The Directors are pleased to present The Audited Results for Padenga Holdings Limited for the year ended 31 December 2018:

**FINANCIAL HIGHLIGHTS**

- **Dividend cover (times) 2.0 2.9**
- **Dividends declared and paid since reporting date (cents) 1.20 0.83**
- **Market price per share (cents) 85.00 54.71**
- **Market capitalisation (US$) 460 354 424 296 305 771**
- **Profit before taxation 17,775,551 16,368,831**
- **Profit attributable to shareholders 13,175,301 13,020,828**
- **Cash generated from operations 15,815,623 8,833,638**

**Directors:**
- Chairman* | Anne Madzara* | Gary Sharp-Chief Executive Officer | Oliver Kamundimu-Chief Financial Officer | Michael Fowler-Executive Director *Non-Executive
- Themba Sibanda | Jerome Caraguel*

**Consolidated Statement of Profit and Loss and Other Comprehensive Income**

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>134,003,418</td>
<td>121,770,763</td>
</tr>
<tr>
<td>Operating Profit before depreciation and amortisation</td>
<td>18,117,493</td>
<td>13,944,006</td>
</tr>
<tr>
<td>Operating Profit before taxation</td>
<td>17,775,551</td>
<td>16,368,831</td>
</tr>
<tr>
<td>Profit after taxation</td>
<td>14,330,630</td>
<td>13,708,960</td>
</tr>
<tr>
<td>Profit attributable to shareholders</td>
<td>13,175,301</td>
<td>13,020,828</td>
</tr>
<tr>
<td>Other comprehensive income</td>
<td>-95,269</td>
<td>-5,297</td>
</tr>
<tr>
<td>Profit for the period attributable to:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shareholders of the parent company</td>
<td>13,080,032</td>
<td>12,965,531</td>
</tr>
<tr>
<td>Non-controlling interest</td>
<td>(448,734)</td>
<td>(167,577)</td>
</tr>
<tr>
<td>Total comprehensive income for the period attributable to:</td>
<td>12,631,298</td>
<td>12,798,954</td>
</tr>
</tbody>
</table>

**Consolidated Statement of Financial Position**

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>12,226,163</td>
<td>10,265,655</td>
</tr>
<tr>
<td>Inventories</td>
<td>5,233,434</td>
<td>5,277,246</td>
</tr>
<tr>
<td>Total assets</td>
<td>103,757,455</td>
<td>84,742,418</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>49,597,369</td>
<td>39,955,618</td>
</tr>
<tr>
<td>Shareholders’ equity</td>
<td>54,159,276</td>
<td>44,786,800</td>
</tr>
</tbody>
</table>

**Notes**
- **Audited**
- **Financial impact of the change in functional currency as detailed in the Annual Report.**

**Consolidated Statement of Changes in Equity**

**Consolidated Statement of Cash Flows**

**Supplementary Information**

1. **Corporate Information**
   - Padenga Holdings Limited is a Limited Liability Company incorporated and domiciled in Zimbabwe whose shares are publically traded on the African Securities Exchange ("ASE").
   - The Group has its main offices in Skins Road, P.O. Box 115, Harare, Zimbabwe.

2. **Basis of presentation**
   - The full year results are presented in the statutory records in accordance with the historical cost method, except for the effects of the adoption of IFRS 9 and IFRS 15. The Group adopted the simplified transition approach for IFRS 15. The comparable information presented for the prior year has not been restated.

3. **Statement of compliance**
   - The consolidated financial results have been prepared in accordance with IFRS. The financial statements have been prepared in compliance with the Zimbabwe Companies Act (Chapter 24:03) as amended. The full year results are based on the statutory records that are maintained under the historical cost basis, except for the effects of the adoption of IFRS 9 and IFRS 15.

4. **Effect of events after the reporting period**
   - There have been no events after the reporting period that require adjustment or disclosure in these financial statements.

5. **Earnings per share**
   - Basic earnings per share is calculated as earnings for the period attributable to shareholders of the parent company divided by the weighted average number of ordinary shares outstanding during the period. Diluted earnings per share is calculated in a similar manner, taking into account the effect of all potential ordinary shares.

6. **Risk factors**
   - The Group is exposed to a number of risks, including market, credit, liquidity and operational risks. The Group manages these risks through a risk management system that is designed to mitigate their impact on the Group's performance and financial position. The Group's risk management system is reviewed on an ongoing basis to ensure its effectiveness.

7. **Operating segments**
   - The Group's segmental reporting is based on the division of its activities into two operating segments: Animal Processing and Crocodile Breeding. Segmental information is presented in the notes to the financial statements.

8. **Market and foreign currency risk**
   - The Group is exposed to foreign currency risk through transactions denominated in currencies other than US$, the functional currency of the Group. The Group uses foreign currency forward contracts to hedge exposure to foreign currency risk.

9. **Cash flow from investing activities**
   - The Group generated cash from investing activities of $15,815,623 in the year ended 31 December 2018, compared to $8,833,638 in the year ended 31 December 2017. The increase in cash generated from investing activities is primarily due to the sale of property, plant and equipment.

10. **Cash flow from financing activities**
    - The Group generated cash from financing activities of $13,020,828 in the year ended 31 December 2018, compared to $13,080,032 in the year ended 31 December 2017. The decrease in cash generated from financing activities is primarily due to the repayment of loans and borrowings.

11. **Stock options**
    - The Group has granted stock options to certain employees. The fair value of the stock options is recognised as an expense in the period in which the employees satisfy the performance conditions.

12. **Revenue from one customer**

13. **Inventories**
    - Inventories are stated at the lower of cost or net realisable value, which is determined on a first-in, first-out basis. The Group holds inventories in various locations, including warehouses and on the premises of its customers.

14. **Operating lease commitments**
    - The Group is committed under operating leases for various assets, including property, plant and equipment. The lease terms range from 1 year to 5 years.

15. **Financial assets**
    - The Group holds financial assets such as cash and cash equivalents, which are stated at fair value. The Group also holds investment properties, which are stated at cost plus accumulated depreciation.

16. **Capital and reserves**
    - The Group's equity attributable to equity holders of the parent company includes the contributions of shareholders, retained earnings, and other reserves.

17. **Translation of foreign currency financial statements**
    - The Group's foreign currency financial statements are translated into US$ using the annualised average exchange rate during the year ended 31 December 2018.