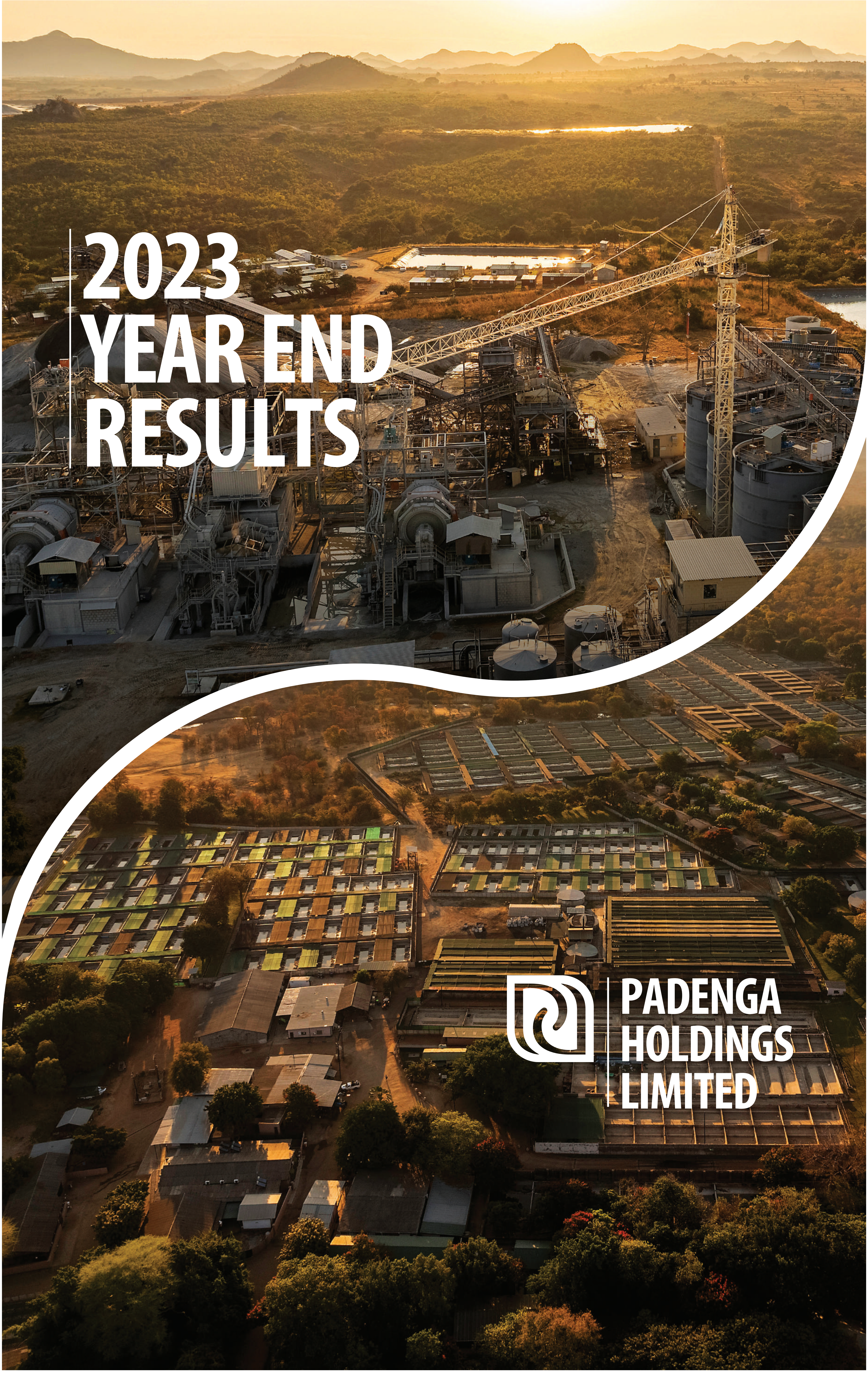
2023 YEAR END RESULTS



PADENGA HOLDINGS LIMITED

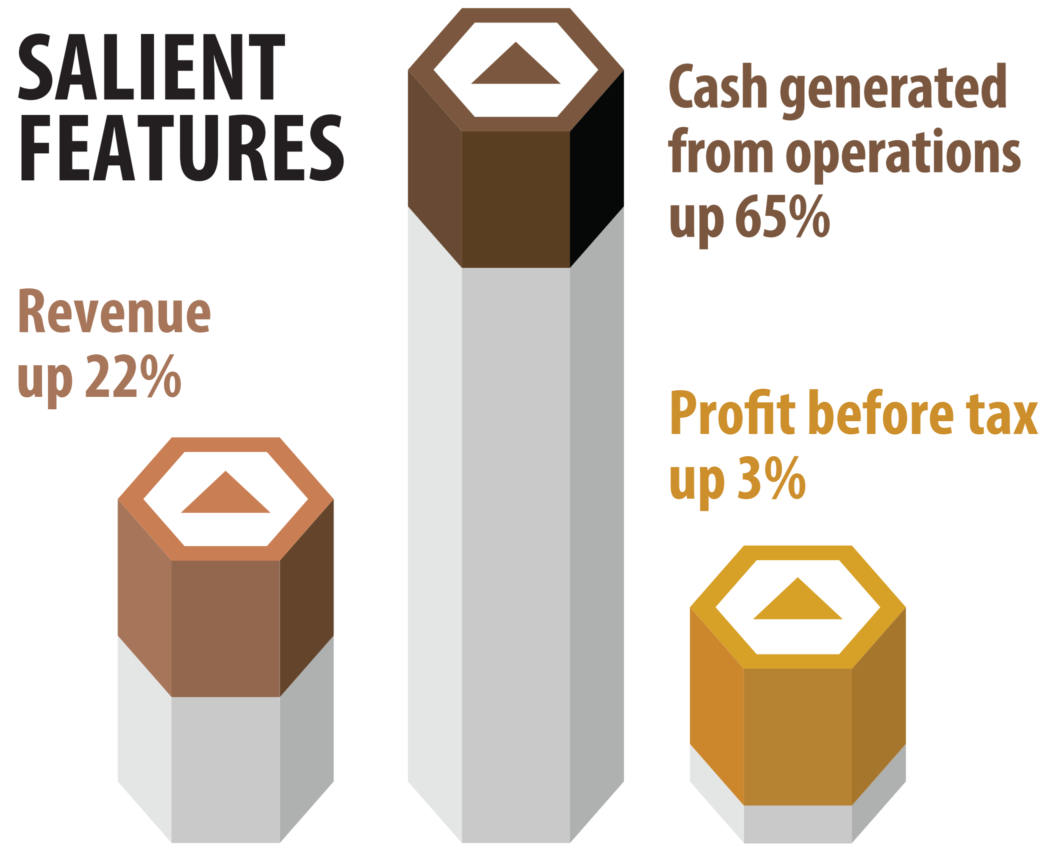
PADENGA HOLDINGS LIMITED

The Directors are pleased to present the **Audited Condensed Consolidated Financial Results** for the year ended 31 December 2023

Financial Highlights

For the year ended 31 December 2023

All figures in US$	31 Dec 2023 Audited	31 Dec 2022 Audited
Group Summary		
Revenue from continuing operations	155 575 305	127 894 086
Operating profit before depreciation, impairment, amortisation and fair value adjustments from continuing operations (EBITDA)	26 691 450	32 282 038
Profit before taxation from continuing operations	14 284 133	13 892 552
Profit for the period from continuing operations	8 171 395	6 478 446
Cash generated from operations from continuing operations	40 665 423	24 604 823
Net cash outflow from investing activities	36 177 255	13 677 510
Net assets	87 673 758	83 769 536
Share Performance		
Basic earnings per share (cents)	0.99	0.93
Diluted earnings per share (cents)	0.67	0.91
Basic headline earnings per share (cents)	0.97	0.93
Diluted headline earnings per share (cents)	0.66	0.92
Market price per share (cents)	17.05	22.92
Number of shares in issue at reporting date	549 514 518	544 301 407
Market capitalisation (US$)	**93 692 225**	**124 753 882**



Directors' Responsibility

The Company's Directors are responsible for the preparation and fair presentation of the Group's financial statements, of which this publication represents an extract. The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards). The principal accounting policies of the Group are consistent with those applied in the previous financial year.

Functional Currency

The financial statements are presented in United States Dollar (US$), which is the functional and presentation currency of the Group.

Auditor's Statement

These condensed consolidated financial results should be read in conjunction with the complete set of consolidated financial statements for the year ended 31 December 2023, which have been audited by KPMG Chartered Accountants (Zimbabwe), who expressed a qualified audit opinion arising from continuing issues from prior years relating to non-compliance with International Financial Reporting Standards IAS 21, The Effects of Changes in Foreign Exchange Rates, non-compliance with IAS 37, Provisions, Contingent Liabilities and Contingent Assets in the prior year due to the lack of audit evidence and inappropriate methodology to support management's estimation of the environmental restoration provisions and related rehabilitation asset, non-compliance with IFRS 3, Business Combinations in the prior period on determination of the fair values of the acquired net assets and the inappropriate application of IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors.

The external auditor has noted one key audit matter with respect to the existence of mines inventories. The auditor's independent report on the consolidated financial statements (from which these results were extracted) is available for inspection at the Company's registered office and is posted on the Company's website: www.padenga.com. The engagement partner for this audit opinion is Mr Michael de Beer (PAAB Practicing Number 0369).

OPERATING ENVIRONMENT

The operating environment for the year ending 31 December 2023 remained very challenging. The Group experienced unprecedented cost pressures as prices continued on an upward trend in US$ terms. The cost pressures were initially a result of the global shortages that arose after the Russia-Ukraine conflict, but during the last quarter, the tensions in the Middle East brought in logistical challenges that resulted in a rise in transportation costs across the globe.

Operations

Mining Operations

Dallaglio maintained a strong position in the top three gold producers nationally after registering gold sales of 2,120kgs (1,961kgs FY22)

The volume growth of 8% was driven by increased plant throughput at Eureka Mine, complemented by the increased production at Pickstone Peerless following the commissioning of Pickstone Underground Mine in September 2023. Pickstone Peerless continues to access supplementary ore from open pits to complement the underground feed during the ramp up phase.

Nile Crocodile Operations

The Nile crocodile operations recorded a 49% increase in skin harvest volumes during the 2023 financial year, compared to prior period (50,675 vs 34,117). The business witnessed a significant improvement in the quality of skins.

Skin sales for the year at 76,108 skins were 129% above the 33,189 skins sold for the same period last year. The significant increase in sales volume was due to the sale of both the 10,000 premium skins whose harvest was deferred from 2022, and previously reported stock skins from prior years. Resultantly, the old stock skins were reduced from 25,841 skins held at the beginning of the year to 2,470 at the end of the year. The balance of these skins will now be sold during Q2 of 2024. The clearance of the old stock skins will enable the business to improve the average price realised per skin as future sales will predominantly be from newly produced skins of better quality.

Financial

Consolidated Results

The Group recorded a turnover of $155,575,305 in the year under review. This was a 22% increase over the $127,894,086 recorded in prior year. The revenue contributions from the Group's business units were as follows: Dallaglio 81% (82% in FY22), Nile Crocodiles 19% (18% in FY22). The Group revenue performance growth was a result of improved production volumes and average selling prices realised by both operating units.

The Group recorded an EBITDA of $26,691,450 for the year ($32,282,038 in FY22). The decline was mainly due to the impact of the mandatory surrender requirements, old stock skins sold at a discount and increased operating costs.

A biological asset fair valuation gain of $8,274,119 ($2,693,509 in FY22) was realised for the year, mainly due to the high number of premium skins held in stock at the end of the current year. These skins were harvested after the last grading date in December and sold to our premium customer in Q1 of 2024.

A reduction of 15% was recorded on interest expense for the Group at $8,443,366 ($9,956,327 in FY22), as efforts were focused on managing the debt levels throughout the year.

The Group realised profit before tax of $14,284,133 for the year. This was a 3% increase on the $13 892,552 realised in FY22.

Cash generated from operating activities for the year under review amounted to $40,665,423 a 65% increase on the $24,604,823 for prior year. Cash generated increased as a result of improved revenues and efficient working capital managment.

Dallaglio Financials

Dallaglio recorded a significant 20% increase in turnover from the $104,942,223 recorded in prior year to $125,622,975 in FY23. This was achieved on the back of increased volumes sold further buoyed by increased spot prices for gold.

The business realized a profit before tax of $9,383,085 ($12,932,665 in FY22). The decline in profits is a result of increased mining costs arising from the uneconomic last stages of the open cast pits at Pickstone Peerless before the underground mine was commissioned in September.

This business increased its cash generated from operations by 67% from $15,746,416 in FY22 to $26,236,853 in current year.

Nile Crocodile Financials

Revenue for the Zimbabwean crocodile business at $29,952,330 increased by 31% in comparison to prior year, driven by the 101% growth in the skin sales volumes.

The business recorded a 221% increase profit before taxation to $6,216,143 compared to the $1,934,733 recorded in prior year.

The business recorded a biological asset fair valuation gain of $8,274,119 (gain of $2,693,509 in FY22) benefiting from higher average skin prices forecast in FY24 and an increased quantity of premium quality skins on hand at end of FY23.

The Zimbabwean crocodile operations increased cash generated from operating activities by 31% to $6,491,538 from the $4,936,958 generated in FY22. This was a result of improved sales revenue receipts and close working capital management.

Key Capital and Expansion Projects

Phase one refurbishment of the underground mine at Pickstone Peerless Mine in Chegutu was commissioned in September 2023. The Group is now engaged in further capital expansion at Pickstone for Phase two of the underground project. This is expected to be completed at the end of 2024 and open production from 7-level.

At Eureka Mine, a Pre-Leach Thickener and Solar Project will be undertaken in 2024. The Thickener project involves introducing a thickener, which is a standard gold processing plant installation placed after the milling circuit, resulting in an improvement in the plant recovery. The Solar project is expected to reduce the cost of powering the mine whilst improving its environmental impact. Both projects are expected to come online by the end of 2024.

Capital projects at the Farms during the year under review were mainly focused on the annual rehabilitation of crocodile pens which is central to improvement of skin quality. The 2023 rehabilitation program was completed on schedule. Other projects included the solar energy expansion, feed manufacturing machinery and initial costs towards the planned construction of a waste water treatment plant. The installation of the phase 3 solar array at the northern farms to bring the solar plant operating capacity to a total of 1.2MW has been concluded with commissioning works underway for completion by the end of June 2024.

Sustainability and Good Husbandry Practices

The Group continuously strives to achieve and maintain world class standards through good corporate governance practices.

The three crocodile farms successfully underwent the annual audits for certification by the International Crocodilian Farmers Association (ICFA). The Wastewater project to fully conform with the ICFA standards is currently in progress and review processes are also underway.

The mines hold valid Environmental Impact Assessment (EIA) Certificates.

Our community and society that we operate in remains pivotal in the Group's operations. Various programs were undertaken during the year under review and most of these initiatives are ongoing to ensure the livelihood and sustainability of numerous stakeholders.

Restructuring

The Padenga Crocodile business, which has sat in Padenga Holdings Limited since the incorporation of this company in 2010, has been transferred on "a going concern basis" into a separate wholly owned subsidiary of Padenga Holdings Limited, with effect from the 1st of January, 2024. This subsidiary company, called Padenga Agribusiness (Private) Limited, was incorporated on the 29th August 2023. With effect from 1st January 2024, the Padenga Nile Crocodile business and its associated staff was transferred from Padenga Holdings Limited to Padenga Agribusiness.

From that date the Padenga Crocodile business is now being managed on a day to day basis by Padenga Agribusiness under a new Board being established to supervise and guide that business.

The Padenga mining business is already managed on a day to day basis by Dallaglio, which has its own Board to supervise and guide the mining business.

With effect from 1st January 2024, Padenga Holdings Limited is now a holding company with a head office structure and Board of Directors, supervising Padenga's interests in Dallaglio and in Padenga Agribusiness, driving the strategy to be adopted by these operating units in pursuit of Padenga's vision and objectives, agreeing annual budgets with the operating units, monitoring the performance of these operating units, bringing management of the operating units to account, seeking growth opportunities and reporting Padenga's performance to all stakeholders.

Purchase of the 49.9% Minority Interest in Dallaglio

The aquisition of the 49.9% shareholding in Dallaglio currently held by the minority shareholders is yet to be concluded. One condition precedent is still to be met.

Prospects

After successful completion of Phase 1 of the Pickstone Peerless underground mining, commercial production commenced in September 2023 and Phase 2 of the project is ongoing, following which the Group's revenue and profits are envisaged to register further growth.

Eureka mine continues to contribute significantly to volume growth and profitability and expansion projects have also been embarked on to further enhance growth and efficiencies.

The Nile Crocodile farming division experienced a turnaround, having undergone numerous challenges mainly relating to changing customer requirements as well as adverse market conditions over the past three years. The business has returned to optimal skins volume production at improved quality, and is now well positioned to maximise skin sales realisations. Efforts to re-enter the crocodile meat export market are progressing and are expected to generate improved returns for the business in the latter part of the year.

Having returned to profitability, the Group will continue to focus on volume growth and profitability, with a strong emphasis on shareholder value preservation. Engagements with relevant regulatory authorities will also remain a key focus area.

Dividend

The Board has pleasure in declaring a final dividend of US0.26 cents per share payable in respect of all ordinary shares of the Company. This final dividend will be payable to all the shareholders of the Company registered at the close of business on the 12th of April 2024. This brings the total dividend for the year to US0,45c per share.

The payment of this final dividend will take place on or around the 25th of April 2024. The shares of the Company will be traded cum-dividend on the Victoria Falls Stock Exchange up to the market day of 9th of April 2024 and an ex-dividend from the 10th of April 2024.

Appreciation

The Group continues to grow amidst the operating challenges due to the level of dedication and leadership demonstrated by the Group's management and staff. On behalf of the Board of Directors, I am grateful and commend the teams for the diligence and hard work.

I also extend my profound gratitude to the Group's valued customers, suppliers and various stakeholders for their unwavering support and confidence in us.

T N Sibanda
Chairman
26 March, 2024

PADENGA HOLDINGS LIMITED

The Directors are pleased to present the **Audited Condensed Consolidated Financial Results** for the year ended 31 December 2023

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2023

	Note	Year ended 31 Dec 2023 audited US$	Year ended 31 Dec 2022 audited US$
Continuing operations			
Revenue	8	155 575 305	127 894 086
Other income		536 130	269 632
Impairment (loss)/gain on trade receivables		(1 421)	440
Financial (loss)/income	9	(4 400 235)	10 830 563
Cost of goods sold		(88 528 846)	(72 662 083)
Employee benefits expense		(18 133 148)	(15 112 929)
Other operating costs		(18 356 335)	(18 937 671)
Operating profit before depreciation, amortisation, impairment, and fair valuation adjustments		**26 691 450**	**32 282 038**
Depreciation		(7 549 189)	(6 736 247)
Depreciation-right of use assets		(1 816 680)	(1 581 360)
Amortisation		(2 904 768)	(2 964 394)
Operating profit before interest and fair value adjustments		**14 420 813**	**21 000 037**
Fair value adjustments on biological assets		8 274 119	2 693 509
Profit before interest and tax		**22 694 932**	**23 693 546**
Interest income		32 567	155 333
Interest expense - loans		(8 163 214)	(9 537 131)
Interest expense - leases		(280 152)	(419 196)
Profit before tax		**14 284 133**	**13 892 552**
Income tax expense	10	(6 112 738)	(4 557 897)
Profit for the period from continuing operations		**8 171 395**	**9 334 655**
Other comprehensive income		-	-
Discontinued Operation			
Loss from discontinued operation, net of tax		-	(2 856 209)
Profit for the period from continuing and discontinued operations		**8 171 395**	**6 478 446**
Total comprehensive income for the year		**8 171 395**	**6 478 446**
Profit for the year attributable to:			
Equity holders of the parent		5 416 969	2 669 989
Non-controlling interest		2 754 426	3 808 457
		8 171 395	**6 478 446**
Total comprehensive income for the period attributable to:			
Equity holders of the parent		5 416 969	2 669 989
Non-controlling interest		2 754 426	3 808 457
		8 171 395	**6 478 446**
Earnings per share (cents)			
Basic earnings per share	20	**0.99**	**0.49**
Diluted earnings per share	20	**0.67**	**0.48**
Basic headline earnings per share	20	**0.99**	**0.50**
Diluted headline earnings per share	20	**0.67**	**0.49**
Earnings per share from continuing operations (cents)			
Basic earnings per share	20	**0.99**	**0.93**
Diluted earnings per share	20	**0.67**	**0.91**
Basic headline earnings per share	20	**0.99**	**0.93**
Diluted headline earnings per share	20	**0.67**	**0.92**

Condensed Consolidated Statement of Financial Position

As at 31 December 2023

	Note	31 Dec 2023 audited US$	31 Dec 2022 restated* US$	1 Jan 2022 restated* US$
ASSETS				
Non-current assets				
Property, plant and equipment	16	90 589 416	70 509 518	69 654 126
Mine development assets		12 105 224	6 716 003	6 862 092
Exploration and evaluation assets		329 804	148 104	-
Rehabilitation assets	24.1	1 465 126	1 532 414	1 723 074
Goodwill		4 594 571	4 594 571	4 594 571
Intangible assets		313 380	175 662	218 926
Right of use assets		4 646 949	4 068 915	5 577 155
Biological assets	14.1	12 434 311	11 868 447	9 897 769
Other receivables		-	500 000	-
Deferred tax asset		-	-	2 366 838
		126 478 781	**100 113 634**	**100 894 551**
Current assets				
Biological assets	14.2	30 753 900	28 087 097	25 424 810
Mines Inventories	13.2	15 240 275	10 091 079	6 557 692
Inventories	13.1	20 771 444	16 786 979	16 112 051
Trade and other receivables		12 478 027	23 053 112	13 285 530
Current tax receivable*		2 022 873	2 021 920	2 253 765
Cash and cash equivalents	12	1 154 523	1 264 386	6 343 767
		82 421 040	**81 304 573**	**69 977 615**
Total assets		**208 899 823**	**181 418 207**	**170 872 166**
EQUITY AND LIABILITIES				
Capital and reserves				
Share capital		54 951	54 430	54 159
Share premium		27 298 872	27 005 023	27 004 245
Share based payment reserve		300 490	563 768	377 244
Foreign currency translation reserve				
Retained earnings*		41 745 231	39 088 466	36 418 477
Change in ownership reserve		(63 863)	(63 863)	(63 863)
Equity attributable to equity holders of the parent		**69 335 681**	**66 647 824**	**63 790 262**
Non-controlling interest		18 338 077	17 121 712	13 313 255
Total shareholders' equity		**87 673 758**	**83 769 536**	**77 103 517**
Non-current liabilities				
Interest-bearing borrowings	18.1	11 172 216	7 932 747	29 512 807
Lease liabilities	19	2 851 683	2 758 424	3 983 058
Mine rehabilitation provisions	24	3 166 841	2 701 799	2 480 308
Deferred tax liability*		22 945 241	17 324 336	12 965 874
		40 135 981	**30 717 306**	**48 942 047**
Current liabilities				
Bank overdraft		6 046 923	5 842 018	729 110
Contract balances		-	-	740 613
Interest-bearing borrowings	18.2	52 302 157	45 045 053	33 064 710
Trade and other payables	17	18 513 349	12 336 862	7 191 233
Lease liabilities	19	2 305 837	1 710 470	1 859 883
Employee benefit accruals	23	1 601 206	1 444 669	65 983
Tax payable		320 611	552 293	1 175 070
		81 090 083	**66 931 365**	**44 826 602**
Total liabilities		**121 226 064**	**97 648 671**	**93 768 649**
Total equity and liabilities		**208 899 823**	**181 418 207**	**170 872 166**

***Refer to the prior year errors described in note 27**

Condensed Consolidated Statement of Cash Flows

For the year ended 31 December 2023

	Notes	31 Dec 2023 audited US$	31 Dec 2022 audited US$
Profit before tax		**14 284 133**	**13 892 552**
Adjusted for non-cash items			
Depreciation		7 549 189	6 736 247
Depreciation – right of use assets		1 816 680	1 581 360
Amortisation of intangible assets		2 904 768	2 964 394
Net interest expense		8 410 799	9 800 994
Unrealised exchange loss		864 408	1 981 536
Deaths of biological assets		22 776	18 323
Fair value adjustment on biological assets		(8 274 119)	(2 693 509)
Discounts		(410 164)	-
Impairment losses on intangible assets		98 719	-
Loss on disposal of intangible assets		7 573	-
(Loss)/gain on disposal of property, plant and equipment		(105 741)	194 457
Unwinding of rehabilitation provision		367 283	221 491
Share based option scheme adjustment		31 093	186 524
Inventory write offs		-	(22 476)
Employee benefit accruals movement		157 044	285 135
Cash generated from operations before working capital changes		**27 724 441**	**35 147 028**
Working capital changes			
Increase in inventories		(4 825 040)	(7 352 454)
Decrease/(increase) in biological assets		809 350	(1 027 908)
Decrease/(increase) in receivables		10 780 200	(7 291 882)
Increase in payables		6 176 472	5 130 039
Working capital changes		**12 940 982**	**(10 542 205)**
Cash generated from operating activities		**40 665 423**	**24 604 823**
Interest received		32 567	155 333
Interest paid		(6 175 069)	(12 592 167)
Interest paid - leases		(408 949)	(419 196)
Taxation paid		(725 000)	(590 366)

Condensed Consolidated Statement of Cash Flows (continued)

For the year ended 31 December 2023

	Notes	31 Dec 2023 audited US$	31 Dec 2022 audited US$
Net cash generated from operations		**33 388 972**	**11 158 427**
Net cash utilised in investing activities		**(36 177 255)**	**(13 677 510)**
- proceeds on disposal of property, plant and equipment		190 926	39 577
- purchase of property, plant and equipment	16	(27 714 272)	(10 766 351)
- purchase of mine development assets		(8 075 764)	(2 571 795)
- expenditure on exploration and evaluation of assets		(181 700)	(148 104)
- disposal of discontinued operation ,net of cash dispsed of		-	(122 218)
- expenditure on non-current biological assets		(99 257)	(96 032)
- purchase of intangible assets		(297 188)	(12 587)
Net cash flow before financing activities		**(2 788 283)**	**(2 519 083)**
Net cash utilised in financing activities		**3 528 109**	**(2 067 088)**
- proceeds from share issues		8 475	1 049
- proceeds from borrowings		37 173 249	42 773 010
- repayments of borrowings		(28 459 916)	(43 393 979)
- lease payments		(1 684 995)	(1 447 168)
- dividends paid to equity holders of the parent and non-controlling interests	26.1	(3 316 622)	-
- share capital transaction cost		(192 082)	-
Net increase/(decrease) in cash and cash equivalents		**739 826**	**(4 586 171)**
Impact of changes in exchange rates on cash held		(849 689)	(493 210)
Cash and cash equivalents at the beginning of the period		1 264 386	6 343 767
Cash and cash equivalents at the end of the period		**1 154 523**	**1 264 386**

Directors: *Themba Sibanda (Chairman)*, Michael Fowler (Chief Executive Officer), Oliver Kamundimu (Chief Financial Officer), Eve Mkondo*, Sternford Moyo*, Mike Mudondo* (*Non-Executive)

The Directors are pleased to present the **Audited Condensed Consolidated Financial Results** for the year ended 31 December 2023

Condensed Consolidated Statement of Changes in Equity

For the year ended 31 December 2023

	Attributable to equity holders of the parent							
	Share capital US$	**Share Premium US$**	**Change in ownership US$**	**Share based payment reserve US$**	**Retained earnings US$**	**Total US$**	**Non - controlling Interest US$**	**Total equity US$**
Previously reported balance at 1 January 2022	**54 159**	**27 004 245**	**(63 863)**	**377 244**	**37 233 582**	**64 605 367**	**13 313 255**	**77 918 622**
Adjustment on correction of error*	-	-	-	-	(815 105)	**(815 105)**	-	**(815 105)**
Balance as at 1 January 2022 restated	**54 159**	**27 004 245**	**(63 863)**	**377 244**	**36 418 477**	**63 790 262**	**13 313 255**	**77 103 517**
Total comprehensive income	-	-	-	-	2 669 989	**2 669 989**	3 808 457	**6 478 446**
Issue of ordinary shares	271	778	-	-	-	**1 049**	-	**1 049**
Share based payment scheme expense for the year	-	-	-	187 573	-	**187 573**	-	**187 573**
Share options exercised	-	-	-	(1 049)	-	**(1 049)**	-	**(1 049)**
Balance at 31 December 2022 (restated)	**54 430**	**27 005 023**	**(63 863)**	**563 768**	**39 088 466**	**66 647 824**	**17 121 712**	**83 769 536**
For the yaer ended 31 December 2023								
Balance at 1 January 2023 (restated)	**54 430**	**27 005 023**	**(63 863)**	**563 768**	**39 088 466**	**66 647 824**	**17 121 712**	**83 769 536**
Total comprehensive income	-	-	-	-	5 416 969	**5 416 9693**	2 754 426	**8 171 395**
Dividend paid	-	-	-	-	(2 568 122)	**(2 568 122)**	(1 538 061)	**(4 106 183)**
Issue of ordinary shares	521	293 849	-	-	-	**294 370**	-	**294 370**
Share transaction costs	-	-	-	-	(192 082)	**(192 082)**	-	**(192 082)**
Share based payment scheme expense for the year	-	-	-	31 093	-	**31 093**	-	**31 093**
Share options exercised	-	-	-	(294 371)	-	**(294 371)**	-	**(294 371)**
Balance at 31 December 2023	**54 951**	**27 298 872**	**(63 863)**	**300 490**	**41 745 231**	**69 335 681**	**18 338 077**	**87 673 758**

***Refer to the prior year errors described in note 27**

Notes to the Audited Condensed Consolidated Financial Results

For the year ended 31 December 2023

1. Corporate Information

The consolidated financial statements of Padenga Holdings Limited and its subsidiaries for the year ended 31 December 2023 were authorised for issue in accordance with a resolution of the Directors on 22 March 2024. Padenga Holdings Limited is a limited liability company incorporated and domiciled in Zimbabwe whose shares are publicly traded on the Victoria Falls Stock Exchange (VFEX).

The Group has a 82.88% (2022- 82.88%) stake in Tallow Creek Ranch (TCR), an unlisted company based in Texas (United States of America) that specialised in alligator farming. In July 2022, the Group discontinued operations at TCR following the disposal of its operating assets to a third party . The principal continuing activities of the Company and its subsidiaries (the Group) include the production and rearing of crocodiles and the export of Nile crocodile skins and meat. The Group is also engaged in developing and operating large scale commercial gold mines in Zimbabwe, after having acquired a 50.1% stake in Dallaglio Investments (Private) Limited. Information on the Group's parent and other related party relationships is disclosed in note 23.

2. Going Concern

The Directors have satisfied themselves that the Group is in a sound financial position and has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they are satisfied that it is appropriate to adopt the going concern basis in preparing the condensed consolidated financial results. The Group has prepared the condensed financial results on the basis that it will continue to operate as a going concern. The Directors consider that there are no material uncertainties that may cast significant doubt over this assumption. They have formed a judgement that there is a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, and not less than 12 months from the end of the reporting period.

2.1 Basis of Preparation

The consolidated financial statements of the Group have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and in the manner required by the Companies and Other Business Entities Act (Chapter 24.31). The consolidated financial statements have been prepared on a historical cost basis, except for biological assets that have been measured at fair value. The consolidated financial statements are presented in United States dollars (US$). The Group has prepared the financial statements on the basis that it will continue to operate as a going concern.

2.2 Basis of Consolidation

The consolidated financial statements comprise the financial statements of Padenga Holdings Limited Company and its subsidiaries as at 31 December 2023. The subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtained control, and will continue to be consolidated until the date when such control ceases. The financial statements of the subsidiary are prepared for the same reporting period as the parent Group, using consistent accounting policies.

The Group re-assesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of comprehensive income and the statement of financial position from the date the Group gains control until the date the Group ceases to control the subsidiary. Where the Group's interest is less than 100 per cent, the interest attributable to outside shareholders is reflected in non-controlling interests (NCIs). Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

3. Use of judgements and estimates

In preparing these condensed consolidated financial results, management has made judgements and estimates that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual financial statements.

Measurement of fair values

A number of the Group's accounting policies require the measurement of fair values, for both financial assets and liabilities and non-financial assets and liabilities. The Group has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the Chief Financial Officer. The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of the Accounting Standards, including the level in the fair value hierarchy in which the valuations should be classified.

Significant valuation issues are reported to the Group audit committee.

When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability are categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest input that is significant to the entire measurement. The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. Further information about the assumptions made in measuring fair values is included in Note 15.

4. New and amended IFRS Accounting Standards in issue but not yet effective IFRS Sustainability Disclosure Standards

The Group adheres to existing legislation and financial reporting frameworks. Furthermore, the Group has noted the current developments in corporate sustainability reporting, particularly in relation to their financial impact. The Group supports the work of the IFRS International Sustainability Standards Board (ISSB) toward achieving this goal and notes the inaugural sustainability disclosure standards, IFRS S1, General Requirements for Disclosure of Sustainability – related information and topic specific IFRS S2 Climate related disclosures published in June 2023 for application in the general purpose financial reports of an organisation.

IFRS S1 is effective for annual reporting periods beginning on or after 1 January 2024 with earlier application permitted as long as IFRS S2 Climate-related Disclosures is also applied. IFRS S1 sets out the requirements for disclosing information about an entity's sustainability-related risks and opportunities while IFRS S2 sets out the requirements for disclosing information about an entity's climate-related risks and opportunities especially those that could reasonably be expected to affect the entity's cash flows, its access to finance or cost of capital over the short, medium or long term. The impact of these standards is being evaluated in order to establish the appropriate response to ensure information disclosed is useful to users in making decisions relating to providing resources to the entity.

Amendments to IAS 1 – Non-current liabilities with covenants

The amendments, as issued in 2020 and 2022, aim to clarify the requirements on determining whether a liability is current or non-current, and require new disclosures for non-current liabilities that are subject to future covenants. The amendments apply for annual reporting periods beginning on or after 1 January 2024.

The Group has a secured bank loan that are subject to specific covenants. While these bank liabilities are classified as non-current at 31 December 2023, a future breach of the related covenants may require the Group to repay the liabilities earlier than the contractual maturity dates. The Group is in the process of assessing the potential impact of the amendments on the classification of these liabilities and the related disclosures.

Amendments to IAS 7 and IFRS 7 - Supplier Finance Arrangements

The amendments introduce new disclosures relating to supplier finance arrangements that assist users of the financial statements to assess the effects of these arrangements on an entity's liabilities and cash flows and on an entity's exposure to liquidity risk. The amendments will be effective for annual reporting periods beginning on or after 1 January 2024. Early adoption is permitted, but will need to be disclosed.The Group is in the process of assessing the potential impact of the amendments on the liabilities , the cash flows and on the entity's exposure on liquidity risk.

Amendments to IFRS 16 - Lease Liability in a Sale and Leaseback

The amendments prohibit the seller-lessee in a sale and leaseback arrangement from recognising any gain or loss that relates to the right of use asset it retains, when the proceeds exceed the fair value of the asset being sold. The excess of the sales price over the fair value is recognised as additional funding provided by the buyer-lessor to the seller-lessee. The amendment does not prevent the seller-lessee from recognising a gain or loss relating to the right of use asset if it relates to the partial or full termination of the lease. The adoption of these amendments had no material impact on the Company.

Amendments to IAS 21 - Lack of Exchangeability

In August 2023, the International Accounting Standards Board (IASB) amended IAS 21 to clarify when a currency is exchangeable into another currency and how a company estimates a spot rate when a currency lacks exchangeability. The IASB's amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates require disclosure of information that enables users of financial statements to understand the impact of a currency not being exchangeable.The ammendments applies to annual reporting periods beginning on or after 1 January 2025 and can be applied earlier.The impact of the standard is still being assessed to evaluate its applicability.

4.2 New and amended IFRS Accounting Standards that are effective for the current year

The principal accounting policies used by the Group are consistent with those of the previous year, except for changes from new or amended IFRS Accounting Standards. The following amendments to standards were adopted by the Group on 1 January 2023:

Amendments to IAS 1 and IFRS Practice Statement 2

The Group also adopted Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) from 1 January 2023. Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in the consolidated financial statements.

The amendments require the disclosure of 'material', rather than 'significant', accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the consolidated financial statements. Management reviewed the accounting policies and made updates to the information disclosed in Note 4 Material accounting policies (2022: Significant accounting policies) in certain instances in line with the amendments.

Amendments to IAS 12

The Group has adopted International Tax Reform – Pillar Two Model Rules (Amendments to IAS 12) upon their release on 23 May 2023. The amendments provide a temporary mandatory exception from deferred tax accounting for the top-up tax, which is effective immediately, and require new disclosures about the Pillar Two exposure.The Group operates in Zimbabwe, which has enacted new legislation to implement the global minimum top-up tax. However, since the newly enacted tax legislation in Zimbabwe is only effective from 1 January 2024, there is no current tax impact for the year ended 31 December 2023.The impact on the Group is not material.

Material accounting policies

The Group also adopted Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) from 1 January 2023. Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in the consolidated financial statements.

The amendments require the disclosure of 'material', rather than 'significant', accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the consolidated financial statements. Management reviewed the accounting policies and made updates to the information disclosed in Note 4 Material accounting policies (2022: Significant accounting policies) in certain instances in line with the amendments.

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The Directors are pleased to present the **Audited Condensed Consolidated Financial Results** for the year ended 31 December 2023

Notes to the Audited Condensed Consolidated Financial Results

For the year ended 31 December 2023

5. Statement of compliance

Compliance with IFRS Accounting Standards

The consolidated financial statements are prepared with the objective of complying fully with the IFRS Accounting Standards. The consolidated financial statements have been prepared in compliance with the Companies and Other Business Entities Act (COBE) (Chapter 24:31). Complying with IFRS Accounting Standards achieves consistency with the financial reporting framework adopted by the Group since 2010. Using a globally recognized reporting framework also facilitates understandability and comparability with similar businesses and allows consistency in the interpretation of the consolidated financial statements.

The consolidated financial statements referred to above in all material respects comply with the IFRS Accounting Standards as issued by the International Accounting Standards Board for the financial position, financial performance, and cash flows of the Group.

6. Accounting policies

The principal accounting policies of the Group are consistent in all material respects with those applied in the previous financial year.

7. Revenue

7.1 Variable Consideration

The Group earns a variable quality incentive on the sale of skins to its major customer. Under IFRS15, the quality incentive gives rise to variable consideration. The quality incentive is recognised as the difference between the prices achieved from skins delivered in the year and the guaranteed price. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Consequently, the timing of the recognition of quality incentive revenue is much later than the timing of the underlying sale. In determining the variable consideration, the Group uses the expected value method as this better predicts the amount of the consideration to which it will be entitled. The Group uses the expected value method in estimating the variable consideration for the sale of crocodile skins.

7.2 Revenue Recognition

Sale of Goods-skins and meat

There are no changes to the Group's revenue recognition policy attributable to product sales. Revenue from sale of skins and meat is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. For skin and meat sales the normal credit term is 30 to 90 days upon delivery of goods.

Revenue Recognition - Mining
Sale of Gold

Revenue is measured at the fair value of the consideration received or receivable in respect of the sale of gold bullion produced in the ordinary course of the Group's activities. The Group sells all of its gold mined in Zimbabwe to Fidelity Printers and Refineries (Private) Limited, of which pricing will be based on market prices. Quantities of the gold are obtained from the gold declaration form produced by the Group and agreed by the two parties.

Revenue will be recognised when the Group has fulfilled its performance obligations in terms of its agreement with its customer; i.e., on the date that gold bullion is delivered to the customer. For gold sales the normal credit term is 10 days upon delivery of goods.

8. Revenue disaggregation from contracts with customers for continuing operations

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

	Padenga Zimbabwe US$	Dallaglio US$	Total US$
Revenue			
31 December 2023	29 952 330	125 622 975	**155 575 305**
31 December 2022	22 951 863	104 942 223	**127 894 086**

	31 December 2023 (audited)			31 December 2022 (audited)		
	Total	**Dallaglio**	**Padenga Zimbabwe**	**Total**	**Dallaglio**	**Padenga Zimbabwe**
Skins Exports	28 545 151	-	28 545 151	15 376 264	-	15 376 264
Quality incentive	1 365 119	-	1 365 119	7 255 799	-	7 255 799
Meat sales	42 060	-	42 060	319 800	-	319 800
Gold deliveries	125 622 975	125 622 975	-	104 942 223	104 942 223	-
	155 575 305	**125 622 975**	**29 952 330**	**127 894 086**	**104 942 223**	**22 951 863**

	Padenga Zimbabwe US$	Dallaglio US$	Other* US$	Adjustments & eliminations US$	Total US$
Segment profit /(loss) for continuing operations					
31 December 2023 (audited)	6 216 143	9 383 085	(1 315 095)	-	**14 284 133**
31 December 2022 (audited)	1 934 733	12 932 665	-	(974 846)	**13 892 552**

There was no inter-segment revenue in the period.

The following tables present assets and liabilities of the Group's operating segments as at 31 December 2023

	Padenga Zimbabwe US$	Dallaglio US$	Other* US$	Adjustments & eliminations US$	Total US$
Segment assets					
31 December 2023 (audited)	98 750 895	126 560 439	4 302 237	(20 713 748)	**208 899 823**
31 December 2022 (restated)	96 811 272	99 361 330	568 723	(15 323 118)	**181 418 207**

	Padenga Zimbabwe US$	Dallaglio US$	Other* US$	Adjustments and eliminations US$	Total US$
Segment liabilities					
31 December 2023 (audited)	26 866 911	85 307 343	13 279 269	(4 227 460)	**121 226 063**
31 December 2022 (restated)	27 714 783	61 626 679	4 577 448	3 729 761	**97 648 671**

Classification of the segments is based on the type of production (Crocodile farming and Mining).

*Other relates to dormant Tallow Creek Ranch Operations which were reported as a discontinued operation in 2022.

9. Financial (Loss)/Income	31 Dec 2023 Audited US$	31 Dec 2022 restated US$
Net foreign exchange (loss)/gains	(4 400 235)	10 830 563
	(4 400 235)	**10 830 563**

10. Income tax

The Group calculates the period income tax expense using the tax rate applicable to the expected total annual earnings.
The major components of income tax expense in the interim condensed consolidated statement of profit or loss are:

	31 Dec 2023 Audited US$	31 Dec 2022 restated US$
Income taxes		
Deferred income tax expense relating to origination and reversal of temporary differences	(5 620 905)	(4 358 462)
Current income tax charge	(491 833)	(199 435)
Income tax expense recognised in statement of profit or loss	**(6 112 738)**	**(4 557 897)**

	31 Dec 2023 Audited US$	31 Dec 2022 Audited US$
11. Capital expenditure for the period	**27 714 272**	**10 766 351**
Capital expenditure commitment		
Authorized but not yet contracted	29 521 299	24 480 912
	29 521 299	**24 480 912**
The capital expenditure will be financed from the Group's own resources and borrowing facilities.		
12. Cash and cash equivalents		
Made up as follows:		
Bank balances and cash on hand (US$)	1 079 603	1 057 483
Bank balances and cash on hand (ZWL)	74 920	206 903
Cash and cash equivalents	**1 154 523**	**1 264 386**

	31 Dec 2023 audited US$	31 Dec 2022 audited US$
13.1 Inventories		
Raw materials, consumables and packaging	14 861 038	12 682 601
Finished goods - skins and meat	5 910 406	4 104 378
	20 771 444	**16 786 979**
13.2 Mine Inventories		
Finished goods - gold bullion	6 180 123	2 062 004
Work in progress - ore stockpiles	9 060 152	8 029 075
	15 240 275	**10 091 079**
Grand Total	**36 011 719**	**26 878 058**

At 31 December, crushed and uncrushed ore stockpiles, subject to meeting minimum estimated mineral content, are valued through a process of estimation of the volumes of material in the plant through quantity surveying techniques and estimated mineral content. The process is done by qualified experts and the value was US$ 9 060 152 (2022;US$ 8 029 075).

14. Biological Assets

Reconciliation of opening and closing carrying amounts

	31 Dec 2023 audited US$	31 Dec 2022 audited US$
14.1 Non-current biological assets - Breeder Crocodiles		
At the beginning of the period	**11 868 447**	**9 897 769**
Expenditure on non-current biological assets	99 257	96 032
Fair value adjustment	489 383	3 417 082
Biological assets disposed	-	(1 524 113)
Deaths of breeders	(22 776)	(18 323)
At the end of the period	**12 434 311**	**11 868 447**
14.2 Current biological assets – Harvesting Crocodiles		
At the beginning of the period	**28 087 097**	**25 424 810**
Slaughter (transfer to inventories)	(7 128 394)	(5 554 660)
Expenditure relating to births	273 319	257 975
Expenditure on current biological assets	6 045 726	6 324 594
Disposals	-	(639 466)
Fair value adjustment	3 476 152	2 273 844
At the end of the period	**30 753 900**	**28 087 097**

15. Fair value measurements

15.1 Fair value of financial instruments

The estimated net fair values of all financial instruments, approximates the carrying amounts shown in the audited condensed consolidated financial results.

15.2 Fair Value of Biological Assets

Fair value of the Biological assets is determined by reference to the average theoretical life span of the crocodile stock and the prevailing market prices. The stock is evaluated in terms of its respective life span at the reporting date and consideration given to the different saleable products that could be derived from crocodiles of each age group at the time. On that basis, an indicative value is established using the prevailing local and international market prices for the respective products.

Fair value for breeders is determined using the cost approach by reference to the prevailing replacement cost per unit of inputs required to bring the breeders to maturity.

Directors: *Themba Sibanda (Chairman)*, Michael Fowler (Chief Executive Officer), Oliver Kamundimu (Chief Financial Officer), Eve Mkondo*, Sternford Moyo*, Mike Mudondo* (*Non-Executive)

Notes to the Audited Condensed Consolidated Financial Results

For the year ended 31 Decembere 2023

Valuation Technique

1. The Harvesting stock of crocodiles is valued using the market approach. Fair value price is determined from the price the Group sells at the point of harvesting to the market.

2. The breeders are valued using the cost approach. The fair value is determined based on the current replacement costs of a breeder as at year end, being the current costs needed to produce a breeder of similar age, maturity and condition as at the year end.

Type		Valuation technique	Significant unobservable Inputs (Level 3)	Quantitative information 2023	Quantitative information 2022
Crocodiles Harvesting stock	Yearlings, Rearings	Market approach. The valuation model is determined by reference to the average theoretical life span of the crocodile stock and prevailing market prices of the skin and meat. The fair value is based on the value of the skin and meat.	Price per skin, Quality grading, Age of crocodiles, Price per kg of meat, Meat yield per crocodile	Price per skin US$94 – US$1477 Age: 1 – 3 years Meat Price/kg US$1.17 to US$4 Meat yield per crocodile 5.54 kgs	Price per skin US$160 – US$860, Age 1 – 3 years, Meat Price/kg US$0.79 to US$4 Meat yield per crocodile 5.54 kgs
Crocodiles	Breeders	Cost approach. The valuation model is determined by reference to the average theoretical life span of the breeding stock and current replacement cost.	Replacement cost of hatchlings plus inputs at current costs up to maturity. Age of the breeders	Replacement cost per breeder US$ 900 – US$2 569 Age: 7 – 41 years	Replacement cost per breeder US$ 900 - US$1 500, Age 7 – 41 years

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of biological assets by the valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

Fair Value Hierarchy - 31 December 2023

	Level 1 US$	Level 2 US$	Level 3 US$	Total US$	Fair value gain/(loss) US$
Harvesting Crocodiles	-	-	30 753 900	30 753 900	3 476 152
Breeders	-	-	12 434 311	12 434 311	489 383
Total	**-**	**-**	**43 188 211**	**43 188 211**	**3 965 535**

Fair value hierarchy - 31 December 2022

	Level 1 US$	Level 2 US$	Level 3 US$	Total US$	Fair value gain/(loss) US$
Harvesting Crocodiles	-	-	28 087 097	28 087 097	2 273 844
Breeders	-	-	11 868 448	11 868 448	3 417 082
Total	**-**	**-**	**39 955 545**	**39 955 545**	**5 690 926**

Sensitivity Analysis

The fair value of Harvesting crocodiles is most sensitive to the price and quality of the skin and to the age of the crop. An increase or decrease in the price of the skin will result in an increase or decrease in the fair value of the harvesting crocodile stock. An improvement in quality will result in an increase in fair value of the harvesting crocodile stock whilst a decrease in quality will result in a reduction in their fair value. A change in age profile towards maturity will result in an increase in fair value of the crocodile stock.

The fair value of the breeder stock is most sensitive to movements in replacement costs of inputs and to the age variation of the animals. An increase in the price of inputs will result in an increase in the fair value of the breeders whilst a decrease in the price of inputs will result in a decrease in fair value of the breeders. A change in age variation towards maturity will result in an increase in fair value of the breeders.

The table below presents the sensitivity of profit or loss before tax due to changes in market price (crocodiles) as this is considered the key input in the determination of the fair values. The sensitivities presented are favourable movements. If the sensitivity variables were unfavourable the negative impact on profit would be of a similar magnitude.

	% change	Effect on profit before tax
Harvesting crocodiles		
Fair value less cost to sell	3%	(104 285)
Breeders		
Fair value less cost to sell	26.5%	129 687

The Group has not done sensitivity analysis on quality parameters.

16. Property, plant and equipment

During the year ended 31 December 2023, the Group acquired assets with a cost of US$27 714 271 (31 December 2022: US$10 766 351). No borrowing costs were capitalised during the year ended 31 December 2023 (31 December 2022: US$Nil).

The financial information relating to property, plant and equipment is summarised below:

	31 Dec 2023 audited US$	31 Dec 2022 audited US$
Opening balance as at 1 January	70 509 518	69 654 126
Additions	27 714 272	10 766 351
Disposals	(85 185)	(3 174 712)
Depreciation	(7 549 189)	(6 736 247)
Closing balance at the end of the period	**90 589 416**	**70 509 518**

17. Trade and other payables

	31 Dec 2023 audited US$	31 Dec 2022 audited US$
Trade payables	16 312 346	11 471 782
Accruals	2 201 003	865 080
	18 513 349	**12 336 862**

18. Interest-bearing loans and borrowings

18.1 Non-Current interest bearing loans and borrowings

		31 Dec 2023 audited US$	31 Dec 2022 audited US$
Secured	**Year repayable**		
Local interest-bearing borrowings	**(May 2026)**	11 172 216	7 932 747
		11 172 216	**7 932 747**
18.2 Current interest bearing loans and borrowing	**Year repayable (December 2023)**		
Secured			
Foreign current portion	**up to 365days**	8 851 581	8 589 867
Local current portion	**up to 365days**	43 450 576	36 455 186
Bank overdraft		6 046 923	5 842 018
		58 349 080	**50 887 071**
Total non-current and current interest bearing loans and borrowings		**69 521 296**	**58 819 818**

Reconciliation of interest-bearing loans and borrowings

	31 Dec 2023 audited US$	31 Dec 2022 audited US$
Opening Balance at the beginning of the period	**58 819 818**	**63 306 627**
Loans received	37 173 249	42 773 010
Interest expense	8 163 214	9 537 131
Interest paid	(6 175 069)	(12 592 167)
Discontinued Operations	-	(810 804)
Repayments	(28 459 916)	(43 393 979)
Closing balance at the end of the period	**69 521 296**	**58 819 818**

Short term borrowings form part of the core borrowings of the Group and are renewed on maturity in terms of ongoing facilities negotiated with the relevant financial institutions. The facilities are secured by first charge over certain of the Group's property, plant and equipment and biological assets. The Group has a short-term facility with a rate of interest for local operations ranging between 10% and 15%.

Borrowing Powers

In terms of the Company's Articles of Association, the Group may borrow, on the determination of the Directors, amounts that do not exceed the aggregate total equity.

19. Lease Liability

	31 Dec 2023 audited US$	31 Dec 2022 audited US$
Opening balance	**4 468 894**	**5 842 942**
Additions	2 501 094	73 120
Exchange differences	1 324	-
Accretion of interest	280 152	419 196
Payments (inclusive of interest)	(2 093 944)	(1 866 364)
Closing Balance	**5 157 520**	**4 468 894**
Current	2 305 837	1 710 470
Non-current	2 851 683	2 758 424

20. Earnings per share

	Year ended 31 Dec 2023 audited US$	Year ended 31 Dec 2022 audited US$
Profit for the period attributable to:		
Equity holders of the parent	5 416 969	5 037 215
Less Non-Core activities		
Impairment of intangible assets and loss or disposal of equipment	551	194 457
Other Interest income	(32 567)	(155 333)
Headline earnings	**5 384 953**	**5 076 339**
Earnings per share (cents)		
Basic earnings per share	**0.99**	**0.98**
Diluted earnings per share	**0.67**	**0.95**
Basic headline earnings per share	**0.97**	**0.98**
Diluted headline earnings per share	**0.66**	**0.89**
Earnings Per share from Continuing Operations (cents)		
Basic earnings per share	**0.99**	**1.13**
Diluted earnings per share	**0.67**	**1.10**
Basic headline earnings per share	**0.97**	**1.06**
Diluted headline earnings per share	**0.66**	**1.03**
Weighted average shares in issue at the end of the period	548 211 240	545 655 391
Share options	256 879 211	6 769 918
Weighted average shares in issue at the end of the period adjusted for the effect of dilution at the end of the period	**805 090 451**	**552 425 309**

Basic earnings basis

Basic earnings per share is calculated by dividing net profit for the year attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares in circulation during the period.

Fully diluted earnings basis

Diluted EPS is calculated by dividing the profit attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

Basic headline earnings basis

Basic headline earnings per share is calculated by dividing the headline earnings (after taking out profits from non-core activities like profit on disposal of fixed assets and interest income) for the year attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares (Headline earnings per share) as well as the weighted average number of ordinary shares that would be issued on the conversion of all dilutive potential ordinary shares into ordinary shares (Diluted headline earnings per share).

Notes to the Audited Condensed Consolidated Financial Results

For the year ended 31 December 2023

21. Contingent liabilities
The Group had no contingent liabilities as at 31 December 2023 (2022: Nil).

22. Functional Currency
The Group functional currency is US$ for the year ended 31 December 2023.

23. Employee Benefit accruals	31 Dec 2023 audited US$	31 Dec 2022 audited US$
Padenga Zimbabwe	618 319	351 708
Dallaglio	982 887	1 092 961
	1 601 206	**1 444 669**

All current employee benefit accruals relate to leave pay provision and the increase was mainly driven by an increase in the number of staff.

24. Mine Rehabilitations Provisions - non current		
Balance at the beginning of the period	**2 701 799**	**2 480 308**
Change in provision	97 759	-
Unwinding of provision	367 283	221 491
Balance at the end of the period	**3 166 841**	**2 701 799**

These provisions relate to future expected costs to restore the environment after the end of mining activities or at closure of the mine. The expected cost is assessed by environmental experts.

24.1 Rehabilitations assets	31 Dec 2023 audited US$	31 Dec 2022 audited US$
Opening Balance	**1 532 414**	**1 723 074**
Change in estimate	97 759	-
Amortisation	(165 047)	(190 660)
Closing Balance	**1 465 126**	**1 532 414**

The change in estimate was due to the change in discount rate and the change in measurement approach to account for footprint in current year as at the reporting date.

25. Rehabilitation provision

The Company incurs environmental rehabilitation liabilities relating to its operating and closed mines and development projects. The Group recognises a rehabilitation provision where it has a legal or constructive obligation as a result of past events, and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount of obligation can be made. The nature of these restoration activities includes: dismantling and removing structures; rehabilitating mines and tailings dams; dismantling operating facilities; closing plant and waste sites; and restoring, reclaiming and revegetating affected areas.

The obligation generally arises when the asset is installed or the ground/environment is disturbed at the mining operation's location. When the liability is initially recognised, the present value of the estimated costs is capitalised by increasing the carrying amount of the related mining assets to the extent that it was incurred as a result of the development/construction of the mine. Additional disturbances which arise due to further development/construction at the mine are recognised as additions or charges to the corresponding assets and rehabilitation liability when they occur. The provision has been calculated using a discount rate of 15.26% and rehabilitation is expected to occur within nine to ten years.

Changes in the estimated timing of rehabilitation or changes to the estimated future costs are dealt with prospectively by recognising an adjustment to the rehabilitation liability and a corresponding adjustment to the asset to which it relates, if the initial estimate was originally recognised as part of an asset measured in accordance with IAS 16.

Any reduction in the rehabilitation liability and, therefore, any deduction from the asset to which it relates, may not exceed the carrying amount of that asset. If it does, any excess over the carrying value is taken immediately to profit or loss. If the change in estimate results in an increase in the rehabilitation liability and, therefore, an addition to the carrying value of the asset, the Group considers whether this is an indication of impairment of the asset as a whole, and if so, tests for impairment. If, for mature mines, the estimate for the revised mine assets net of rehabilitation provisions exceeds the recoverable value that portion of the increase is charged directly to expense.

26. Dividends

26.1 Dividends declared and paid

Dividends declared on ordinary shares
There were final dividends of US$0.28 cents paid during the year and interim dividend of US$0.19 cents per share that were declared and paid during the year.

	31 Dec 2023 audited US$	31 Dec 2022 audited US$
US$0.28 cents per qualifying ordinary shares (final dividend)	1 524 044	-
US$0.19 cents per qualifying ordinary shares (interim dividend)	1 044 078	-
Total	**2 568 122**	-
Dividends declared by subsidiaries to non-controlling interests Declared and paid	748 500	-
Minority shareholders in Dallaglio Investments (Pvt) Ltd.	748 500	-
Total dividends declared and paid	**3 316 622**	-
26.2 **Declared but not paid at year end**	789 561	-
Minority shareholders in Dallaglio Investments (Pvt) Ltd.	789 561	-
Total dividends for the year declared by subsidiaries to non-controlling interests	**1 538 061**	-

27. Correction of prior period errors at 31 December 2021 and 31 December 2022
In the year ended 31 December 2021 the Group erroneously understated the capital allowances associated with Property, Plant and Equipment which are used in the deferred tax computation and the impact of the deferred tax in relation to skins inventory had not been included in managements deferred tax computation, this resulted in an understatement of income tax expense by US$815 105, deferred tax liability by US$ 971 210 and current tax asset by US$ 156 105. The impact of the error also affected the year ended 31 December 2022.

31 December 2021	As previously reported 31 Dec 2021 US$	Adjustments US$	1 Jan 2022 as Restated US$
Retained profit	(37 233 582)	815 105	(36 418 477)
Current tax receivable	2 097 660	156 105	2 253 765
Deferred Tax Liability	(11 994 664)	(971 210)	(12 965 874)

31 December 2022	As previously reported 31 Dec 2022 US$	Adjustments US$	1 Jan 2023 as Restated US$
Retained profit	(39 903 571)	815 105	(39 088 466)
Current tax receivable	1 865 815	156 105	2 021 920
Deferred Tax Liability	(16 353 126)	(971 210)	(17 324 336)

28. Events after reporting period
Events after the reporting period are those events, favourable and unfavourable, that occur between the end of the reporting period and the date when the condensed consolidated financial results are authorised for issue.

Acquisition of Shareholding in Dallaglio Investments (Private) Limited (Dallaglio)

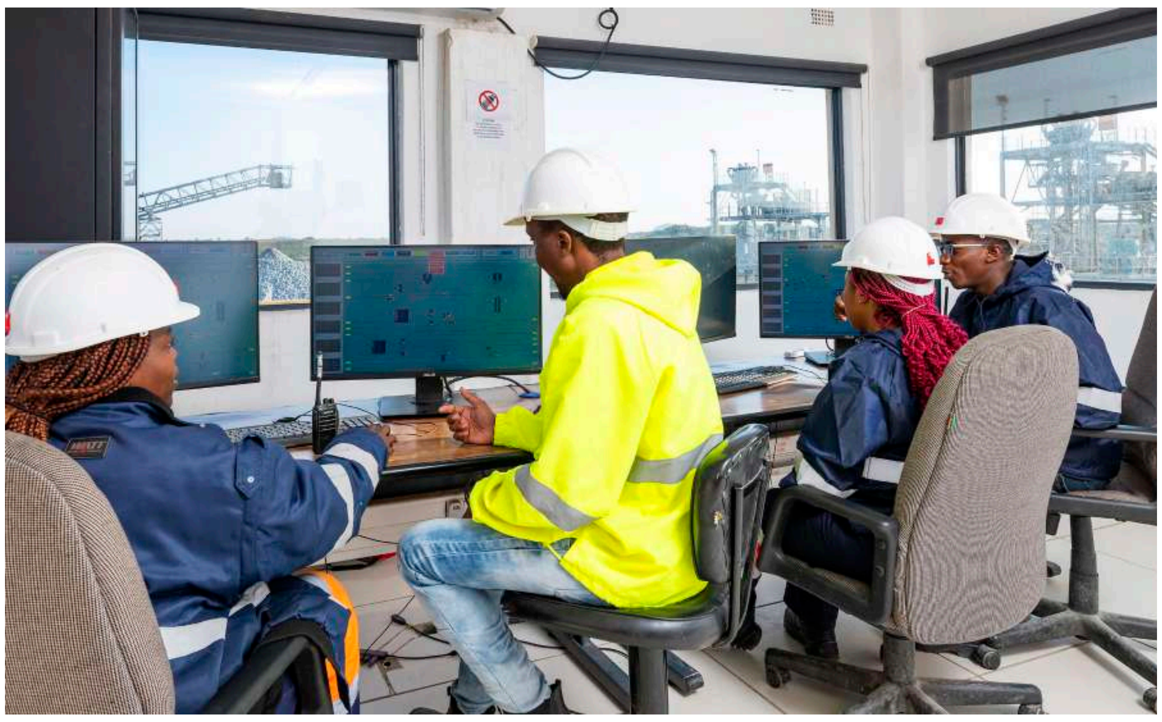
At the meeting held on 13 June 2023, the Board of Directors of Padenga considered and approved the restructuring of the Group through the acquisition of the remaining 49.9% of the issued share capital in Dallaglio following the acquisition of 50.1% of the issued share capital in Dallaglio in 2019. The PHL Board also approved a scheme to further reconstruct the PHL Group structure by transferring the Nile crocodile operations out of PHL and into a separate newly formed and wholly owned legal entity (subsidiary), Padenga Agribusiness (Pvt) Ltd (PAB) which takes over the Nile crocodile operations effective 1 January 2024.

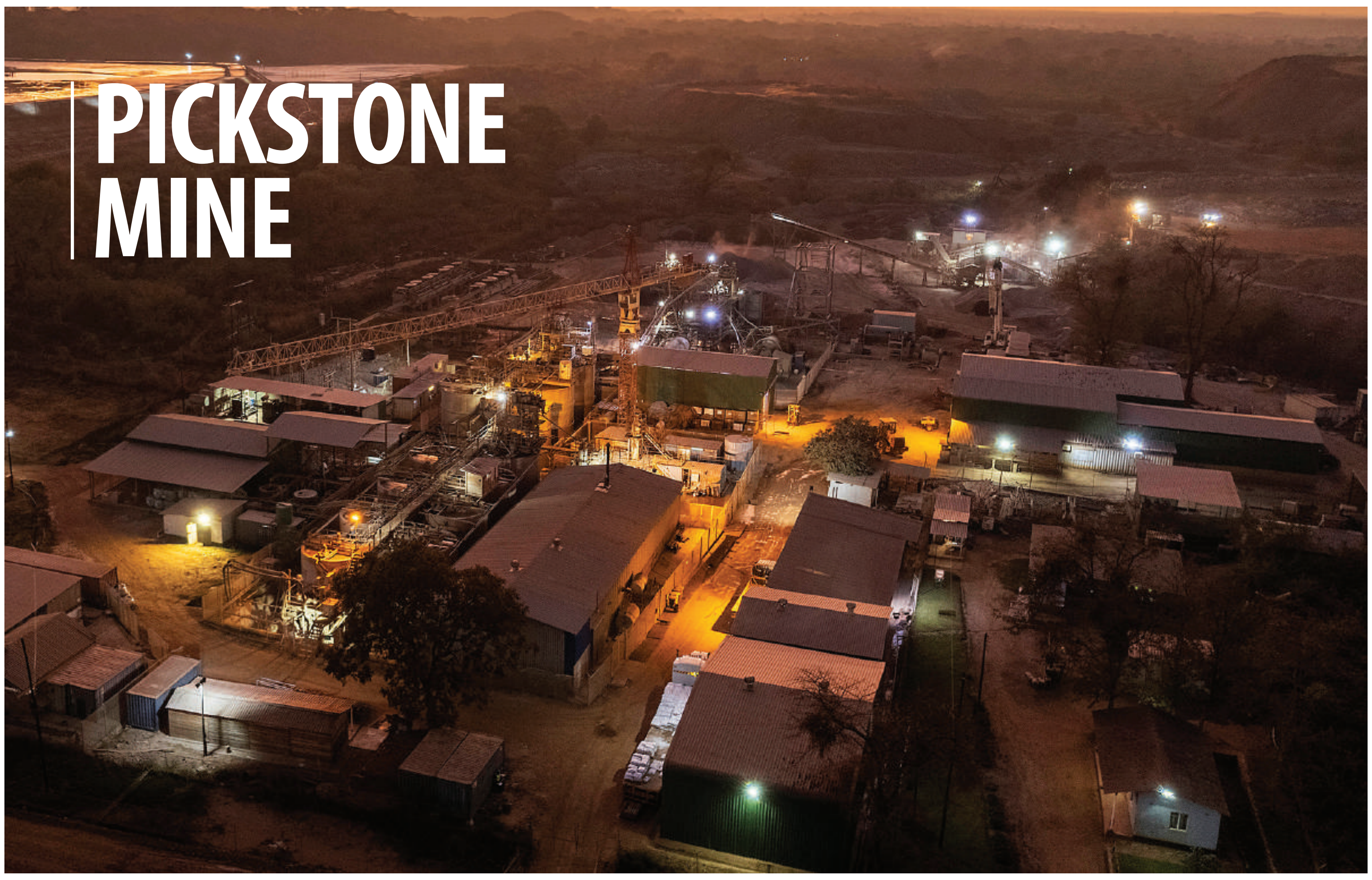
The Crocodile operations were subsequently transferred from Padenga Holdings Limited to Padenga Agribusiness on 1 January 2024.The completion of the acquisition of a 49.9% stake in Dallaglio has not yet been finalized as we are waiting for ZIMRA approval of the Proposed Transaction in terms of section 15 (1) (b) of the Capital Gains Tax Act, [Chapter 23:01].

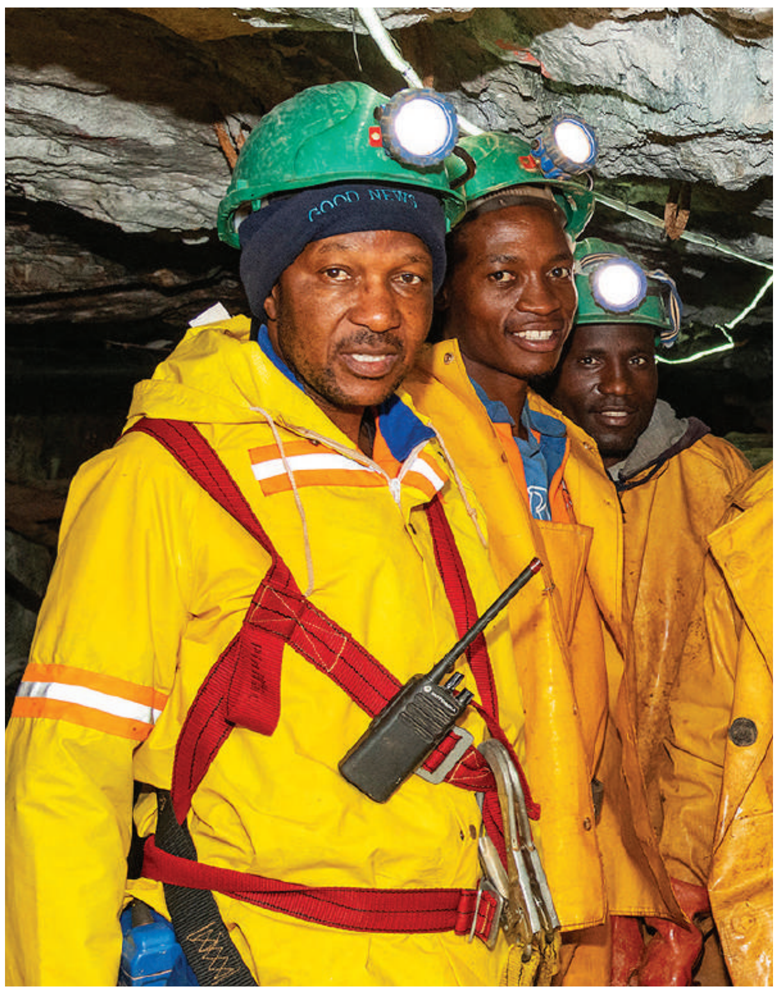
39. Approval of condensed consolidated financial statements
The condensed consolidated financial statements were approved by the Board of Directors and authorized for issue on 26 March 2024.

PADENGA HOLDINGS LIMITED

Dallaglio Gold Mining Operations in pictures







Directors: *Themba Sibanda (Chairman)*, Michael Fowler (Chief Executive Officer), Oliver Kamundimu (Chief Financial Officer), Eve Mkondo*, Sternford Moyo*, Mike Mudondo* (*Non-Executive)

PADENGA HOLDINGS LIMITED

Padenga Agribusiness Operations in pictures

Directors: *Themba Sibanda (Chairman)*, Michael Fowler (Chief Executive Officer), Oliver Kamundimu (Chief Financial Officer), Eve Mkondo*, Sternford Moyo*, Mike Mudondo* (*Non-Executive)