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Independent Auditors' Report

To the shareholders of Padenga Holdings Limited

Qualified opinion

We have audited the consolidated financial statements of Padenga Holdings Limited (the Company) and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2025, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in shareholders' equity and the consolidated statement of cash flows for the year then ended, material accounting policies and notes to the consolidated financial statements, as set out on pages 13 to 100.

In our opinion, except for the possible effect of the matter described in the *Basis for qualified opinion* section of our report, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of Padenga Holdings Limited as at 31 December 2025, and its consolidated financial performance and consolidated cash flows for the year then ended in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and in the manner required by the Companies and Other Business Entities Act (Chapter 24:31).

Basis for qualified opinion

During the 2019 financial year, the Group changed functional currency from Zimbabwean Dollars (ZWL) to United States dollars (USD). The Group applied the interbank foreign currency exchange rates to translate ZWL denominated transactions and balances to the USD functional currency. The Group applied inappropriate exchange rates, as these rates did not satisfy the requirements to be considered an appropriate exchange rate in accordance with IAS 21 - The Effect of Changes in Foreign Exchange Rates (IAS 21) during this period. The non-compliance with IAS 21 was due to the lack of access to foreign currency for immediate delivery through the interbank foreign currency market.

In addition, Padenga Holdings Limited consolidated a subsidiary, Dallaglio Investments (Private) Limited, as disclosed in the corporate information Note 1 to the consolidated financial statements, with effect from 1 January 2020. The subsidiary had, in 2019, applied an incorrect date of change of functional currency of 22 February 2019 instead of 1 October 2018. This constituted a departure from the requirements of IAS 21 and as a result the consolidated financial statements contained a potential misstatement. Whilst considered to be material, the financial effect of these departures could not be determined, as an IAS 21 compliant exchange rate was not available.

The departure from IAS 21 led to an adverse opinion being issued on the consolidated financial statements of the Group for the year ended 31 December 2018 and subsequently, a qualified opinion being issued on the Group consolidated financial statements since 2019.

Furthermore, our qualification on the Group consolidated financial statements for the year ended 31 December 2024 was also due to an inappropriate application of IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors (IAS 8).



The Group has not restated the consolidated financial statements for the year ended 31 December 2025, as required by IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors, to resolve the instances of non-compliance with IAS 21 noted above and, consequently, a portion of property, plant and equipment, the related deferred tax, depreciation, and income tax expense amounts in the comparative information, 31 December 2024, remain misstated. Our opinion on the current year consolidated financial statements is modified because of the possible effect of this matter on the comparability of the current period's figures with that of the prior year.

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), as applicable to audits of the financial statements of public interest entities, and we have also fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Basis for qualified opinion section we have determined the matters described below to be the key audit matters to be communicated in our report.

Existence of mines inventories-ore stockpiles

Refer to following material accounting policies and notes to the consolidated financial statements:

- Note 4 (P) - Summary of material accounting policies: Inventories;
- Note 4.1 - Use of judgements, estimates and assumptions: Mine inventories - gold bullion, gold-in-circuit (GIC) and ore stockpiles; and
- Note 16.1 - Mines inventories

Key audit matter	How the matter was addressed in our audit
<p>Mines inventory, comprising crushed and uncrushed ore stockpiles ("ore stockpiles"), are a key element on the Group's consolidated statement of financial position and are valued at US\$17 589 284 as at 31 December 2025.</p> <p>The ore stockpiles, subject to meeting minimum estimated mineral content, are estimated using quantity surveying techniques. The estimation is performed by management specialists (qualified experts) using the following estimates and assumptions:</p> <ul style="list-style-type: none"> • Specific gravity factor (SG) which is subject to fluctuations. • Estimated volume of ore stockpiles; and • Ore grade based on estimated mineral content of the ore 	<p>Our approach to addressing the key audit matter included the following audit procedures:</p> <ul style="list-style-type: none"> • We evaluated the work performed by management's specialists by: <ul style="list-style-type: none"> - assessing the reasonableness of the drone and GPS survey methods applied in the measurement of the ore stockpiles, by considering industry practices. - assessing their competence and capabilities by reviewing their curriculum vitae and their professional qualifications certificates. We also obtained confirmations from the specialists that there was no conflict of interest so there would be no bias in the survey results.



Key audit matter	How the matter was addressed in our audit
<p>Due to the complexity involved in estimating the quantity of ore stockpiles as at 31 December 2025, the significant estimation uncertainty as well as assumptions applied in the estimation of ore stockpiles, we considered the existence of mines inventories-ore stockpiles to be a key audit matter.</p>	<ul style="list-style-type: none"> • We attended and observed the survey process of estimating the stockpile volumes at year end as well as observing the process of determining the specific gravity factors to assess whether the estimation process conducted by management at year end, is in accordance with the Group's established procedures. • We corroborated the quantity of ore stockpiles estimated through quantity surveying techniques to the throughput reconciliation prepared by management with reference to quantity of ore at the beginning of the year, the ore mined and the ore processed during the year, to assess the reasonability of the quantity of ore at year end. • We evaluated the reasonableness of the ore grade assumption applied by management by comparing it with the actual grade achieved during the year.

Valuation of biological assets

Refer to following material accounting policies and notes to the consolidated financial statements:

- Note 4(O) - Summary of material accounting policies: Biological assets;
- Note 4.1 - Use of judgements, estimates and assumptions - Fair valuation of biological assets; and
- Note 15 - Biological assets

Key audit matter	How the matter was addressed in our audit
<p>As at 31 December 2025, the Group's non-current and current biological assets were valued at US\$ 629 767 and US\$ 21 542 957 respectively.</p> <p>The biological assets consist of Breeder crocodiles and Harvesting crocodiles and are measured at fair value using the market approach for the Harvesting crocodiles (current assets) and replacement cost approach for the Breeder crocodiles (non-current assets).</p> <p>The Group applies certain assumptions, judgements and uses unobservable inputs in determining fair value of biological assets.</p> <p>The key assumptions and unobservable inputs included the following: <i>Harvesting crocodiles</i></p> <ul style="list-style-type: none"> • average forecast price per skin; • quality grading; 	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • We obtained an understanding of the process followed by management in determining the fair values of the biological assets through performing inquiries. • We evaluated the valuation methods applied by management in the fair valuation of biological assets for compliance with the requirements of IFRS13, Fair Value Measurement (IFRS 13) and compared the valuation techniques used for consistency with prior periods. • We tested the estimated costs required to replace a breeder crocodile to current invoices and inventory issue vouchers and also tested the completeness of the cost build up by assessing whether all relevant costs have been considered by management in their estimation of the replacement cost. • We performed an independent reasonability test to assess the accuracy of management's



Key audit matter	How the matter was addressed in our audit
<ul style="list-style-type: none"> • average harvesting age; and • maintenance cost per hatchling. <p><i>Breeder crocodiles</i></p> <ul style="list-style-type: none"> • the average productivity life of a breeder; • Average annual yield per breeder (eggs); • breeder direct and overhead costs; • discount rates; and • replacement cost of hatchlings plus inputs at current costs up to maturity. <p>Management adjusts the determined replacement cost for any physical deterioration, functional obsolescence and economic (external) obsolescence with reference to the estimated future economic benefits attributable to the breeders over their remaining productive lives.</p> <p>We have considered the valuation of biological assets to be a key audit matter due to the significant judgement and estimation uncertainty involved in determining the fair value of biological assets.</p>	<p>adjustment for economic and physical obsolescence as required by IFRS 13 by performing the following:</p> <ul style="list-style-type: none"> - for economic obsolescence, we applied discounted cash flow (DCF) techniques to estimate the value of the breeder crocodiles based on the present value of future economic benefits expected from the breeders and compared it to the replacement cost determined by management. - the remaining productive life of a breeder was incorporated into the DCF to account for physical deterioration and was agreed to production records on age profiling of the breeder. <p>We tested key management controls relating to the accuracy and reliability of breeders' age records.</p> <ul style="list-style-type: none"> • We engaged our own deal advisory specialist to determine the independent discount rate that we applied in the DCF using comparable market bond rate adjusted for the country risk premium and specific asset risk. • We evaluated the reasonability of the significant unobservable inputs (quality grading, the average productivity life of a breeder and average annual yield per breeder-eggs) applied in the valuation of harvesting stock for congruency by comparing with historical and market trends. On a sample basis, we tested the unobservable inputs and assumptions utilised, including testing estimated prices to realised prices and future contracts and agreeing the average harvestable age to production records. • We performed retrospective reviews to evaluate the reasonability of the key assumptions (average forecast price per skin, average harvesting age and maintenance cost per hatchling) by comparing these assumptions to historical performance outcomes. • We performed a recalculation of the fair value of breeders and harvesting stock using management's models to test the accuracy of the models used by management.



Other information

The directors are responsible for the other information. The other information comprises the corporate information, the directors' responsibility and approval of the consolidated financial statements, the report of the directors and the unaudited company statement of financial position. The other information, does not include the consolidated financial statements and our auditors' report thereon, which we obtained prior to the date of this auditors' report, and the annual report, which is expected to be made available to us after that date. Our opinion on the consolidated financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we have obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the consolidated financial statements

The directors are responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and in the manner required by the Companies and Other Business Entities Act (Chapter 24:31), and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the consolidated financial statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.



- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

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

KPMG

Michael de Beer
Chartered Accountant (Z)
Registered Auditor
PAAB Practicing Certificate Number 0369

30 March 2026

For and on behalf of, KPMG Chartered Accountants (Zimbabwe), Reporting Auditors

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