCH 2025 Industry	Shares	Share %	Shareholders	Shareholders %
Local companies	141 373 775	55.69	52	11.71
Local nominees	87 627 008	34.52	28	6.31
Foreign nominee	17 930 670	7.06	03	0.68
Pension funds	1 067 000	0.42	03	0.68
Local individual resident	8 854 404	3.49	321	72.30
New non-resident	12 693 219	5.00	22	4.95
Trusts	124 458	0.05	01	0.23
Deceased estates	175 968	0.07	06	1.35
Other investments and trust	78 000	0.03	03	0.68
Charitable	93 442	0.04	05	1.13
Foreign individual resident	1 766 428	0.70	02	0.45
Totals	253,872,420	100.00	444	100.00

RANALYSIS BY VOLUME AS AT 31 March 2025 Range	Shares	Share %	Shareholders	Shareholders %
1-5000	406 606	0.16	234	52.70
5001-10000	532 180	0.21	69	15.54
10001-25000	1 012 314	0.40	61	13.74
25001-50000	1 208 684	0.48	30	6.76
50001-100000	1 252 041	0.49	17	3.83
100001-200000	862 960	0.34	06	1.15
200001-500000	4 422 307	1.74	12	2.70
500001-1000000	1 778 661	0.70	03	0.68
100001 and above	242 396 667	95.48	12	2.70
	253,872,420	**100.00**	**444**	**100.00**

NATIONAL TYRE SERVICES LIMITED (Company Reg. No. 644/1961)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the sixty-third Annual General Meeting ("AGM") of the members of National Tyre Services Limited ("the Company") will be held at the Company's Boardroom, Stand 4608, corner Cripps and Seke Roads, Graniteside Harare on Wednesday, 19 November 2025 at 10.30 hours, as well as virtually via the link **https://escrowagm.com/eagmZim/Login.aspx** for the purpose of transacting the following business:

ORDINARY BUSINESS

1. **Approval of Financial Statements and Reports**
   To receive, consider and adopt the audited financial statements for the year ended 31 March 2025, together with the reports of the Directors and Auditors thereon.

2. **Election of Directors** (each director will be separately elected):
   2.1 To re-elect Mr Moses Tonderai Chingwena, who retires by rotation in terms of the Articles of Association of the Company and being eligible, offers himself for re-election.
   2.2 To re-elect Mr. Rutenhuro James Moyo, who retires by rotation in terms of the Articles of Association of the Company and being eligible, offers himself for re-election.

3. **Directors' Fees**
   To approve the fees of the Directors for the year ended 31 March 2025.

4. **External Auditor's Appointment and Compensation**
   4.1 To approve auditor's fees of Grant Thornton Chartered Accountants (Zimbabwe) for the financial year ended 31 March 2025.
   4.2 To approve appointment of Grant Thornton Chartered Accountants (Zimbabwe) as the Company's Auditors for the financial year ending 31 March 2026 (in terms of section 69(6) of the ZSE Listing Requirements companies must change their audit partners every 5 years and their audit firm every 10 years. Grant Thornton Chartered Accountants Zimbabwe has been the Company's auditor for 4 years).

Notes:

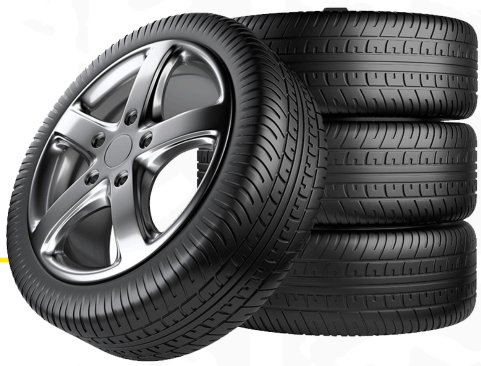
a. *In terms of the Companies and Other Business Entities Act (Chapter 24:31) a member entitled to attend and vote at a meeting is entitled to appoint a proxy to attend and vote of a poll and speak in his stead. A proxy need not to be a member of the Company and shall not be a director or officer of the Company. Proxy forms must be lodged by electronic email to corpserve@escrowgroup.org or at Corpserve Registrars (Private)Limited 2nd Floor, ZB Centre, Kwame Nkrumah Avenue/ First Street,Harare not less than forty-eight (48) hours before the time appointed for holding the meeting.*

b. *Members are requested to advise Corpserve Transfer Secretaries by electronic email to corpserve@escrowgroup.org or at Corpserve Registrars (Private)Limited, 2nd Floor ZBCentre, Kwame Nkrumah Avenue / First Street, Harare of any change of postal address.*

c. *Members are hereby advised to use the dedicated Corpserve helpline on +263785194703 or +263775672740 for assistance with the AGM processes.*

By Order of the Board

S. N. Mandimika
Company Secretary
27 August 2025



PROXY FORM

For the sixty-third Annual General Meeting ("AGM") of the Members of NATIONAL TYRE SERVICES LIMITED to be held at the Company's Boardroom, Stand 4608, corner Cripps and Seke Roads, Graniteside, Harare on Wednesday, 19

November 2025 at 10.30 hours.

I/We ……
(Name in block letters)
of ……
Being the holder of …………………………………………………….shares in the Company hereby appoint:
1 ………………………………………………………. of ……………………………………………or failing him/her
2 ……………………………………………………….of ……………………………………………or failing him/her
3…………………………………………………….of………………………………………………………………………

as my/our proxy to act for me/us at the AGM for the purpose of considering and, if deemed fit, passing, with or without modification, the resolutions to be proposed thereat, and at each adjournment thereof, and to vote for and/or against the resolutions and/or abstain from voting in respect of the shares in the issued share capital of the Company registered in my/our name (see note 2) in accordance with the following instructions:

Ordinary Business	For	Against	Abstain
1. That the audited financial statements for the year ended 31 March 2025, together with the reports of the Directors and Auditors thereon be adopted.			
2. 2.1 That Mr. Moses Tonderai Chingwena be elected as a Director of the Company in terms of the Articles of Association. 2.2 That Mr. Rutenhuro James Moyo be elected as a Director of the Company in terms of the Articles of Association.			
3. That the fees of the Directors for the year ended 31 March 2025 be approved.			
4. 4.1 That the auditor's fees of Grant Thornton Chartered Accountants (Zimbabwe) for the financial year ended 31 March 2025 be approved. 4.2 That the appointment of Grant Thornton Chartered Accountants (Zimbabwe) as the Company's auditors for the financial year ending 31 March 2026 be approved.			

Every person present and entitled to vote at the AGM shall, on a show of hands, have one vote only, but in the event of a poll, every share shall have one vote.

Signed at ____on______________________ 2025

Signature (s) ____
Assisted by me ____
Full name (s) of signatory/ries if signing in a representative capacity (see note 2). (PLEASE USE BLOCK LETTERS)

INSTRUCTIONS FOR SIGNING AND LODGING THIS FORM OF PROXY

1. A Shareholder may insert the name of a proxy or the names of two alternative proxies of the Shareholder's choice in the space provided.The person whose name appears first on the form of proxy will, unless his/her name has been deleted, be entitled to act as proxy to the exclusion of those whose names follow.

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

3. Any alteration or correction to this form must be initialled by the signatory/ries.

4. The Chairman shall be entitled to decline to accept the authority of a person signing the proxy form:
   i. Under a power of attorney
   ii. On behalf of a company

   Unless that person's power of attorney or authority is deposited at the offices of the Company's transfer secretaries, or the registered office of the Company, not less that forty-eight (48) hours before the meeting.

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

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

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

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

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

The Company Secretary
Registered Office:
Stand 4608, corner Cripps and Seke Roads
Graniteside
Harare

Transfer Secretaries:
Corpserve Registrars (Private)Limited
2nd Floor ZBCentre
Kwame Nkrumah Avenue/First Street
Harare

NATIONAL TYRE SERVICES

NTS

Email: nts@ntsgroup.co.zw
Website: www.ntsgroup.co.zw
Facebook: National Tyre Services Limited