

**CASS SADDLE AGRICULTURE EXCHANGE
TRADED FUND (ETF)**

**AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

**CASS SADDLE AGRICULTURE EXCHANGE TRADED FUND
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FOR THE PERIOD ENDING 31 DECEMBER 2024**

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**CASS SADDLE AGRICULTURE EXCHANGE TRADED FUND
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FOR THE PERIOD ENDING 31 DECEMBER 2024**

TRUSTEE'S STATEMENT

The management company, Cass Saddle Asset Management (Pvt) Ltd has managed the scheme in compliance with the regulatory requirements as stipulated in the Collective Investments Scheme Act of 1997 [Chapter 24:19], the Trust Deed and the Prospectus.

They have fully complied with the reporting requirements and have discharged their responsibilities in all respects. The financial statements for the period ending 31 December 2024 were authorised for issue accordingly.

On behalf of the Trustee



Pardon Katerere

Trustee

25 March 2025

CASS SADDLE AGRICULTURE EXCHANGE TRADED FUND AUDITED FINANCIAL STATEMENTS FOR THE PERIOD ENDING 31 DECEMBER 2024

FUND MANAGER'S REPORT

Background

The Cass Saddle Agriculture Exchange Traded Fund (CSAG), launched on the Zimbabwe Stock Exchange on 15 July 2022, comprises nine agriculture-related companies primarily listed on the ZSE. The CSAG ETF offers multi-faceted benefits, including:

- A diversified agricultural portfolio for investors
- A benchmark for tracking Zimbabwe's agricultural economy performance
- A vehicle for attracting investment into the agricultural sector

Environment

During the review period, Zimbabwe's macroeconomic environment faced significant challenges characterised by exchange rate volatility, currency depreciation, and inflationary pressures. On 5 April 2024, the introduction of the ZWG currency replaced the ZWL, followed by renewed inflationary pressures and exchange rate volatility that initially weakened market confidence. However, monetary authorities implemented tight fiscal and monetary policies, ultimately achieving stability. The sustainability of this stability remains a key focus for economic stakeholders.

The agricultural sector faced additional challenges from the El-Nino weather phenomenon, which led to drought conditions affecting hydro power generation capacity. Resulting incessant power cuts forced agricultural operators to adopt expensive alternative energy solutions, negatively impacting sector earnings. International soft commodity prices remained subdued, further constraining agriculture business profitability.

Performance

During the review period, CSAG. ZW ETF delivered a 44% return in real terms. As of the report date, the ETF traded at a premium of 144%, reflecting strong investor demand. To address this supply-demand imbalance, management plans to increase ETF liquidity through additional unit issuance.

Dividend income during the period came exclusively from tobacco companies TSL.zw and BAT.zw. The above stated tobacco counters have been the largest contributors to the fund's dividend income. These tobacco stocks demonstrated defensive characteristics, showing resilience to economic cyclicality. In line with our investment strategy, all dividends were reinvested.

CASS SADDLE AGRICULTURE EXCHANGE TRADED FUND AUDITED FINANCIAL STATEMENTS FOR THE PERIOD ENDING 31 DECEMBER 2024

Outlook

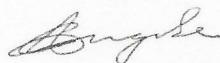
As an agro-focused asset management company, the CSAG ETF remains central to our strategic objectives. We continue to believe in channeling patient institutional capital into agriculture, aligned with the African Development Bank's projection that Africa's food and agribusiness sector will reach US\$1 trillion by 2030.

Looking ahead, we anticipate improved ETF performance driven by expected better rainfall patterns and strengthened balance sheets among underlying portfolio companies.

Enhanced ETF liquidity on the ZSE represents another positive catalyst.

Agriculture's fundamental role in Zimbabwe's economy, combined with government initiatives to expand irrigable land through dam construction, provides a supportive framework for long-term growth. These infrastructure developments will help insulate agricultural production from weather-related risks, particularly drought conditions.

On behalf of the Fund Manager



Calvin Mugabe

Fund Manager

INDEPENDENT AUDITOR'S REPORT

To the Unitholders of Cass Saddle Agriculture Exchange Traded Fund (ETF)

Report on the Audit of the Financial Statements

Opinion

We were engaged to audit the financial statements of Cass Saddle Agriculture Exchange Traded Fund (ETF) set out on pages 11 to 17 which comprise statement of financial position as at December 31, 2024, and the statement of comprehensive income and the statement of cash flow and the notes to the Financial Statements, including the summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respect, the financial position of the Fund as at 31 December 2024 and its financial performance and its cash flow for the year ended in accordance with the International Financial Reporting Standards ("IFRS") and in the manner required by the Collective Investment Schemes Act [Chapter 24:19], the Collective Investment Scheme (Internal Schemes) Rules, S.I. 172 of 1998 and the Trust Deed.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibility under those standards are further described in the Auditor's Responsibilities for the Financial Statements section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board of Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IEBA Code) together with the ethical requirements that are relevant to our audit of financial statements in Zimbabwe. We have fulfilled our ethical responsibilities in accordance with these requirements and IEBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITOR'S REPORT

To the Unitholders of Cass Saddle Agriculture Exchange Traded Fund (ETF)

Report on the Audit of the Financial Statements (Continued)

Key audit matter (Continued)

Key audit matter	How the matter was addressed
<p>The introduction of Zimbabwean Gold (ZWG) as a currency has significant implications for financial reporting, including the valuation of assets and liabilities and the impact on financial performance.</p>	<p>We addressed this matter by the following procedures:</p> <ul style="list-style-type: none"> • Checking the accuracy of the exchange rates used for converting balances. • Ensuring the conversion methods comply with accounting standards. • Testing a sample of transactions to verify correct application of exchange rates. • Reviewing disclosures in the financial statements related to the currency change.

Other information

The Fund Manager is responsible for the other information. The other information comprises the Fund Manager's Statement of responsibility, Trustee's report, the analysis of unit holder balances at year end, the foreign currency denominated balance on the transactions and the Historical Financial information as required by the Collective Investment Schemes Act [Chapter 24:19], the Collective Investment Scheme (Internal Schemes) Rules, S.I. 172 of 1998 and the Trust Deed, which we obtained prior to the date of this auditor's report. The other information does not include the Financial Statements and the auditor's report thereon.

Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance or conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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 obtained prior to the date of this auditor's 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.

INDEPENDENT AUDITOR'S REPORT

To the Unitholders of Cass Saddle Agriculture Exchange Traded Fund (ETF)

Report on the Audit of the Financial Statements (Continued)

Responsibilities of the Fund Manager for the Financial Statements

The Fund Manager is responsible for the preparation and fair presentation of the Financial Statements in accordance with International Financial Reporting Standards and the requirements of the Collective Investment Schemes Act [Chapter 24:19], the Collective Investment Scheme (Internal Schemes) Rules, S.I. 172 of 1998, the Trust Deeds and for such internal controls as the Fund Manager determines it necessary to enable the preparation of Financial Statements that are free from material misstatements, whether due to fraud or error.

In preparing the Financial Statements, the Fund Manager is responsible for assessing the Fund'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 Company or to cease operations, or have no realistic alternative but to do so.

Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from misstatements, whether due to fraud or error, and to issue an auditor's 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 decision of users taken on the basis of these Financial Statements.

Auditor's responsibilities for the audit of the Financial Statements

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

- Identify and assess the risks of material misstatement of the 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Fund Manager.
- Conclude on the appropriateness of the Fund Managers' 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

INDEPENDENT AUDITOR'S REPORT

To the Unitholders of Cass Saddle Agriculture Exchange Traded Fund (ETF)

Report on the Audit of the Financial Statements (Continued)

Auditor's responsibilities for the audit of the Financial Statements (Continued)

- Evaluate the overall presentation, structure and content of the inflation adjusted statements, including the disclosures and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicated with the Fund Manager 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 Fund Manager with statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards applied.

From the matters communicated with the Fund Manager, we determine those matters that were of most significant in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about a 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.

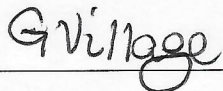
**INDEPENDENT AUDITOR'S REPORT
To the Unitholders of Cass Saddle Agriculture Exchange Traded Fund (ETF)**

Report on the Audit of the Financial Statements (Continued)

Report on other legal and regulatory matters

In our opinion, the financial statements of Cass Saddle Agriculture Exchange Traded Fund (ETF) have been prepared in accordance with the requirements of the Collective Investment Schemes Act [Chapter 24:19] and the Collective Investment Scheme (Internal Schemes) Rules, S.I. 172 of 1998.

The Engagement Partner on the audit resulting in this independent auditor's report is Shepherd Chimutanda.



GVillage (**Z10012**)
Chartered Certified Accountants (Zimbabwe)
Shepherd Chimutanda (FCCA)
Managing Partner
Registered Public Auditor
PAAB Practice Certificate Number: 0403

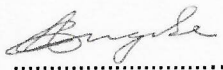
Date: 28/03/2025

**CASS SADDLE AGRICULTURE EXCHANGE TRADED FUND
AUDITED FINANCIAL STATEMENTS
FOR THE PERIOD ENDING 31 DECEMBER 2024**

**STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 DECEMBER 2024**

		Historical	Historical
		2024	2023
		ZWG(\$)	ZWG(\$)
	Note(s)		
ASSETS		928,192	1,086,583
Listed Equities	5	920,964	1,082,500
Cash and cash equivalents	6	7,228	4,083
Total Assets		928,192	1,086,583
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AND LIABILITIES			
Unity Holders Funds		928,192	1,086,583
Net Assets attributable to unit holders		928,192	1,086,583
TOTAL ASSETS ATTRIBUTABLE TO UNITHOLDERS AND LIABILITY		928,192	1,086,583

Signed on behalf of the Fund by:


.....

Fund Manager


.....

Trustee

25 March 2025
Date:

CASS SADDLE AGRICULTURE EXCHANGE TRADED FUND
AUDITED FINANCIAL STATEMENTS
FOR THE PERIOD ENDING 31 DECEMBER 2024

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2024

	Note(s)	Historical	Historical
		2024 ZWG(\$)	2023 ZWG(\$)
Income		5,153	813
Dividends		5,153	813
Other Income	3	-	-
Operating Expenses		(5,027)	(5,612)
Bank Charges		(1,099)	-
Management Fees		(2,641)	(2,327)
Trustee Fees		(1,287)	(989)
Audit fees		-	(1,310)
Licences Fees		-	(982)
Other Expenses	4	-	(4)
Operating Loss		126	(4,799)
Other Comprehensive Income		(150,288)	973,639
Revaluation Loss on Equities	5.1	(156,002)	962,060
Profit on Disposal of Equities	5.2	5,714	11,578
Increase / (Decrease) in net income attributable to equity holders before net monetary gain/ (loss)		(150,161)	968,840
Net Monetary loss		-	-
Increase / (Decrease) in net income attributable to		(150,161)	968,840
Increase/ (Decrease) in net income attributable to unit holders		(150,161)	968,840

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STATEMENT OF CASHFLOW
FOR THE YEAR ENDED 31 DECEMBER 2024

	Note(s)	Historical	Historical
		2024 ZWL(\$)	2023 ZWL(\$)
Net (loss) / Income		(150,161)	968,840
Adjustment for Non cash Movement			
Profit on sale of shares	5.2	(5,714)	(11,578)
Fair Value Losses on Equity Investment	5.1	156,002	(962,060)
Net Monetary Gain		-	-
Net Operating Cash Flow Before Working Capital Changes		126	(4,798)
Increase in Trade and Other Receivables		-	-
Increase in Trade and Other Payables		-	-
Net Cash Outflow from Operating Activities		126	(4,798)
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Investment		-	(18,643)
Proceeds from Sale of Investment	5	6,069	12,818
Net Cash Outflow from Investing Activities		6,069	(5,826)
CASH FLOW FROM FINANCING ACTIVITIES			
Cash Inflow from Unit Holders Contribution		(3,050)	14,258
Net Cash Inflow/ Outflow from Financing Activities		(3,050)	14,258
Net Increase in Cash and Cash Equivalents		3,145	3,634
Cash and Cash Equivalents at the Beginning of the period		4,083	449
Cash and Cash Equivalent at the End of the Period	6	7,228	4,083

CASS SADDLE AGRICULTURE EXCHANGE TRADED FUND AUDITED FINANCIAL STATEMENTS FOR THE PERIOD ENDING 31 DECEMBER 2024

NOTES TO THE FINANCIAL STATEMENTS

1. General Information

1.1 Reporting Entity

Cass Saddle Agriculture Exchange Traded Fund (ETF) is registered and domiciled in Zimbabwe. The Fund commenced trading on 15 July 2022. The Fund aims to deliver investment results, before fees and expenses, that closely align with the performance of Zimbabwe-based agriculture companies whose primary revenue comes from agricultural activities.

2. Basis of preparation

2.1. Statement of Compliance

The Exchange Traded Fund's Financial Statements for the year ended 31 December 2024 have been prepared in accordance with the requirements of International Financial Reporting Standards (IFRS), the Zimbabwe Stock Exchange Listing Requirements and the manner required by the Zimbabwe Collective Investment Schemes Act [Chapter 24:19] and the Collective Investment Scheme (Internal Schemes) Rules, S.I. 172 of 1998.

2.2. Reporting currency

The Fund's functional and presentation currency is the Zimbabwean Gold-Backed Dollar (ZWG). These financial statements represent the principal financial statements of the Fund. Historical Cost Financial Statements are presented as supplementary information alongside the restated Financial Statements.

IAS 29 – Financial Reporting in Hyperinflationary Economies requires financial statements prepared in the currency of a hyperinflationary economy to be expressed in terms of the measuring unit current at the balance sheet date. Corresponding figures for previous periods must also be restated to reflect the same measuring unit.

Restatement and Conversion Process

1. 2023 Balances Restatement

The 2023 balances, initially denominated in the Zimbabwean Dollar (ZWL), were inflated to reflect the price levels as of 5 April 2024. This restatement was based on conversion factors derived from the Consumer Price Index (CPI) issued by the Zimbabwe Statistical Office (ZIMSTATS).

Following inflation adjustment, these balances were converted to ZWG using the applicable ZWG conversion factor at 5 April 2024.

2. Balances from 1 January to 5 April 2024

Transactions for the period when ZWL was still the functional currency were inflated using the average CPI conversion factors up to 5 April 2024. These inflated balances were subsequently converted to ZWG using the relevant ZWG conversion factor.

3. 2024 Financial Statements

The 2024 financial statements have been presented based on the ZWG without further inflation adjustments, as ZWG was the functional currency for the majority of the reporting period.

CASS SADDLE AGRICULTURE EXCHANGE TRADED FUND AUDITED FINANCIAL STATEMENTS FOR THE PERIOD ENDING 31 DECEMBER 2024

The Fund Manager applied these restatement and conversion processes in accordance with IAS 29 and IFRS requirements, utilizing the CPI as the most reliable measure of average price movements within the economy. The indices and conversion factors used for restatements are disclosed in the accompanying notes.

Date	Indices	Conversion factor
01.01.2024	65,703.40	9.09
05.04.2024	596,950.30	1
Average		2.78
05.04.2024 (ZWL to ZWG)		2,498.72

**CASS SADDLE AGRICULTURE EXCHANGE TRADED FUND
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NOTES TO THE FINANCIAL STATEMENTS

	Historical	Historical
	2024	2023
	ZWG(\$)	ZWG(\$)
3.1 Dividend	5,153	813
TSL.ZW	3,819	813
BAT.ZW	1,335	-
3.2 Other Income	-	-
Trustee Fess Reversal	-	-
Bank Charge Reversal	-	-
4 Other Operating expenses	(5,027)	(5,612)
Bank Charges	(1,099)	-
Management Fees	(2,641)	(2,327)
Trustee Fees	(1,287)	(989)
Audit fees	-	(1,310)
Licences Fees	-	(982)
Other Expenses		(4)

CASS SADDLE AGRICULTURE EXCHANGE TRADED FUND
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

			Historical	Historical
			2024	2023
			ZWG(\$)	ZWG(\$)
	No. of Shares	Price ZWG	Market Value	Market Value
Ariston	231,393	0.06	13,884	39,906
Hippo	25,556	7.81	199,592	133,961
SeedCo	34,583	2.60	89,849	124,819
TSL	51,780	2.22	115,081	107,019
BAT	2,787	80.36	223,963	178,189
Dairibord	48,539	2.24	108,727	126,914
Tanganda	37,232	2.51	93,303	130,714
CFI	15,569	4.18	65,078	208,351
Zimplot	37,100	0.31	11,485	32,627
Total Listed Equities	484,539		920,964	1,082,500
5.1 Quoted Investment Reconciliations				
Opening balance			1,082,500	115,149
Quoted Investment Purchased			-	18,643
Quoted Investment Disposed			(6,069)	(12,818)
			1,076,431	120,974
Fair Value Loss			(156,002)	962,060
Closing Balance			920,429	(841,085)
5.2 Profit on Disposal				
Sale of Investment			6,069	(12,818)
Cost price of sold Investment			355	1,239
			5,714	(11,578)
6 Cash and Cash Equivalent			7,228	4,083
Cash at bank			7,228	4,083