mainly as a result of inconsistent power supply to the Mine which Renco Mine – 

adverse opinion has been issued by the Auditors. This was however, a Zimbabwean Dollar (ZWL). The interbank rate however, did not meet its presentation currency to Zimbabwean dollar (ZWL). The Group's price of US$1247/oz recorded in prior year. This partly cushioned 18 hours per day, which hampered production at all of the Group's form of cheaper foreign currency. 

of its local inputs are sourced at the prevailing alternative market for local inputs followed rates in the alternative markets. The huge the period by wide margins ranging from 50% to 75%, whilst prices meet. This means that the Company is perennially short of foreign the Company's operational and capital expenditure requirements. The Company continued to receive only 55% of its gold receipts in the economy and the Company's business and operations. The operating The current year, 2019, was marked by various monetary and fiscal cycle industry that has major impacts, both positive and negative, Sustainability 

During the year the Company was focused on completing all the ZERA has issued licenses for the first phase of 75 MW. 

to guarantee stable power supply to the Group's operations and its capital development and exploration activities at each mine is significantly in doubt. In this regard management prudently excluded its capital development and exploration activities at ZWD$50 million with a view to maintaining the financial liquidity of the Group. This financial strategy was prudent and appropriate, given the backdrop of a continued obsession with existing legacy to build on. 

In the long term, through its solar projects the Group is expected to be a complete halt if the BIOX plant is not commissioned within the set 

The commissioning timeline was however, highly dependent on the Company receiving foreign currency which in itself could not be influenced as a result of foreign exchange controls. The main source of reliable foreign exchange was at the BOT which was at this time in default to the Bank of England. 

The Company embarked on various capital raising initiatives during the year for the completion of the BIOX plant at the Mine. Albeit the future of Mine & Minor Plant. Among these initiatives include waiving the Company's bankers and other financial institutions' interest on our past due on the Group's capital in US$3 but has not been serviced to date. 

The huge uncertainty prevailing on the 23rd of April 2019 and Mr. Manit Mukeshkumar Shah who was 

The Company's Board of Directors for their continued leadership and wise counsel in guiding the Company for the better. I would like to express my sincerest gratitude to my fellow Directors: S R Beebeejaun (Chairman), C Dengu (Deputy Chairman), B Nkomo (Chief Executive Officer), J M Chikura, G K Jain, K Matsheza, M T Sachak, I M Sharma, M M Shah (Executive) who has been a Non-Executive Member of the RioZim Board since 2014. To my fellow Directors and the management team for their outstanding legacy to build on. 

the Company's bankers and other financial institutions to guarantee its liquidity position. The Company, in turn, has to make the necessary arrangements to guarantee the availability of funds for the completion of the BIOX plant. As a result of the delayary between the local counterpart and the above, the Company has to pay interest on the alternate market. 

the percentage of lower and higher in comparison with the previous year. The decrease in the performance of the Company was due to the discontinuance of non-operating assets and a higher rate of depreciation. 

Note: 

1. The ZWL rate is the prevailing market rate at the end of each period. 
2. The Group has not included in the balance sheet certain financial assets and liabilities which are not tradable at the balance sheet date, but the Company is committed to sell these financial assets and liabilities in the near future. 
3. Discontinued operations were included in the notes to the financial statements. 

Financial Results 

ABRIDGED STATEMENT OF OTHER COMPREHENSIVE INCOME 

as at 31 December 2019

Note 

ABRIDGED STATEMENT OF FINANCIAL POSITION 

as at 31 December 2019

Note 

ABRIDGED STATEMENT OF PROFIT OR LOSS 

for the year ended 31 December 2019

Note 

ABRIDGED GROUP FINANCIAL RESULTS 

for the year ended 31 December 2019

Note
ABRIDGED STATEMENT OF CASH FLOWS
for the year ended 31 December 2019

<table>
<thead>
<tr>
<th>ZWL $000</th>
<th>2019 Audited</th>
<th>2018 Audited</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents at beginning of the period</td>
<td>117</td>
<td>1 275</td>
</tr>
<tr>
<td>Foreign currency balances</td>
<td>29</td>
<td>190</td>
</tr>
<tr>
<td>Unrealised translation exchange gains on foreign currency balances</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Cash flows from operating activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Additions</td>
<td>140</td>
<td>2 913</td>
</tr>
<tr>
<td>Transfers</td>
<td>70</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>140</td>
<td>2 913</td>
</tr>
<tr>
<td>Cash flows from investing activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Additions</td>
<td>140</td>
<td>2 913</td>
</tr>
<tr>
<td>Transfers</td>
<td>-70</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>140</td>
<td>2 913</td>
</tr>
<tr>
<td>Cash flows from financing activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Additions</td>
<td>140</td>
<td>2 913</td>
</tr>
<tr>
<td>Transfers</td>
<td>-70</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>140</td>
<td>2 913</td>
</tr>
<tr>
<td>Net cash flows from operating activities</td>
<td>70</td>
<td>2 240</td>
</tr>
<tr>
<td>Net cash flows from investing activities</td>
<td>140</td>
<td>2 913</td>
</tr>
<tr>
<td>Net cash flows from financing activities</td>
<td>140</td>
<td>2 913</td>
</tr>
<tr>
<td>Net cash flows before financing activities</td>
<td>70</td>
<td>2 240</td>
</tr>
<tr>
<td>Capital work</td>
<td>90</td>
<td>0</td>
</tr>
<tr>
<td>Interest bearing loans and borrowings</td>
<td>70</td>
<td>2 240</td>
</tr>
<tr>
<td>Net cash flows after financing activities</td>
<td>140</td>
<td>2 913</td>
</tr>
<tr>
<td>Net cash flows for the year</td>
<td>140</td>
<td>2 913</td>
</tr>
<tr>
<td>Cash and cash equivalents at end of the period</td>
<td>211 986</td>
<td>211 986</td>
</tr>
</tbody>
</table>
| 1. GENERAL INFORMATION

Zimbabwean Limited ("the Company") and its subsidiaries ("the Group") is involved in mining and metallurgical operations in different locations in Zimbabwe. The Group has mining operations and a metallurgical plant.

The Company has a 100% subsidiary company incorporated and domiciled in Zimbabwe. The address of its registered office is 1 Kenilworth Road, Newlands, Harare.

The Company has the Zimbabwe Stock Exchange listed. These consolidated abridged financial statements were authorised for issue by the Board of Directors on 19 March 2020.

2. BASIS OF PREPARATION

The Government, issued S.I. 58/2019 on 20 June 2019 and on promulgated an accounting treatment which was not reconciled with International Financial Reporting Standards (IFRS). S.I. (2) provides a range of financial statements and the disclosure requirements, of the Group’s subsidiaries registered in Zimbabwe, to be prepared in accordance with International Financial Reporting Standards (IFRS) and required to adjust for their local laws after preparations. According to compliance with the need and effect of International Financial Reporting Standards (IFRS) is to reconcile with S.I. (2).

The consolidated abridged financial statements are prepared in Zimbabwean Dollars (ZWL$), unaudited, and are measured in the monetary unit of the Group. The Group has made a number of adjustments to the consolidated abridged financial statements for the year ended 31 December 2019.

The Group’s basis of measurement is the United States Dollar (US$).

The consolidated abridged financial statements are based on reconciliations that are not reconciled with the United States dollar as the monetary unit of the Group. They are prepared in accordance with International Financial Reporting Standards (IFRS) and required to adjust for their local laws after preparations. According to compliance with the need and effect of International Financial Reporting Standards (IFRS) is to reconcile with S.I. (2).

The consolidated abridged financial statements are based on reconciliations that are not reconciled with the United States dollar as the monetary unit of the Group. They are prepared in accordance with International Financial Reporting Standards (IFRS) and required to adjust for their local laws after preparations. According to compliance with the need and effect of International Financial Reporting Standards (IFRS) is to reconcile with S.I. (2).

3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated abridged financial statements have been prepared in accordance with the activities that affects the Group’s basic annual financial statements and applicable disclosures in IFRS.

4. ESTIMATES

When preparing the consolidated abridged financial statements, management estimates amounts of certain items that are not easily measurable, such as estimates of exploration expenditure, amounts to be recovered from customers, estimated sales prices, and estimates of other items included in these financial statements. The actual results may differ from these estimates, and amounts may be adjusted accordingly.

NOTES TO ABRIDGED FINANCIAL STATEMENTS (Contd.)
for the year ended 31 December 2019

5. PROPERTY, PLANT AND EQUIPMENT

6. INVENTORIES

7. INVESTMENTS

8. TRADE AND OTHER PAYABLES

NOTES TO ABRIDGED FINANCIAL STATEMENTS
for the year ended 31 December 2019

9. COMMITING REDEMABLE PREFERENCE SHARES

10. INTEREST PAYABLES AND BORROWINGS

11. EARNINGS PER SHARE

12. CAPITAL COMMITMENT

13. OTHER INFORMATION
NOTE TO ABRIDGED FINANCIAL STATEMENTS (CONT'D)

FOR THE YEAR ENDED 31 DECEMBER 2019

10. SUBSEQUENT EVENTS

The Coronavirus pandemic, which began in China late in 2019 and continues to evolve, had a material impact on the reporting date of 31 December 2019. On 28 January 2020, the World Health Organization (WHO) declared the outbreak a “Public Health Emergency of International Concern”. Since then, there has been a worldwide spread of the novel coronavirus infecting an unprecedented scale. Various measures continue to be taken and imposed by various jurisdictions to try and slow the spreading of the virus. A number of countries have imposed travel bans, lockdowns and stringent border controls.

At national level, the Government of Zimbabwe declared COVID-19 a national disaster. On 27th March 2020, the Government ordered a 31-day national lockdown from the 30th of March 2020 through Statutory Instrument 83 of 2020 Public Health (COVID-19) 115 Prematures, Contaminated and Poisonous (National Level), which would result in the total shut down of non-essential businesses for 31 days. The lockdown was extended by a further 14 days. The Group’s mining operations were exempted from the lockdown and allowed to continue to operate normally. The Group took various measures that were necessary to protect its employees and the communities surrounding its operations which included awareness and promotion campaigns as well as intensive hygiene and social distancing protocols.

The COVID-19 pandemic has had a material impact globally, at country level and for individual businesses. This may also have a negative impact on the Company going into the future as some measures might be delayed, consumer markets may soften and critical service providers may suffer liquidity challenges.

As at the date of approval of the financial statements, there has been no significant impact on the Company’s operations as a result of the pandemic, and therefore, it was not necessary to determine and quantify the potential impact on the Company’s future operations and cash flows due to insufficient information on the future outcomes. Therefore, no adjustment has been made to the financial statements due to the pandemic, and therefore, it was impractical to determine and quantify the potential impact on the Company’s future operations.

As at the date of approval of the financial statements, the Group’s financial statements are prepared on a going concern basis, unless otherwise disclosed. The Group is committed to mitigate the effects of the pandemic, and therefore, its ability to continue as a going concern remains ongoing and may be unable to realise its assets and discharge its liabilities in the normal course of business.

The following matters, which support the appropriateness of the going concern assumption as of the date of the financial statements of the Group, have been considered by the Directors:

• First year and the Group commissioned back production at Botha Mine which delayed production for four weeks.

The back-up generators are expected to supplement the existing power supplies from the Power Utility thereby guaranteeing sufficient production to ensure financial viability and liquidity to the business to enable sales. Production losses due to power supply will therefore be reduced which will boost the Group’s profitability. In the medium to long-term the Group’s solar projects are progressing well and have fully installed with result to the Group being a significant player in the Power Utility.

• The Group recognises the generalised rate of earnings, as represented by RBOP of 6.75% as per Section 7.19(3) of the RBZ Act being generated in 2019. It is expected that, despite uncertainties regarding availability of cash and the timelines for completion of the BIOX project, the Group will continue to make at least break even positions in the near future.

• The Group is in discussions with different financial institutions which have expressed interest in providing funding for the BIOX project and negotiations are at advanced stages. The expectation of reaching financial closure within the time frame required to complete BIOX is in line with budget. Management is putting in place different contingency plans for ensuring BIOX implementation.

• Management also expects that the earnings will further improve at the back of the following initiatives:

- Further expansion on Dalny Step area in order to unlock more reserves which is currently ongoing.
- Opening of more open pit mines at Botha mine which will increase production and improve cash flows.
- Enabling localisation of key activities which will result in lower costs.

• The Group will also continue engaging the Monetary authorities for a higher percentage of its foreign currency that will be reinvested in the Company. Management also expects that 30% of the revenue generated in 2019. It is expected that, despite uncertainties regarding availability of cash and the timelines for completion of the BIOX project, the Group will continue to make at least break even positions in the near future.

The Directors therefore believe that the preparation of the financial statements on a going concern basis is still appropriate. This basis assumes that the realisation of assets and settlement of liabilities will occur in the ordinary course of business.

The Directors, therefore believe that the preparation of the financial statements on a going concern basis is still appropriate. This basis assumes that the realisation of assets and settlement of liabilities will occur in the ordinary course of business.

AUDITOR’S STATEMENT

These financial results should be read in conjunction with the full set of financial statements for the year ended 31 December 2019, which have been audited by EY & Young Chartered Accountants (Zimbabwe).

An auditor’s report in terms of s.306 of the Public Companies Act [Chapter 24:02] has been read out to the members in terms of s.303 of the Companies Act [Chapter 24:01].

The Auditors’ report on these financial statements is available for inspection at the Company’s registered office. The engagement partner on the audit resulting in the independent auditor’s report is Nabbios Mapungunzi (FRM & Partnering Certificate Number 307).