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African Sun Limited

Reviewed Condensed consolidated financial statements for the period ended

30 June 2025

Directors: L. Mhishi (Chairman) , L. Ward* (Chief Executive Officer), L. Chikara* (Chief Finance Officer), B. Childs, G. Chikomo, T. Denga,V. Lapham, A. Siyavora, S. Village. * Executive.
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African Sun Limited, (Incorporated in Zimbabwe on 2 July 1971 under Company Registration Number 643/71)

Reviewed Condensed Consolidated Financial Statements
for the period ended 30 June 2025

Financial Highlights:
Continuing Operations

	30 June 2025	30 June 2024
Revenue	**US$ 23.53 million**	US$ 23.06 million
Occupancy	**47%**	53%
EBITDA	**US$ 3.41 million**	US$ 2.12 million
Profit/(loss) after tax for the period	**US$ 0.18 million**	US$ (2.06) million
Average daily room rate (ADR)	**US$ 132**	US$ 117
Total revenue per available room	**US$ 115**	US$ 114
Permanent employees	**870**	852

Chairman's Statement

Introduction

On behalf of the Board of Directors of African Sun Limited ("African Sun" or "the Company") and its subsidiaries (collectively, "the Group"), I am pleased to present to you the reviewed, condensed, consolidated financial statements for the half year ended 30 June 2025.

Operating Environment

The Group posted a flat hotel segment after-tax profit performance, as a result of depressed first-quarter hotel segment revenues. Profitability of the hotel segment has remained a challenge due to the adverse operating environment, characterized by high operating costs, frequent power outages, and poor road infrastructure to key tourist destinations such as Victoria Falls, Hwange and Kariba. Most of the Group's hotels are yet to be refurbished, and this has limited revenue growth, especially on leisure business.

On the currency front, the ZWG remained stable. The period also saw the RBZ liberalising pricing and allowing businesses to price between ZWG and US$, applying viable exchange rates. This is a welcome policy development as it has enhanced our ability to better price and guard the operating margins.

On the international front, the United Nations Tourism World Tourism Barometer reports that Q1 2025 saw international tourism fully rebound, surpassing pre-pandemic levels with a 5% increase over 2024 and a 3% rise above 2019 figures, with all global regions outperforming their pre-COVID-19 benchmarks, signaling a full recovery despite ongoing geopolitical and trade tensions.

Financial Performance

The first half of 2025 was marked by two distinct quarters (Q1 and Q2). The year began Q1 with depressed hotel revenues due to various reasons, including President Trump's foreign aid expenditure cuts affecting local Non-Governmental Organisation ("NGO") funded businesses, tight ZWG liquidity, and the Government's austerity measures on conferencing expenditure. However, Q2 saw notable improvements in both Government activity and ZWG liquidity, resulting in improved ZWG hotel segment revenues. Total rooms, food, and beverage revenue increased from US$9.1 million in Q1 to US$14.2 million in Q2, an increase of US$5.1 million.

Revenue
Overall revenue increased marginally by 2% to US$23.53 million, driven by a 13% increase in Average Daily Rates ("ADR") on hotel segment revenues and an increase in Real Estate segment revenues. The hotel revenues were subdued due to a 6-percentage-point drop in occupancy as a result of reduced NGO and Government business.

Operating Expenses
The Group's operating expenses, excluding depreciation, increased by 7% to US$21.36 million, up from US$19.98 million in 2024, largely due to employee benefits that increased by 11% due to increasing headcount in critical support functions, in order to improve operational efficiency. The hotel occupancy costs also increased, driven by revised council rates and taxes. To enhance the guest experience, the Group has also increased its investment in repairs and maintenance works, as most hotel properties are lagging on refurbishments. The ongoing digitalisation programme has also increased IT costs across the Group over the same period last year.

Profitability
At US$3.41 million, the Group's EBITDA grew by 60% from the SPLY. Profit before tax also improved, rising to US$0.91 million, largely due to other income, which included profit from the disposal of a subsidiary, fair value adjustments of financial assets, insurance proceeds, and investment income.

Liquidity
Cash and cash equivalents for continuing operations stood at US$13.78 million as of 30 June 2025. The increase in cash balances was driven by stronger operational cash generation and proceeds from non-core assets disposals.

Portfolio Transformation

On the 21st of August, the Company successfully held an EGM for the disposal of Monomotapa hotel property, business, and adjacent assets. Transfer of the business to the purchaser is anticipated for 1 September 2025.

As I highlighted in the Circular to Shareholders, the proceeds from this disposal are critical to unlock the capital required to fund the refurbishment and enhancement of key strategic hotel assets within African Sun's portfolio, including the Elephant Hills Resort, Holiday Inn Hotels, and The Victoria Falls Hotel. Priority shall be given to high-return assets, as the Company continues to position itself for the retention and enhancement of fewer but high-yielding assets, and dispose of those assets deemed non-core. This strategy will enable the Company to have greater operational focus, scalability, and profitability.

As highlighted in the Circular to Shareholders, a portion of the disposal proceeds will also be set aside for share buyback initiatives.

Dividend Declaration

The Board authorised an interim dividend of USD 0.0010144 per share, amounting to a total of US$1.5 million for the period ended 30 June 2025, to be paid out of retained earnings. A detailed dividend announcement will be circulated separately.

Outlook

We anticipate a marked increase in international travel volumes, and a rebound in conference and business tourism driven by strengthened domestic demand, spurred by the launch of the Tourism and Hospitality Industry Policy (2025–2030), supported by a more favorable regulatory landscape and the continued rollout of the liberalised ZWG pricing framework.

We also plan to capitalize on macroeconomic tailwinds from record-high gold prices and a robust 2025 tobacco season, which are expected to boost disposable income, travel and domestic spending, and mobility. The broader economic outlook remains encouraging, with the International Monetary Fund (IMF) maintaining its global GDP growth forecast at 3.3% for both 2025 and 2026.

However, we anticipate the local operating environment to remain complex, with ongoing challenges from evolving Government policies, inflation, currency fluctuations, and liquidity constraints. Our Management team is prepared to adapt and respond to these dynamics, prioritising business resilience and agility.

Directorate Changes

There were no changes to the directorate during the period under review.

Appreciation

I would like to express my sincere gratitude to our esteemed Board, executive leadership, and dedicated staff members for their tireless commitment, integrity, and hard work that propel our organization forward. To our valued customers and trusted partners, I extend my heartfelt thanks for your ongoing support, collaboration, and confidence in our vision. Your collective contributions have been pivotal to our progress, and we are deeply grateful for your trust and partnership as we strive for sustainable growth and shared prosperity.

L.M. Mhishi

Chairman
29 August 2025

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Report on Review of Interim Condensed Consolidated Financial Statements

To the members of African Sun Limited

We have reviewed the accompanying interim condensed consolidated statement of financial position of African Sun Limited as at 30 June 2025, the interim condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-months then ended, and a summary of material Group accounting policies and other explanatory notes.

Responsibilities of Management and Those Charged with Governance for the interim condensed consolidated financial statements

Management is responsible for the preparation and fair presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard (IAS) 34, Interim Financial Reporting and the Group's accounting policies. This includes the design, implementation and maintenance of internal controls relevant to the preparation and fair presentation of interim consolidated financial statements that is free of material misstatement whether due to fraud or error.

Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements do not present fairly, in all material respects, the financial position of African Sun Limited as at 30 June 2025, and its financial performance and cash flows for the six months then ended in accordance with International Accounting Standard (IAS) 34, Interim Financial Reporting.

The engagement partner on the review engagement resulting in this independent review conclusion is Edmore Chimhowa.

Grant Thornton

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

Grant Thornton Chartered Accountants (Zimbabwe)
Registered Public Auditors
HARARE

9 September 2025

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African Sun Limited, (Incorporated in Zimbabwe on 2 July 1971 under Company Registration Number 643/71)

Reviewed Condensed Consolidated Financial Statements
for the period ended 30 June 2025

Reviewed Condensed Consolidated Statement of Financial Position
As at 30 June 2025

All figures in US$	Note	30 June 2025	31 December 2024
ASSETS			
Non-current assets			
Property and equipment	6	**67,381,344**	67,667,591
Investment property	7	**7,920,800**	8,452,800
Right of use assets	8.1	**15,590,155**	16,015,536
Other receivables	9	**1,362,230**	1,020,248
Biological assets		**332,692**	332,692
Total non-current assets		**92,587,221**	**93,488,867**
Current assets			
Assets classified as held for sale	10.2	**19,196,417**	22,772,980
Inventories		**4,098,605**	5,096,219
Other financial assets	9	**1,185,895**	1,153,346
Trade receivables	9	**1,968,444**	2,440,094
Other receivables	9	**6,743,941**	2,987,943
Cash and cash equivalents	9	**13,779,862**	9,767,082
Total current assets		**46,973,164**	**44,217,664**
Total assets		**139,560,385**	**137,706,531**
EQUITY AND LIABILITIES			
Equity attributable to owners of the parent			
Share capital		**2,484,229**	2,484,229
Share premium		**14,029,390**	14,029,390
Foreign currency translation reserve	21.1	**8,295,364**	8,373,916
Revaluation reserve		**32,271,062**	32,596,404
Retained earnings		**40,513,190**	41,008,658
Total equity		**97,593,235**	**98,492,597**
Liabilities			
Non-current liabilities			
Deferred tax liabilities		**12,072,055**	11,686,407
Lease liabilities	8.2	**13,362,965**	13,505,597
Total non-current liabilities		**25,435,020**	**25,192,004**
Current liabilities			
Liabilities associated with assets classified as held for sale	10.3	**1,275,898**	1,412,829
Trade and other payables	14	**13,605,037**	10,008,820
Current tax liabilities		**111,700**	1,686,672
Provisions	13	**1,256,045**	635,950
Lease liabilities	8.2	**283,450**	277,659
Total current liabilities		**16,532,130**	**14,021,930**
Total liabilities		**41,967,150**	**39,213,934**
Total equity and liabilities		**139,560,385**	**137,706,531**

Reviewed Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the period ended 30 June 2025

All figures in US$	Note	30 June 2025	30 June 2024*
Revenue	12	**23,532,506**	23,055,181
Rooms related costs		**(568,652)**	(598,998)
Cost of food and beverages sold		**(2,327,260)**	(2,437,406)
Hotel occupancy costs		**(2,262,371)**	(2,083,648)
Repairs and maintenance costs		**(729,134)**	(807,757)
Property related costs		**(756,162)**	(571,297)
Employee benefits expense		**(9,384,955)**	(8,442,365)
Net impairment (losses)/reversal on financial assets	11.2	**(95,773)**	69,677
Other operating expenses	15	**(5,231,380)**	(5,109,372)
Other income/(expenses)	16	**1,232,334**	(949,703)
Earnings before interest, tax, depreciation and amortisation		**3,409,153**	**2,124,312**
Depreciation and amortisation	17	**(1,946,529)**	(2,353,441)
Operating profit/(loss) before finance income/(costs)		**1,462,624**	**(229,129)**
Finance income		**146,609**	65,558
Finance costs		**(4,492)**	(8,528)
Finance costs - lease liabilities		**(686,751)**	(729,546)
Profit/(loss) before tax		**917,990**	**(901,645)**
Tax expense	18	**(736,396)**	(1,163,060)
Profit/(loss) for the period from continuing operations		**181,594**	**(2,064,705)**
Loss for the period from discontinued operations	10.1.6	**(7,023)**	(101,612)
Profit/(loss) for the period		**174,571**	**(2,166,317)**
Other comprehensive loss for the period net of tax:			
Items that may be subsequently reclassified to profit or loss			
Exchange differences on translation of foreign operations	21.1	**(78,552)**	(18,811)
Total comprehensive income/(loss) for the period		**96,019**	**(2,185,128)**
Profit/(loss) for the period attributable to:			
Owners of the parent		**174,571**	(2,166,317)
Total comprehensive income/(loss) attributable to:			
Owners of the parent		**96,019**	(2,185,128)
Earnings/(loss) per share attributable to:			
Owners of the parent during the period (US$ cents)			
Basic and diluted earnings/(loss) per share	20	**0.01**	(0.15)
Headline loss per share	20	**(0.05)**	(0.12)

* The Group re-presented the prior period's comparative figures to show the effects of discontinued operations.

Reviewed Condensed Consolidated Statement of Changes in Equity
For the period ended 30 June 2025

All figures in US$	Share capital	Share premium	Equity-settled share based payment reserve	Foreign currency translation reserve	Revaluation reserve	Retained earnings	Total equity
Balance as at 1 January 2024	**2,476,768**	**14,008,943**	**223,300**	**8,346,540**	**32,596,404**	**41,905,664**	**99,557,619**
Loss for the year	-	-	-	-	-	(274,067)	**(274,067)**
Other comprehensive income/(loss):							
Exchange differences on translation of foreign operations	-	-	-	27,376	-	-	**27,376**
Transfer to retained earnings			(217,776)	-	-	217,776	**-**
Total comprehensive (loss)/income for the year	**-**	**-**	**(217,776)**	**27,376**	**-**	**(56,291)**	**(246,691)**
Transactions with owners in their capacity as owners:							
Share issued	7,461	20,447	(5,524)	-	-	-	**22,384**
Dividend paid	-	-	-	-	-	(840,715)	**(840,715)**
Balance as at 31 December 2024	**2,484,229**	**14,029,390**	**-**	**8,373,916**	**32,596,404**	**41,008,658**	**98,492,597**
Period ended 30 June 2025							
Balance as at 1 January 2025	**2,484,229**	**14,029,390**	**-**	**8,373,916**	**32,596,404**	**41,008,658**	**98,492,597**
Profit for the period	-	-	-	-	-	174,571	**174,571**
Other comprehensive (loss)/income:							
Exchange differences on translation of foreign operations	-	-	-	(78,552)	-	-	**(78,552)**
Transfer to retained earnings	-	-	-	-	(325,342)	325,342	**-**
Total comprehensive (loss)/income for the period	**-**	**-**	**-**	**(78,552)**	**(325,342)**	**499,913**	**96,019**
Transactions with owners in their capacity as owners:							
Dividend paid	-	-	-	-	-	(995,381)	**(995,381)**
Balance as at 30 June 2025	**2,484,229**	**14,029,390**	**-**	**8,295,364**	**32,271,062**	**40,513,190**	**97,593,235**

AFRICAN SUN
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African Sun Limited, (Incorporated in Zimbabwe on 2 July 1971 under Company Registration Number 643/71)

Reviewed Condensed Consolidated Financial Statements
for the period ended 30 June 2025

Reviewed Condensed Consolidated Statement of Cash Flows
For the period ended 30 June 2025

All figures in US$	Note	**30 June 2025**	30 June 2024
Operating activities			
Cash generated from continuing and discontinued operations	19	**7,063,259**	3,380,093
Finance income		**146,609**	65,558
Finance costs		**(4,492)**	(8,528)
Finance costs - lease liabilities		**(686,751)**	(729,546)
Tax paid		**(2,030,934)**	(339,517)
Cash from operating activities		**4,487,691**	**2,368,060**
Investing activities			
Proceeds from sale of subsidiary	10.1.8	**1,300,000**	-
Purchase of property and equipment	6	**(1,293,264)**	(2,444,874)
Proceeds from sale of investment property		**544,070**	1,131,304
Purchase of equity investments		**-**	(381,778)
Proceeds from sale of equity investments		**131,705**	136,905
Dividend income		**25,734**	6,031
Proceeds from sale of property and equipment		**31,970**	44,906
Cash from/(utilised in) investing activities		**740,215**	**(1,507,506)**
Financing activities			
Repayment of lease liabilities		**(136,841)**	(78,581)
Dividend paid		**(995,381)**	(1,093,048)
Cash utilised in financing activities		**(1,132,222)**	**(1,171,629)**
Increase/(decrease) in cash and cash equivalents		**4,095,684**	**(311,075)**
Cash and cash equivalents at the beginning of the period		**10,190,287**	10,869,828
Exchange (loss)/gain on foreign currency translations		**(80,211)**	4,873
Cash and cash equivalents at the end of the period		**14,205,760**	**10,563,626**
Cash and cash equivalents included in disposal group	10.2	**(425,898)**	(437,335)
Cash and cash equivalents for continuing operations		**13,779,862**	**10,126,291**

Notes to the Reviewed Condensed Consolidated Financial Statements
For the period ended 30 June 2025

1 Reporting entity

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

As a Zimbabwean corporation, the Company is incorporated and domiciled in Zimbabwe. It is publicly listed on the Victoria Falls Stock Exchange (VFEX). The majority shareholder of the Company is Brainworks Capital Management (Private) Limited, whose registered address is 26 Endeavor Crescent, Mount Pleasant Business Park, Harare, which owns 60.39% (2024: 60.39%) of the ordinary share capital of the Company.

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

These condensed consolidated financial statements were approved for issue by the Directors on 29 August 2025.

2 Basis of preparation

The condensed consolidated financial statements as at 30 June 2025 include the financial statements of African Sun Limited and its subsidiaries. These statements comply with the recognition and measurement requirements of International Financial Reporting Standards (IFRS) and the disclosure requirements of IAS 34 "Interim Financial Reporting." Selected explanatory notes are provided to clarify significant events and transactions that impact the Group's performance and financial position. These condensed consolidated financial statements also comply with the requirements of the Zimbabwe Companies and Other Business Entities Act (Chapter 24:31) and the VFEX Listing Requirements. The condensed consolidated financial statements are prepared using the historical cost convention as the primary basis, with modifications made for the revaluation of investment property, biological assets, financial assets, and property and equipment.

Preparing condensed consolidated financial statements in accordance with IFRS involves the use of critical accounting estimates and requires management to exercise judgement when applying the Group's accounting policies. Note 5 discloses the areas that involve a higher degree of judgement or complexity, including assumptions and estimates that are significant to the financial statements.

The condensed consolidated financial statements are presented in United States dollars (US$), and all amounts are rounded to the nearest dollar, unless otherwise stated.

3 Accounting policies

The accounting policies utilised in the preparation of these condensed consolidated financial statements remain consistent with the most recent financial statements, unless otherwise indicated. For comprehensive disclosures and a complete understanding of the accounting policies employed, please refer to the full set of financial statements provided in our annual report.

3 Accounting policies (continued)

3.1 Change in depreciation estimate

During the financial period ended 30 June 2025, the Group reviewed its depreciation estimation for equipment in accordance with IAS 16: Property, Plant, and Equipment. Following this review, the Group revised the residual value of its equipment from 0% to 10% of the equipment's cost. This change reflects management's updated expectation of the value recoverable at the end of the equipment's useful lives, based on current market conditions and historical trends.

The revision was made to better align the Group's accounting estimates with the expected recoverable value of equipment at the end of their useful lives. Previously, the Group assumed no residual value for its equipment; however, market evidence now indicates that a significant portion of the equipment's value is likely to be recoverable at the end of their useful lives.

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

This change in accounting estimate was applied prospectively from 1 January 2025. As a result, the depreciation expense for the current period has decreased compared to prior years. The table below summarizes the financial impact of the change:

All figures in US$	Before change	After change	**Effect of change**
Depreciation expense - equipment	665,924	443,354	**(222,570)**
Net carrying amount - equipment	8,555,305	8,777,875	**222,570**

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

4 Going concern

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

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

- The Group is entirely debt-free, which eliminates the risk of debt repayment obligations or interest burdens that could strain liquidity.
- As of 30 June 2025, the Group holds a healthy cash position of US$ 13.77 million for continuing operations, providing a strong liquidity buffer to fund its operations and planned recovery initiatives.
- The Group has consistently generated positive cash flows from operating activities during the year, amounting to US$ 4.49 million. This demonstrates the Group's ability to meet its operational obligations and sustain its day-to-day operations without reliance on external funding.

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

- Refurbishment of key hotels to enhance guests experience and attract premium clients. The completion of the Hwange Safari Lodge refurbishment is expected to boost performance.
- Sale of non-core properties to free up capital for reinvestment in high-yield projects.
- Rebranding with the focus on repositioning our hotels in the key markets.

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

- Improved hotel occupancy rates as tourism recovers.
- Cost optimization initiatives reducing operating expenses by 5%.

The Directors will continue to monitor the Group's financial performance and market conditions closely to ensure that the Group remains on a sustainable recovery path.

5 Accounting estimates

When preparing the condensed consolidated financial statements, management exercises judgment, make estimates, and utilize assumptions regarding the recognition and measurement of assets, liabilities, revenue, and expenses. There are several areas where these estimates, judgements, and assumptions made by management have a significant impact on the condensed consolidated financial statements. These areas include:

(i) Measurement of expected credit losses on financial assets.

(ii) Estimation of spot exchange rates.

(iii) Tax liability computations.

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African Sun Limited, (Incorporated in Zimbabwe on 2 July 1971 under Company Registration Number 643/71)

Reviewed Condensed Consolidated Financial Statements
for the period ended 30 June 2025

Notes to the Reviewed Condensed Consolidated Financial Statements (Continued)
For the period ended 30 June 2025

6 Property and equipment

All figures in US$	Freehold properties	Leasehold properties	Equipment	Service stocks	Motor vehicles	Capital work in progress	**Total**
Period ended 31 December 2024							
Cost	71,146,418	10,011,791	24,941,504	438,878	1,786,747	694,585	**109,019,923**
Accumulated depreciation	(5,165,818)	(3,340,368)	(14,754,480)	(198,562)	(6,754)	-	**(23,465,982)**
Opening net book value	65,980,600	6,671,423	10,187,024	240,316	1,779,993	694,585	**85,553,941**
Additions	-	1,666,826	1,822,156	385,528	1,059,628	652,659	**5,586,797**
Transfers in/(out)	-	308,719	201,690	-	-	(510,409)	**-**
Transfer to asset held for sale	(16,115,174)	(607,438)	(1,426,326)	(34,425)	(50,066)	(79,936)	**(18,313,365)**
Foreign exchange difference	-	-	(471)	-	-	-	**(471)**
Disposals - cost	(246,616)	(20,386)	(740,983)	-	(647,601)	-	**(1,655,586)**
Disposals - accumulated depreciation	-	11,829	639,849	-	262,382	-	**914,060**
Depreciation	(576,924)	(1,019,708)	(1,807,397)	(306,374)	(707,382)	-	**(4,417,785)**
	49,041,886	**7,011,265**	**8,875,542**	**285,045**	**1,696,954**	**756,899**	**67,667,591**
Cost	54,784,628	11,359,512	24,797,570	789,981	2,148,708	756,899	**94,637,298**
Accumulated depreciation	(5,742,742)	(4,348,247)	(15,922,028)	(504,936)	(451,754)	-	**(26,969,707)**
Net book value	**49,041,886**	**7,011,265**	**8,875,542**	**285,045**	**1,696,954**	**756,899**	**67,667,591**
Period ended 30 June 2025							
Opening net book value	49,041,886	7,011,265	8,875,542	285,045	1,696,954	756,899	**67,667,591**
Additions	-	61,852	387,398	2,058	123,448	718,508	**1,293,264**
Transfer to asset held for sale	-	-	(3,757)	-	-	-	**(3,757)**
Foreign exchange difference	-	-	1,752	-	-	-	**1,752**
Disposals - cost	-	-	(139,764)	-	(16,700)	-	**(156,464)**
Disposals - accumulated depreciation	-	-	99,840	-	-	-	**99,840**
Depreciation	(244,846)	(521,506)	(443,354)	(119,420)	(191,756)	-	**(1,520,882)**
	48,797,040	**6,551,611**	**8,777,657**	**167,683**	**1,611,946**	**1,475,407**	**67,381,344**
Cost	54,784,628	11,421,364	25,043,199	792,039	2,255,456	1,475,407	**95,772,093**
Accumulated depreciation	(5,987,588)	(4,869,753)	(16,265,542)	(624,356)	(643,510)	-	**(28,390,749)**
Net book value	**48,797,040**	**6,551,611**	**8,777,657**	**167,683**	**1,611,946**	**1,475,407**	**67,381,344**

7 Investment property

All figures in US$	**30 June 2025**	31 December 2024
Balance at the beginning of the period	**8,452,800**	**10,680,900**
Transfer to assets classified as held for sale	**-**	(1,500,000)
Disposals	**(532,000)**	(783,000)
Fair value adjustments	**-**	54,900
Balance at the end of the period	**7,920,800**	**8,452,800**

The disposal of the investment property relates to the 3 units of the Elizabeth Windsor Gardens, which were disposed of during the period. The Elizabeth Windsor Gardens units were previously rented out to tenants.

8 Leases

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

All figures in US$	Hotel buildings	Other buildings	Land	**Total**
As at 01 January 2024	13,917,024	3,441,094	10,642	**17,368,760**
Additions/re-measurement	(641,756)	(17)	-	**(641,773)**
Depreciation	(503,188)	(207,434)	(829)	**(711,451)**
As at 31 December 2024	**12 772 080**	**3 233 643**	**9 813**	**16 015 536**
Foreign exchange differences	-	266	-	**266**
Depreciation	(321,985)	(102,833)	(829)	**(425,647)**
As at 30 June 2025	**12,450,095**	**3,131,076**	**8,984**	**15,590,155**

8.2 Analysis of lease liabilities is as follows:

All figures in US$	**30 June 2025**	31 December 2024
Non-current	**13,362,965**	13,505,597
Current	**283,450**	277,659
Total lease liabilities	**13,646,415**	**13,783,256**

Fixed lease payments for the year 30 June 2025 amounted to US$ 832,566 (2024: US$ 808,113).

9 Financial assets

All figures in US$	Amortised cost	Fair value through profit or loss	**Total**
As at 30 June 2025			
Other receivables	1,362,230	-	**1,362,230**
Total non-current	**1,362,230**	**-**	**1,362,230**
Other financial assets	-	1,185,895	**1,185,895**
Trade receivables	1,968,444	-	**1,968,444**
Other receivables	6,743,941	-	**6,743,941**
Cash and cash equivalents	13,779,862	-	**13,779,862**
Total current	**22,492,247**	**1,185,895**	**23,678,142**
Total financial assets	**23,854,477**	**1,185,895**	**25,040,372**
As at 31 December 2024			
Other receivables	1,020,248	-	**1,020,248**
Total non-current	**1,020,248**	**-**	**1,020,248**
Other financial assets	-	1,153,346	**1,153,346**
Trade receivables	2,440,094	-	**2,440,094**
Other receivables	2,987,943	-	**2,987,943**
Cash and cash equivalents	9,767,082	-	**9,767,082**
Total current	**15,195,119**	**1,153,346**	**16,348,465**
Total financial assets	**16,215,367**	**1,153,346**	**17,368,713**

10 Discontinued operations and assets classified as held for sale

10.1 Discontinued operations

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

10.1.1 Monomotapa Hotel
The Group has disposed of the Monomotapa Hotel, together with the associated assets. The expected handover date to the purchaser is 1 September 2025, at which point the Group will cease to consolidate the Monomotapa Hotel's results.

10.1.2 Great Zimbabwe Hotel
The Group sold Great Zimbabwe Hotel during the period under review .

10.1.3 Laclede Investments (Private) Limited ("Laclede")
As part of disposing Great Zimbabwe Hotel, a subsidiary company which owns the property was disposed concurrently with the Hotel.

Notes to the Reviewed Condensed Consolidated Financial Statements (Continued)
For the period ended 30 June 2025

10 Discontinued operations and assets classified as held for sale (continued)

10.1 Discontinued operations (continued)

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

10.1.5 Harare Sun Casino and Makasa Casino
Following the closure of The Kingdom at Victoria Falls Hotel, the Group terminated "Casino" operations. The Harare Sun Casino license was linked to the Makasa Casino which operated at the Kingdom hotel. Due to the closure of the Kingdom hotel both casinos were subsequently closed in 2023.

10.1.6 Analysis of the profit for the year from discontinued operations
The results of the discontinued operations included in the loss for the year are set out as below:

Statement of profit or loss and other comprehensive income for the period ended 30 June 2025

All figures in US$	Monomotapa Hotel	Great Zimbabwe Hotel	Sun Leisure Tours	Sun Casinos	Total
Revenue	2,110,932	414,951	-	-	**2,525,883**
Rooms related costs	(55,801)	(4,074)	-	-	**(59,875)**
Cost of food and beverages sold	(251,577)	(41,309)	-	-	**(292,886)**
Hotel occupancy costs	(407,604)	(69,833)	-	-	**(477,437)**
Repairs and maintenance costs	(80,757)	(12,394)	-	-	**(93,151)**
Employee benefits expense	(1,113,625)	(177,365)	-	-	**(1,290,990)**
Net impairment (losses)/reversal on financial assets	(81,478)	7,782	-	-	**(73,696)**
Other operating expenses	(472,031)	(111,695)	-	-	**(583,726)**
Other income/(expenses)	15,563	(18,347)	-	-	**(2,784)**
Loss before tax	**(336,378)**	**(12,284)**	**-**	**-**	**(348,662)**
Tax (expense)/credit	(36,289)	132,198	-	-	**95,909**
(Loss)/profit for the year from discontinued operations	**(372,667)**	**119,914**	**-**	**-**	**(252,753)**
Intra-group transactions eliminated	209,503	36,227	-	-	**245,730**
(Loss)/profit for the year from discontinued operations	**(163,164)**	**156,141**	**-**	**-**	**(7,023)**

Statement of profit or loss and other comprehensive income for the period ended 30 June 2024

All figures in US$	Monomotapa Hotel	Great Zimbabwe Hotel	Sun Leisure Tours	Sun Casinos	Total
Revenue	2,526,549	730,047	52,606	-	**3,309,202**
Rooms related costs	(78,508)	(12,265)	-	-	**(90,773)**
Cost of food and beverages sold	(287,143)	(84,895)	-	-	**(372,038)**
Hotel occupancy costs	(515,066)	(144,723)	-	-	**(659,789)**
Repairs and maintenance costs	(106,634)	(15,742)	(27,498)	-	**(149,874)**
Employee benefits expense	(1,083,034)	(295,695)	(14,807)	-	**(1,393,536)**
Net impairment losses on financial assets	(8,597)	(3,183)	-	-	**(11,780)**
Other operating expenses	(428,162)	(126,921)	(74,408)	(4,937)	**(634,428)**
Other income/(expenses)	62,055	1,957	(110)	(160,336)	**(96,434)**
Earnings/(losses) before interest, tax, depreciation and amortisation	**81,460**	**48,580**	**(64,217)**	**(165,273)**	**(99,450)**
Depreciation and amortisation	(163,482)	(61,124)	(159,577)	-	**(384,183)**
Loss for the period from discontinued operations	**(82,022)**	**(12,544)**	**(223,794)**	**(165,273)**	**(483,633)**
Intra-group transactions eliminated	330,194	51,827	-	-	**382,021**
Profit/(loss) for the period from discontinued operations	**248,172**	**39,283**	**(223,794)**	**(165,273)**	**(101,612)**

10.1.7 Analysis of cash flows from discontinued operations
The cash flows attributable to the discontinued operation for the period ended 30 June 2025 are as follows:

All figures in US$	Monomotapa Hotel	Great Zimbabwe Hotel	Sun Leisure Tours	Sun Casinos	Total
Net cash flow from/(utilised in) operating activities	244,250	(221,338)	-	-	**22,912**
Net cash (utilised in)/from investing activities	(2,341)	634,800	-	-	**632,459**
Net cash utilised in financing activities	(283,241)	(460,275)	-	-	**(743,516)**
Net cash decrease in cash and cash equivalents	**(41,332)**	**(46,813)**	**-**	**-**	**(88,145)**

10 Discontinued operations and assets classified as held for sale (continued)

10.1 Discontinued operations (continued)

10.1.8 Disposal of Great Zimbabwe Hotel and Laclede Investments (Private) Limited
On 31 March 2025, the Group disposed Great Zimbabwe Hotel together with Laclede Investments (Private) Limited, a subsidiary company which owns the hotel property. At the date of disposal, the carrying amounts of Great Zimbabwe Hotel and Laclede Investments (Private) Limited net assets were as follows:

All figures in US$	30 June 2025
Net assets	
Investment property	**2,750,000**
Property and equipment	**641,616**
Inventories	**91,384**
Net assets	**3,483,000**
Purchase consideration deferred	**2,900,000**
Purchase consideration received	**1,300,000**
Total purchase consideration	**4,200,000**
Profit on disposal of subsidiary	**717,000**
Purchase consideration received in cash	**1,300,000**
Net cash inflow from sale of subsidiary	**1,300,000**

10.2 Assets classified as held for sale

All figures in US$	30 June 2025	31 December 2024
Balance at the beginning of the period	**22,772,980**	**3,600,000**
Transfer from investment property	**-**	1,500,000
Disposal group assets	**84,999**	19,138,154
Disposal	**(3,661,562)**	(950,000)
Fair value gains	**-**	(515,174)
Balance at the end of the period	**19,196,417**	**22,772,980**

The disposal relates to the sale of Great Zimbabwe Hotel and Laclede Investments (Private) Limited.

From the opening balance, Monomotapa Hotel, Beitbridge Express Hotel and one commercial stand remained unsold as of 30 June 2025. Subsequent to 30 June 2025, the Monomotapa Hotel was sold and the expected transfer date to the purchaser is 1 September 2025. Management remains committed to the sale of the remaining properties, which are all expected to be sold before the year ending 31 December 2025.

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

All figures in US$	30 June 2025	31 December 2024
Assets		
Property and equipment	**1,565,734**	18,048,192
Investment property	**17,000,000**	3,900,000
Inventories	**204,785**	385,628
Other receivables	**-**	15,955
Cash and cash equivalents	**425,898**	423,205
Total assets held for sale	**19,196,417**	**22,772,980**

10.3 Liabilities associated with assets held for sale
As of 30 June 2025, the Group has classified certain assets and liabilities as held for sale in accordance with IFRS 5. The major classes of liabilities directly associated with the assets classified as held for sale are as follows:

All figures in US$	30 June 2025	31 December 2024
Liabilities		
Deferred tax liability	**850,000**	987,500
Trade and other payables	**425,898**	425,329
Total liabilities associated with assets held for sale	**1,275,898**	**1,412,829**

These liabilities are expected to be settled upon the completion of the sale.

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

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11 Financial risk management

11.1 Liquidity risk

Liquidity risk is the risk that the Group may encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Cash flow forecasting is performed at the operating entity level of the Group and aggregated by the Group Finance. Group Finance monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities. Such forecasting takes into consideration the Group's debt financing plans, covenant compliance, compliance with internal financial position ratio targets and, if applicable external regulatory or legal requirements, for example, currency restrictions.

Surplus cash held by the operating entities in excess of the amount required for working capital management are transferred to the Group Finance. Group Finance invests surplus cash in interest bearing current accounts, time deposits and money markets deposits, choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient head-room as determined by the above-mentioned forecasts.

The tables below analyse the Group's liquidity gap in to relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

All figures in US$	Less than 1 year	1 to 5 years	More than 5 years	**Total**
As at 30 June 2025				
Liabilities				
Trade and other payables	(13,605,037)	-	-	**(13,605,037)**
Lease liabilities	(283,450)	(3,260,485)	(10,102,480)	**(13,646,415)**
Total liabilities	**(13,888,487)**	**(3,260,485)**	**(10,102,480)**	**(27,251,452)**
Assets held for managing liquidity risk				
Trade receivables	1,968,444	-	-	**1,968,444**
Other financial assets	7,929,836	1,362,230	-	**9,292,066**
Cash and cash equivalents	13,779,862	-	-	**13,779,862**
Total assets held for managing liquidity risk	**23,678,142**	**1,362,230**	**-**	**25,040,372**
Liquidity surplus/(gap)	**9,789,655**	**(1,898,255)**	**(10,102,480)**	**(2,211,080)**
Cumulative liquidity surplus/(gap)	**9,789,655**	**7,891,400**	**(2,211,080)**	**-**
As at 31 December 2024				
Liabilities				
Trade and other payables	(10,008,820)	-	-	**(10,008,820)**
Lease liabilities	(277,659)	176,659	(13,682,256)	**(13,783,256)**
Total liabilities	**(10,286,479)**	**176,659**	**(13,682,256)**	**(23,792,076)**
Assets held for managing liquidity risk				
Trade receivables	2,440,094	-	-	**2,440,094**
Other financial assets	2,987,943	2,173,594	-	**5,161,537**
Cash and cash equivalents	9,767,082	-	-	**9,767,082**
Total assets held for managing liquidity risk	**15,195,119**	**2,173,594**	**-**	**17,368,713**
Liquidity surplus/(gap)	**4,908,640**	**2,350,253**	**(13,682,256)**	**(6,423,363)**
Cumulative liquidity surplus/(gap)	**4,908,640**	**7,258,893**	**(6,423,363)**	**-**

11.2 Credit risk

(i) Trade receivables

The Group utilises the simplified approach outlined in IFRS 9 for measuring expected credit losses, which involves employing a lifetime expected credit loss allowance for all trade receivables. In order to assess the expected credit losses, trade receivables are grouped based on shared credit risk characteristics and the number of days past due.

The expected credit loss rates are derived from the payment profiles of sales made within a period of 60 months leading up to 30 June 2025.

The historical expected credit loss rates are modified to incorporate current and forward-looking information regarding macroeconomic factors that impact the customers' ability to settle the receivables. The Group has identified certain factors, such as current liquidity challenges, inflation, high interest rates, and foreign currency shortages, as the most significant in this regard. As a result, the historical credit loss rates have been adjusted to reflect the anticipated changes in these factors.

The closing expected credit loss allowances for trade receivables as at 30 June 2025 reconcile to the opening expected credit loss allowances as follows:

All figures in US$	**30 June 2025**	30 June 2024
Opening expected credit loss allowance as at 01 January	**318,858**	219,282
Movement in discontinued operations	**73,696**	3,182
Increase/(decrease) in expected credit loss allowance recognised in profit or loss during the period	**107,193**	(47,650)
Closing expected credit loss allowance	**499,747**	**174,814**

11 Financial risk management (continued)

11.2 Credit risk (continued)

(ii) Other financial assets at amortised cost

Other financial assets at amortised cost include staff and key management personnel debtors and receivables from related parties.

All figures in US$	**30 June 2025**	30 June 2024
Opening expected credit loss allowance as at 01 January	**87,205**	87,836
Decrease in expected credit loss allowance recognised in profit or loss during the period	**(11,420)**	(22,027)
Closing expected credit loss allowance	**75,785**	**65,809**
Net impairment losses/(reversal) on financial assets recognised in profit or loss during the period	**95,773**	**(69,677)**

12 Segment analysis

The Executive Committee assesses the performance of the operating segments based on:
- hotel occupancies;
- hotel revenue per available room ("RevPAR");
- hotel average daily room rate ("ADR"); and
- profitability.

Operating segments are made up of three strategic business segments which are;

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

2. **Real Estate**
This segment owns seven hotels, six of which are leased to the hotel operating segments above, two timeshare lodge developments, residential properties in Harare, vast undeveloped land across Zimbabwe, held either for sale or capital appreciation.

3. **Other**
This segment consists of Central Office, and the South Africa Reservation Office. The Central Office provides centralised administrative and support functions to facilitate the operations of the Group. The South Africa Reservation Office operates as a regional sales and marketing office based in South Africa, with a primary focus on international and regional sales activities.

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

All figures in US$	Hotels	Real Estate	Other	Inter segments	**Consolidated**
For the period ended 30 June 2025					
Revenue from continuing operations	21,608,743	3,226,332	408,150	(1,710,719)	**23,532,506**
Revenue from discontinued operations	2,525,883	-	-	-	**2,525,883**
Material items included in profit/(loss) before tax					
Rooms related costs	(568,652)	-	-	-	**(568,652)**
Cost of food and beverages sold	(2,327,260)	-	-	-	**(2,327,260)**
Hotel occupancy costs	(3,294,483)	(49,059)	(1,167)	1,082,338	**(2,262,371)**
Repairs and maintenance costs	(705,155)	(12,751)	(11,228)	-	**(729,134)**
Property related costs	-	(756,162)	-	-	**(756,162)**
Employee benefits expense	(6,910,190)	(24,251)	(2,450,514)	-	**(9,384,955)**
Exchange gain/(loss)	307,398	(89,640)	(173,290)	-	**44,468**
Other information					
Earnings before interest, tax, depreciation and amortisation	**4,196,405**	**2,577,731**	**(3,119,250)**	**(245,733)**	**3,409,153**
Depreciation and amortisation	(1,351,585)	(1,978)	(166,143)	(1,176)	**(1,520,882)**
Rights of use assets depreciation	(380,624)	-	(45,023)	-	**(425,647)**
Finance income - net	3,798	72,041	66,278	-	**142,117**
Finance costs - lease liabilities	(647,117)	-	(39,634)	-	**(686,751)**
Profit/(loss) before tax from continuing operations	**1,820,877**	**2,647,794**	**(3,303,772)**	**(246,909)**	**917,990**
Total assets as at 30 June 2025	**39,760,569**	**78,200,342**	**34,044,812**	**(12,445,338)**	**139,560,385**
Total assets include:					
Additions to non-current assets (other than financial instruments and deferred tax assets):					
-Property and equipment	**1,068,459**	**77,740**	**147,065**	**-**	**1,293,264**
Total liabilities as at 30 June 2025	**26,088,754**	**4,120,244**	**8,631,607**	**3,126,545**	**41,967,150**

AFRICAN SUN
Feel Special

African Sun Limited, (Incorporated in Zimbabwe on 2 July 1971 under Company Registration Number 643/71)

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12 Segment analysis (continued)

All figures in US$	Hotels	Real Estate	Other	Inter segments	Consolidated
For the period ended 30 June 2024					
Revenue from continuing operations	21,586,183	3,183,059	403,539	(2,117,600)	**23,055,181**
Revenue from discontinued operations	3,256,596	-	52,606	-	**3,309,202**
Material items included in profit/(loss) before tax					
Rooms related costs	(598,998)	-	-	-	**(598,998)**
Cost of food and beverages sold	(2,437,406)	-	-	-	**(2,437,406)**
Hotel occupancy costs	(3,744,338)	-	(14,521)	1,675,211	**(2,083,648)**
Repairs and maintenance costs	(766,910)	-	(40,847)	-	**(807,757)**
Property related costs	-	(571,297)	-	-	**(571,297)**
Employee benefit expenses	(6,477,592)	(18,996)	(1,945,777)	-	**(8,442,365)**
Exchange gain/(loss)	229,939	78,588	(109,304)	-	**199,223**
Other information					
Earnings before interest, tax, depreciation and amortisation	**3,756,115**	**1,965,386**	**(3,545,405)**	**(51,784)**	**2,124,312**
Depreciation and amortisation	(1,535,938)	(4,229)	(145,682)	(326,100)	**(2,011,949)**
Rights of use assets depreciation	(296,570)	-	(44,922)	-	**(341,492)**
Finance income	17,162	18,335	21,533	-	**57,030**
Finance costs - lease liabilities	(686,699)	-	(42,847)	-	**(729,546)**
Profit/(loss) before tax from continuing operations	**1,254,070**	**1,979,492**	**(3,757,323)**	**(377,884)**	**(901,645)**
Total assets as at 31 December 2024	**43,936,996**	**76,051,724**	**30,490,975**	**(12,773,164)**	**137,706,531**
Total assets include:					
Additions to non-current assets (other than financial instruments and deferred tax assets):					
-Property and equipment	**4,783,241**	**1,284**	**370,981**	**431,291**	**5,586,797**
Total liabilities as at 31 December 2024	**23,555,016**	**4,124,269**	**8,654,700**	**2,879,949**	**39,213,934**

13 Provisions

The provisions balance is made up of the following:

All figures in US$	30 June 2025	31 December 2024
Leave pay	**755,241**	627,506
Bonus	**500,804**	8,444
	1,256,045	**635,950**

(a) Leave pay

This amount is the Group's liability to pay employees for their annual leave days. Current year movement is included in the statement of comprehensive income under operating expenses.

(b) Bonus

The Group has a transitional bonus policy for its employees, and the provision for employee bonuses is calculated based on this policy.

14 Trade and other payables

All figures in US$	30 June 2025	31 December 2024
Trade payables	**4,380,144**	4,397,635
~~Amounts due to related parties~~	-	-
Statutory liabilities	**1,792,113**	1,600,356
Accruals	**551,860**	248,358
Advance deposits	**5,860,852**	2,981,561
Other payables	**1,020,068**	780,910
Total trade and other payables	**13,605,037**	**10,008,820**

15 Other operating expenses

All figures in US$	30 June 2025	30 June 2024
Sales and marketing	**(692,231)**	(628,280)
Information technology systems costs	**(1,162,185)**	(931,445)
Franchise fees	**(388,580)**	(431,613)
Insurance	**(320,301)**	(306,928)
Security	**(441,049)**	(433,695)
Bank charges	**(287,778)**	(274,194)
Directors' fees	**(72,682)**	(96,972)
Legal fees	**(49,907)**	(57,946)
Donations	**(41,362)**	(30,070)
Travel and transport	**(341,590)**	(323,054)
Office costs	**(127,946)**	(150,280)
Transaction tax	**(365,246)**	(330,058)
Audit fees	**(77,993)**	(70,930)
Vehicle running expenses	**(104,962)**	(99,114)
Consultancy costs	**(240,518)**	(201,697)
Subscriptions	**(97,884)**	(160,909)
Licenses	**(135,382)**	(217,659)
Other expenses	**(283,784)**	(364,528)
Total other operating expenses	**(5,231,380)**	**(5,109,372)**

16 Other income/(expenses)

All figures in US$	30 June 2025	30 June 2024
Foreign exchange gain/(loss)	**44,468**	(199,223)
Profit on disposal of subsidiary - (note 10.1.8)	**717,000**	-
Fair values gain on financial assets	**164,254**	105,640
Profit on disposal of financial assets	**85,534**	-
Dividend received	**25,734**	6,031
Insurance Proceeds	**225,000**	-
Profit/(loss) on sale of investment property	**12,070**	(269,870)
Loss on disposal of property and equipment	**(19,251)**	(127,298)
Termination pay	**(22,475)**	(464,983)
Total other income/(expenses)	**1,232,334**	**(949,703)**

17 Depreciation and amortisation

All figures in US$	30 June 2025	30 June 2024
Depreciation and amortisation: property and equipment (note 6)	**1 520 882**	2 396 132
Depreciation and amortisation: right of use assets (note 8.1)	**425 647**	341 492
Total depreciation and amortisation	**1 946 529**	2 737 624
Depreciation and amortisation: discontinued operations (note 10.1.6)	**-**	(384 183)
Depreciation and amortisation: continuing operations	**1 946 529**	**2 353 441**

18 Tax expense

All figures in US$	30 June 2025	30 June 2024
Tax expense is made of the following:		
Current tax expense	**554,869**	605,046
Prior years tax assessments	**(168,790)**	-
Capital gains tax	**1,317**	5,476
Deferred tax expense	**349,000**	552,538
Total tax expense	**736,396**	**1,163,060**

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African Sun Limited, (Incorporated in Zimbabwe on 2 July 1971 under Company Registration Number 643/71)

Reviewed Condensed Consolidated Financial Statements
for the period ended 30 June 2025

Notes to the Reviewed Condensed Consolidated Financial Statements (Continued)
For the period ended 30 June 2025

19 Cash generated from continuing and discontinued operations

All figures in US$	30 June 2025	30 June 2024
Profit/(loss) before tax from continuing operations	**917,990**	(901,645)
Loss before tax from discontinued operations	**(348,662)**	(483,633)
Intra-group transactions included in discontinued operations	**245,730**	382,021
Profit/(loss) before tax including discontinued operations	**815,058**	**(1,003,257)**
Adjustments for non-cash items:		
Depreciation expense - property and equipment	**1,520,882**	2,396,132
Depreciation expense - right of use assets	**425,647**	341,492
Loss on disposal of property and equipment	**19,251**	132,276
(Gain)/loss on disposal of investment property	**(12,070)**	118,435
Provision expenses	**620,097**	551,205
Fair value adjustment on shares	**(164,254)**	(105,640)
Profit on disposal of subsidiary	**(717,000)**	-
Dividend received	**(25,734)**	(6,031)
Finance costs - lease liabilities	**686,751**	729,546
Finance costs - net	**(142,117)**	(57,030)
Cash generated from operations before changes in working capital	**3,026,511**	**3,097,128**
Changes in working capital:		
Decrease in inventories	**1,087,071**	232,550
Increase in current trade and other receivables	**(726,330)**	(418,339)
Increase in current trade and other payables	**3,676,007**	468,754
Cash generated from continuing and discontinued operations	**7,063,259**	**3,380,093**

20 Earnings and net asset value per share

All figures in US$	30 June 2025	30 June 2024
(i) Earnings/(loss) per share		
Basic and diluted earnings/(loss) per share (US$ cents)	**0.01**	(0.15)
Headline loss per share (US$ cents)	**(0.05)**	(0.12)
(ii) Reconciliation of headline earnings/(loss) used in calculating earnings/(loss) per share is as follows;		
Profit/(loss) attributable to owners of the parent	**174,571**	(2,166,317)
Adjustments for:		
Loss from disposal of property and equipment	**19,251**	127,298
(Profit)/loss on sale of investment property	**(12,070)**	269,870
Profit on disposal of subsidiary (note 10.1.8)	**(717,000)**	-
Loss for the period from discontinued operations	**7,023**	101,612
Fair values gain on financial assets	**(164,254)**	(105,640)
Headline loss attributable to owners of the parent	**(692,479)**	(1,773,177)
Number of shares in issue	**1,478,647,608**	1,478,647,608
(iii) Net assets value and net tangible asset value per share		
Net asset value per share (cents)	**6.60**	6.68
Net tangible asset value per share (cents)	**6.60**	6.68
Net asset value as per condensed consolidated statement of financial position	**97,593,235**	98,492,597

21 Reserves

21.1 Foreign currency translation reserve ("FCTR")

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

Movements in FCTR reserve during the year are as follows:

All figures in US$	30 June 2025	31 December 2024
Balance at the beginning of the period	**8,373,916**	8,346,540
Recognised during the period	**(78,552)**	27,376
Balance at the end of the period	**8,295,364**	**8,373,916**

21 Reserves (continued)

21.2 Revaluation reserve

The revaluation surplus net of deferred tax transferred to the revaluation reserve is as follows:

All figures in US$	30 June 2025	31 December 2024
As at 01 January	**32,596,404**	32,596,404
Transfer to retained earnings	**(325,342)**	-
Closing balance	**32,271,062**	**32,596,404**

The revaluation reserve is used to record increases in the fair value of property and equipment and decreases to the extent that such decrease relates to an increase on the same asset previously recognised in equity. Property and equipment was not revalued during the period ended 30 June 2025.

22 Capital commitments

All figures in US$	30 June 2025	31 December 2024
Authorised by Directors and contracted for	**1,289,507**	944,984
Authorised by Directors, but not contracted for	**21,609,317**	21,953,840
	22,898,824	**22,898,824**

Capital commitments relate mainly to hotel properties refurbishments and acquisition of other items of property and equipment and will be financed mainly from normal operating cash flows and proceeds from non-core assets disposals.

23 Events after reporting date

There were no events after reporting period.

Grant Thornton

REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2025

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To the members of African Sun Limited

We have reviewed the accompanying interim condensed consolidated statement of financial position of African Sun Limited as at 30 June 2025, the interim condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-months then ended, and a summary of significant Group accounting policies and other explanatory notes.

Responsibilities of Management and Those Charged with Governance for the interim condensed consolidated financial statements

Management is responsible for the preparation and fair presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard (IAS) 34, Interim Financial Reporting and the Group's accounting policies, this includes the design, implementation and maintenance of internal controls relevant to the preparation and fair presentation of interim consolidated financial statements that is free of material misstatement whether due to fraud or error.

Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements do not present fairly, in all material respects, the financial position of African Sun Limited as at 30 June 2025, and its financial performance and cash flows for the six months then ended in accordance with International Accounting Standard (IAS) 34, Interim Financial Reporting.

The engagement partner on the review engagement resulting in this independent review conclusion is Edmore Chimhowa.

Grant Thornton

Edmore Chimhowa
Partner

Registered Public Auditor (PAAB No: 0470)

Grant Thornton
Chartered Accountants (Zimbabwe)
Registered Public Auditors

9 September 2025

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