ABRIDGED AUDITED FINANCIAL RESULTS

FOR THE YEAR ENDED 31 DECEMBER 2019

Introduction

It is my pleasure to present the abridged audited financial statements for MedTech Holdings Limited for the year ended 31 December 2019.

Operating Environment

The operating and economic environment remained challenging during the period under review. There has been no improvement to the trading environment and factors as previously mentioned in our half year and third quarter publications still exist. These factors include liquidity constraints, subdued demand, power outages, foreign currency shortages and rapid devaluation of the Zimbabwe Dollar ("ZWL") leading to increased costs of key imports and a sharp rise in inflation (cost push inflation).These factors continue to hamper productivity and depress economic growth. The hyperinflationary environment has reduced consumers disposable income, and this has resulted in decreased demand and decreased real sales values.

There were several legislative amendments and changes during the year 2019. Most notable legislative amendments include;
- The introduction of RTGS Dollars on 22 February 2019 (SI 33 of 2019) where in an interbank market was created and the RTGS Dollar and United States Dollar where no longer at parity;
- Abolishment of the multi-currency regime and introduction of Zimbabwe Dollar (SI 142 of 2019); and
- Revised listing requirements (SI 134 of 2019).

Change in functional currency

As previously advised during the half year publication, the functional and reporting currency changed from United States Dollar ("US$") to RTGS Dollar. Subsequently, the RTGS Dollar was replaced by the Zimbabwe Dollar ("ZWL").

Financial Reporting in a Hyper inflationary Economy

On 11 October 2019, the Public Accountants and Auditors Board (PAAB) issued a pronouncement indicating that the conditions for a hyperinflationary economy had been met in Zimbabwe, and entities should commence hyperinflationary reporting in compliance with International Accounting Standard 29 ("IAS 29"), "Financial Reporting In Hyperinflationary Economies" for reporting periods ending on or after 1 July 2019. For the purposes of fair presentation in accordance with IAS 29, the historical cost information has been restated for changes in general purchasing power of Zimbabwean dollar ("ZWL") and appropriate adjustments and reclassifications have been made. Accordingly, the inflation adjusted financial statements represents the primary financial statements of the Group. The historical cost financial statements have been provided by way of supplementary information.

Financial Highlights

Financial highlights and commentary on the financials are based on the inflation adjusted numbers.

- Group revenues decreased by 31% from $101,468,485 in 2018 to $70,481,356 in 2019.
- Deterioration in operating profit by 45% from $37,824,976 in 2018 to $20,887,957 in 2019;
- Deterioration in profit before tax from a profit of $11,545,397 in 2018 to a loss before tax of $41,339,987 in 2019.

Group	2019 $	2018 $
Revenues	$70,481,356	$101,468,485
Gross Profit %	58%	60%

Group revenue decreased by 31% compared to comparative prior period. The causes of the revenue decrease include;
- A stance by management to restrict sales due to the continual devaluation of the debtors book with the aim of preserving shareholder value,
- Decreased consumer spending as income levels have not kept up with rising general price levels and this has caused aggregate demand to remain subdued; and
- Stockouts because of challenges in sourcing replacement stock of raw materials and goods due to stop supply from foreign creditors because of overdue balances

There was a significant sales volume decrease of approximately 70% as compared to the corresponding prior period.

One should note that the margins are artificially high. For several years, there has been a decrease in volumes resulting in slower stock turn over. Such stocks are recorded at historical costs. However due to inflation, selling prices are regularly increased to be able to cover real replacement cost. This disparity has caused artificially high margins.

The inflation adjusted net exchange rate loss included in the net finance costs for the year of $62,227,944 was mainly due to the translation of monetary liabilities (mainly foreign creditors) during the period. However, there is a possibility that these losses may reverse if the legacy debts are dealt with by the Reserve Bank of Zimbabwe as promised.

FMCG Segment	2019 $	2018 $
Revenues	$51,613,095	$82,622,032
Gross Profit %	49%	56%

The FMCG Segment includes MedTech Distribution, Smart Retail and Choice Brands. Segment revenue decreased by 38% compared to comparative prior period. Reasons for sales decrease are the same as those mentioned in the Group commentary above. Another factor contributing to reduced sales was grey market imports. Margins decreased due to reduced real selling prices as well as promotions entered into so as to try and increase sales volumes which had significantly decreased compared to the prior period. The FMCG segment posted an inflation adjusted loss before tax of $22,377,232. The loss is attributable to loss on exchange on amounts owing to foreign creditors.

Medical Segment	2019 $	2018 $
Revenues	-	$2,297,442
Gross Profit %	-	28%

The Medical Segment includes MedTech Medical and Scientific (Private) Limited and Education and Laboratory Services Division including Laboratory Services. This segment did not trade during the period under review since there were working capital challenges and inadequate stock as foreign suppliers maintained their stance of cutting lines of credit.
The medical segment posted an inflation adjusted profit before tax of $5,232,510. The profit is attributable to holding of fixed assets which resulted in a net monetary gain.

Manufacturing Segment	2019 $	2018 $
Revenues	$27,468,615	$23,319,703
Gross Profit %	57%	58%

The manufacturing segment comprises of Chicago Cosmetics (Private) Limited. Revenues increased by 18% compared to comparative prior period. The revenue increase was because of increased product offering. Margins remained stagnant. The manufacturing segment posted an inflation adjusted profit before tax of $7,924,412. The profit is attributable to holding of fixed assets which resulted in a net monetary gain.

Associate Company: MedTech Food and Beverages (Private) Limited
The associate's results have not been incorporated as it still reflects a cumulative loss position.

Legacy debt
The Group owes legacy debts amounting to ZAR 27,8 million to foreign creditors. Some of the debts have been validated by the Reserve Bank of Zimbabwe while appeals have been put in for others. At this stage, the Group is unsure when payments will be made for the debts validated and when a response will be received for appeals lodged. Delays in the payment of legacy debt has resulted in cuts in supply and stock outs which is one of the contributing factors to the decreased sales volumes. For prudence, these foreign creditors have been restated to the interbank rate of 16.77 at end of the reporting period. The extent of liabilities owing to the foreign creditors leaves the Group in a precarious position.

Dividend
Given the liquidity challenges and the Group's working capital needs and loss position, the Directors resolved not to declare a dividend.

Outlook
The trading environment and macro-economic conditions remain volatile. The full impact of COVID 19 is yet to be felt but will undoubtedly have a significant adverse impact on the Zimbabwean economy.

Uncertainty related to payment of legacy debt affects our foreign credit lines, and with no definitive position, this may result in serious challenges and our ability to continue in the future.

We will continue to do our best to maintain market share and sales and keep up strict cost control.

Appreciation
I wish to record my appreciation to all stakeholders, strategic partners and suppliers, customers, management, and staff for their support. I also wish to thank the non-executive directors for their considerable guidance.

R. Mazula
Chairman
8 May 2020
Directors: R. Mazula (Chairman), A. Motiwala* (CEO); F. Sheikh; T. Sheikh; V. Lapham.
(*Executive)
Company Secretary M.Y. Patel

AUDITORS STATEMENT

The Group's external auditors, AMG Global Chartered Accountants (Zimbabwe), have audited the Group's financial statements for the year ended 31 December 2019 on which this publication is based and have issued a disclaimer thereon. The basis of disclaimer was mainly due to the Group's inability to comply with International Accounting Standard 21 ("IAS 21") "The Effects Of Changes In Foreign Exchange Rates". The auditors have reported a material uncertainty related to going concern (see note 15). The auditors have also drawn attention to a non-adjusting subsequent event COVID 19 (see note 7). Key audit matters identified include the valuation of accounts receivable, the valuation and existence of inventories, the determination of amounts recognised as cost of sales and accounts payable. The financial statements were audited by Clayton Kazembe, CA(Z), a member of the Institute of Chartered Accountants Zimbabwe ("ICAZ"), Public Practice Certificate Number 0372 and a registered Public Auditor with the Public Accountants and Auditors Board, Public Auditor Registration Number 0226.

The auditor's report is available for inspection at the Company's registered office

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Year Ended 31 December 2019

	Inflation adjusted		Historical	
	2019 $	2018 $	2019 $	2018 $
Turnover	70,481,356	101,468,485	28,280,402	12,341,786
Cost of sales	(29,802,053)	(40,975,895)	(10,115,927)	(4,852,265)
Gross profit	40,679,303	60,492,590	18,164,475	7,489,521
Operating profit	20,887,957	37,824,976	10,172,224	4,618,560
Net financing costs	(62,227,944)	(26,279,579)	(29,874,024)	(3,196,431)
(Loss) / profit before taxation	(41,339,987)	11,545,397	(19,701,800)	1,422,129
Net monetary gain	33,100,208	4,155,438	-	-
Taxation	1,424,448	(3,164,645)	4,694,571	(384,919)
(Loss) / profit from continuing operations	(6,815,331)	12,536,190	(15,007,229)	1,037,210
Other comprehensive income				
Foreign currency translation gain / (loss)	7,684,238	-	(378,464)	-
Total comprehensive profit / (loss) for the year	868,907	12,536,190	(15,385,693)	1,037,210
Attributable to:				
Owners of the parent	8,260,481	6,657,900	(7,994,119)	450,573
Non controlling interests	(7,391,574)	5,878,290	(7,391,574)	586,637
Total (loss) / profit for the year	**868,907**	**12,536,190**	**(15,385,693)**	**1,037,210**
Profit / (loss) per share	**Cents**	**Cents**	**Cents**	**Cents**
Basic profit / (loss) per share	0,272	0,219	(0,263)	0,015
Headline profit / (loss) per share	0,272	0,219	(0,263)	0,015
Ordinary shares in issue during the year	3,039,764,872	3,039,764,872	3,039,764,872	3,039,764,872

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Year Ended 31 December 2019

	Inflation adjusted		Historical	
	2019 $	2018 $	2019 $	2018 $
TOTAL ASSETS				
Non current assets				
Property, plant and equipment	17,184,455	10,385,316	3,016,840	1,191,917
Intangible asset	428,871	168,760	94,123	18,971
Deferred taxation	8,036,983	1,233,845	7,282,640	142,479
	25,650,309	11,787,921	10,393,603	1,353,367
Current assets				
Inventories	19,415,246	10,259,191	7,991,851	1,247,843
Accounts receivable	7,541,458	16,593,954	7,541,458	2,634,175
Amounts owed by related parties	4,056,410	2,203,838	4,056,410	352,012
Cash and bank balances	1,217,503	1,320,111	1,217,503	210,857
	32,230,617	30,377,094	20,807,222	4,444,887
Total assets	**57,880,926**	**42,165,015**	**31,200,825**	**5,798,254**
EQUITY AND LIABILITIES				
Equity				
Issued share capital and reserves	10,360,076	2,099,595	(8,055,965)	(61,846)
Non controlling Interests	1,834,731	9,226,305	(6,428,572)	963,002
Total equity	12,194,807	11,325,900	(14,484,537)	901,156
Non-current liabilities				
Finance leases	-	245,695	-	39,244
Deferred taxation	802	387,196	45	49,390
	802	632,891	45	88,634
Current liabilities				
Accounts payable	35,880,647	18,982,329	35,880,647	3,015,706
Short term loans payable	5,336,668	2,395,747	5,336,668	382,664
Finance leases	40,635	307,725	40,635	49,152
Amounts owed to related parties	1,682,439	6,228,135	1,682,439	994,800
Taxation	2,744,928	2,052,554	2,744,928	327,850
Bank overdraft	-	239,734	-	38,292
	45,685,317	30,206,224	45,685,317	4,808,464
Total equity and liabilities	**57,880,926**	**42,165,015**	**31,200,825**	**5,798,254**

CONSOLIDATED STATEMENT OF CASHFLOWS

Year Ended 31 December 2019

	Inflation adjusted		Historical	
	2019 $	2018 $	2019 $	2018 $
NET CASH FLOWS FROM OPERATING ACTIVITIES				
Net cash flows from operations	66,583,702	32,901,316	26,774,404	3,809,458
Returns on investments and servicing of finance				
Net financing costs	(62,227,944)	(26,279,579)	(29,874,024)	(3,196,431)
Taxes paid				
Income tax paid	(5,072,710)	(4,221,156)	(77,883)	(404,486)
Net cash flows from operating activities	(716,952)	2,400,581	(3,177,503)	208,541
NET CASHFLOWS FROM INVESTING ACTIVITIES				
Acquisition of plant and equipment	(1,472,160)	(2,939,754)	(637,108)	(357,568)
Acquisition of intangible assets	(101,898)	-	(46,695)	-
Net cash flows from investing activities	(1,574,058)	(2,939,754)	(683,803)	(357,568)
NET CASH FLOWS FROM FINANCING ACTIVITIES				
Net movement in short term loans payable	2,940,921	(1,446,778)	4,954,004	(49,291)
Net movement in finance leases	(512,785)	100,408	(47,761)	37,471
Net cash flows from financing activities	2,428,136	(1,346,370)	4,906,243	(11,820)
INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	**137,126**	**(1,885,543)**	**1,044,937**	**(160,847)**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year Ended 31 December 2019

Inflation Adjusted

	Share capital $	Share premium $	Non Distributable Reserve $	Currency Translation Reserve $	Accumulated Losses $	Total $	Non controlling interest $	Total $
Balances as at 31 December 2017	270,401	15,588,729	8,995,763	-	(29,413,199)	(4,558,305)	3,348,015	(1,210,290)
Total comprehensive profit for the year	-	-	-	-	6,657,900	6,657,900	5,878,290	12,536,190
Balances as at 31 December 2018	270,401	15,588,729	8,995,763	-	(22,755,299)	2,099,595	9,226,305	11,325,900
Total comprehensive loss for the year	-	-	-	7,719,657	540,824	8,260,481	(7,391,574)	868,907
Balances as at 31 December 2019	270,401	15,588,729	8,995,763	7,719,657	(22,214,474)	10,360,076	1,834,731	12,194,807

Historical

	Share capital $	Share premium $	Non Distributable Reserve $	Currency Translation Reserve $	Accumulated Losses $	Total $	Non controlling interest $	Total $
Balances as at 31 December 2017	30,397	1,752,397	1,011,253	-	(3,306,466)	(512,419)	376,365	(136,054)
Total comprehensive profit for the year	-	-	-	-	450,573	450,573	586,637	1,037,210
Balances as at 31 December 2018	30,397	1,752,397	1,011,253	-	(2,855,893)	(61,846)	963,002	901,156
Total comprehensive loss for the year	-	-	-	(343,044)	(7,651,075)	(7,994,119)	(7,391,574)	(15,385,693)
Balances as at 31 December 2019	30,397	1,752,397	1,011,253	(343,044)	(10,506,968)	(8,055,965)	(6,428,572)	(14,484,537)

ABRIDGED AUDITED FINANCIAL RESULTS

FOR THE YEAR ENDED 31 DECEMBER 2019.

SUPPLEMENTARY INFORMATION

Year Ended 31 December 2019

1 Directors' responsibility and statement of compliance

The Holding Company's directors are responsible for the preparation and fair presentation of the Group's consolidated financial statements of which this press release represents an extract. These financial statements have been prepared in compliance with International Financial Reporting Standards ("IFRS"), IFRS Interpretations Committee ("IFRSIC") interpretations applicable and in a manner required by the Zimbabwe Companies Act (Chapter 24:03). The financial statements are based on statutory records that are maintained under the historical cost convention and adjusted to taking into account the effect of inflation in accordance with the provisions of International Accounting Standard ("IAS 29") "Financial Reporting In Hyperinflationary Economies." The Group has not been able to comply with International Accounting Standard ("IAS 21") "The Effects Of Changes In Foreign Exchange Rates," due to compliance with laws and regulations stemming from Statutory Instrument 33 of 2019. Refer to note 2 below on change in functional and presentation currency.

For the purposes of fair presentation in accordance with International Accounting Standard ("IAS 29") "Financial Reporting In Hyperinflationary Economies," the historical cost information has been restated for changes in general purchasing power of Zimbabwean dollar ("ZWL") and appropriate adjustments and reclassifications have been made. The restatement has been calculated by means of adjusting factors derived from the consumer price index("CPI") prepared by Zimbabwe National Statistics Agency ("ZimStat"). Accordingly, the inflation adjusted financial statements represents the primary financial statements of the Group. The historical cost financial statements have been provided by way of supplementary information and have been audited. The consolidated financial statements are available at the Company's registered office.

2 Functional and presentation currency

The Group's functional and presentation currency changed from United States Dollar ("US$") to RTGS Dollar following the re-introduction of a local currency on 22 February 2019 and the establishment of an interbank currency market in Zimbabwe through Statutory Instruments 32 and 33 of 2019 and Exchange Control Directive RU28 of 2019. The local currency started to trade officially against other international currencies on 22 February 2019, Subsequently, the RTGS Dollar was replaced by the Zimbabwe Dollar ("ZWL") on 24 June 2019 through Statutory Instrument 142 of 2019 which removed the multi-currency system.

The Group had in prior financial periods used the United States Dollar as its functional and presentation currency. The fiscal and monetary policy pronouncements made through the above-mentioned statutory instruments led to a reassessment of the functional currency and a justification to conclude that, under IAS 21 'Effects of Foreign Exchange Rates', there was a change in functional currency effective 22 February 2019. Comparative numbers for the year ended 31 December 2018 have not been restated and have been disclosed as Zimbabwe Dollars at a rate of USD1:ZWL1, and are inflation adjusted. The opening balances at 1 January 2019 are carried at USD1:ZWL1 in compliance with Statutory Instrument 33 of 2019.

The Group used this fixed exchange rate at 1 January 2019 and thus did not comply with the requirements of International Accounting Standard 21 (IAS21),"The Effects of Changes in Foreign Exchange Rates", as doing so would have been in contravention of SI 33 of 2019. The financial statements were restated using the first available interbank mid-rate on 22 February 2019 of USD1:ZWL2.5, giving rise to Currency Translation Reserve of ZWL 7,719,657 (historical 343,044).

The Directors have restated the comparative information at the official rate of USD1:ZWL1 as the cost and effort of restating the comparative information using any other rate outweighs the benefits that may arise from the exercise and would contravene the country's laws and regulations.

3 Accounting policies

The accounting policies applied in the preparation of these consolidated financial statements are consistent with those of the previous year. Applicable new standards and interpretations did not materially either quantitatively and qualitatively affect the Groups consolidated financial statements.

4 Inflation adjustment

The Public Accountants Auditors Board ("PAAB") issued a pronouncement ("Pronouncement 01/2019") on the application of International Accounting Standard ("IAS 29") "Financial Reporting In Hyperinflationary Economies", in Zimbabwe after broad market consensus factors and characteristics to consider Zimbabwe economy as hyperinflationary have been met. One characteristic that leads to the classification of an economy as hyperinflationary, is a cumulative three year inflation rate approaching or exceeding 100 percent. Pronouncement 01/2019 covered the preparation and presentation of financial statements of entities operating in Zimbabwe for the financial periods ending on or after 1 July 2019. The Group determined the effective date of application of the standard as 1 January 2019 . International Financial Reporting Interpretations Committee ("IFRIC 7"), 'Economies Becoming Hyperinflationary', requires that the entity applies the IAS 29 as if the economy was always hyperinflationary. IAS 29 requires that financial statements prepared in the currency of a hyperinflationary economy be stated in terms of a measuring unit current at the reporting date, and that the corresponding figures for prior periods be stated in terms of measuring unit current at the end of reporting date. The restatement has been calculated by means of adjusting factors derived from the consumer price index(CPI) prepared by Zimbabwe National Statistics Agency ("ZimStat"). The adjustment factors used to restate the financial statements as at 31 December 2019, using 2018 base year are as follows:

Date	Indices	Adjusting factor
CPI as at 31 December 2017	62.50	8.83
CPI as at 31 December 2018	88.81	6.21
CPI as at 31 December 2019	551.74	1

The indices and adjusting factors have been applied to the historical cost of transactions and balances as follows:

All items in income statements are restated by applying relevant monthly adjusting factors; The net effect of the inflation adjustments on the net monetary position of the Group is included in the income statement as a monetary loss or gain; Comparative information is restated using the inflation indices in terms of the measuring unit current at the reporting date; The application of the IAS 29 restatement procedures has the effect of amending certain accounting policies which are used in the preparation of the financial statements under historical cost convention. The policies affected are;

- Monetary assets and liabilities are not restated as they are already stated in terms of the measuring unit current at the reporting date;
- Non-monetary assets and liabilities are not carried at amounts current at the reporting date and components of shareholders equity are restated by applying the relevant monthly adjusting factor;
- Inventories are carried at the lower of indexed cost and net realizable value;
- Deferred tax is provided in respect of temporary differences arising from the restatement of assets and liabilities; and
- All items of cash statement are expressed in terms of measuring unit current at the reporting date.

5 Contingent liabilities

The Company had no material contingent liabilities as at 31 December 2019.

6 Supplementary information

	Inflation adjusted 2019 $	Inflation adjusted 2018 $	Historical 2019 $	Historical 2018 $
Capital expenditure	1,574,058	2,939,754	683,803	357,568
Depreciation	4,345,672	1,946,583	551,891	221,463
Operating profit	20,887,957	37,824,976	10,172,224	4,618,560
Operating profit is stated after charging items of significance:				
Auditors remuneration	478,895	420,219	395,204	51,112
Directors fees	172,592	96,439	121,799	11,730
Foreign currency translation gain / (loss)	7,684,238	-	(378,464)	-

7 Approval and events after the reporting period

The underlying financial statements to these results were approved by the Board on 8 May 2020. However, subsequent to the reporting period date, there was a non-adjusting event stemming from COVID 19. COVID 19 has been declared as a pandemic by the World Health Organization and a national disaster by the Government of Zimbabwe. Zimbabwe implemented a lockdown of the country to mitigate and contain the spread and transmission of the virus. Relevant statutory instruments were put in place to ensure compliance with the lockdown. The initial lockdown was for a period of 21 days, thereafter there was an extension by a further 14 days to end 03 May 2020. Subsequently a further extension of 14 days was declared which we are currently in. The full impact of COVID 19 is yet to be felt but will undoubtedly have a significant adverse impact on the Zimbabwean economy. During the period of lock down the Group was permitted to operate. The FMCG segment markets and distributes sanitizers and personal care products and the manufacturing segment manufactures sanitizers and personal care products. The Group operated at reduced levels during the lock down period. Sales volumes have been depressed as most chain stores and wholesales were restocking basic commodities and not restocking products supplied by us. However, sales volumes to informal traders increased due to the unavailability of grey market imports. Overall, the lock down will result in decreased volumes in quarter 2 of year 2020. The Group has implemented various mitigation measures to minimize the effects of COVID 19 in as much as this is possible. In terms of business continuity, the Group measures in place are sufficient to ensure continuity and business risks are being continually monitored. The solvency of the Group remains poor but with the continued support of major suppliers, solvency is not expected to be an issue. There are many uncertainties that make it difficult to fully estimate the full impact of the COVID 19 pandemic on the financial health of the Group.

8 Property, Plant and Equipment

	Inflation adjusted 2019 $	Inflation adjusted 2018 $	Historical 2019 $	Historical 2018 $
Capital expenditure incurred to maintain and replace existing non-current assets	1,472,160	2,939,754	637,108	357,568
Capital expenditure incurred on software	101,898	-	46,695	-
	1,574,058	2,939,754	683,803	357,568

9 Assets pledged as security

Assets pledged as security for borrowings comprise motor vehicles subject to finance leases. The carrying amount of the Group's non current assets pledged as security was $261,844 (31 December 2018 : $134,663). In addition the composite credit facility is secured by a notarial general covering bond (NGCB) for $887,500 over inventories and accounts receivable.

10 SEGMENT INFORMATION

Year Ended 31 December 2019

Inflation adjusted	FMCG $	Medical $	Manufacturing $	Eliminations / Unallocated $	Total $
Revenue - external	51,447,839	-	19,033,517	-	70,481,356
- internal	165,256	-	8,435,098	(8,600,354)	-
Total	51,613,095	-	27,468,615	(8,600,354)	70,481,356
Net financing (costs) / income	(52,426,943)	-	(9,801,041)	40	(62,227,944)
Depreciation	(2,401,889)	(105,159)	(1,814,899)	(23,725)	(4,345,672)
Net monetary gain	20,401,370	3,247,855	8,300,867	1,150,117	33,100,208
Segment (loss) / profit before tax	(22,377,232)	5,232,510	7,924,412	980,531	(8,239,778)
Taxation	3,786,220)	-	(2,360,583)	(1,189)	1,424,448
Segment (loss) / profit after tax	(18,591,012)	5,232,510	5,563,829	979,342	(6,815,331)
Foreign currency translation gain / (loss)	2,802,955	145,079	4,631,317	104,887	7,684,238
Segment total comprehensive income	(15,788,057)	5,377,589	10,195,146	1,084,229	868,907
Segment assets	35,953,839	1,974,639	21,151,747	(1,199,299)	57,880,926
Segment liabilities	38,446,834	1,466,153	7,989,107	(2,215,958)	45,686,137

Year Ended 31 December 2018

Inflation adjusted	FMCG $	Medical $	Manufacturing $	Eliminations / Unallocated $	Total $
Revenue - external	82,612,454	2,297,442	16,558,590	-	101,468,485
- internal	9,575	-	6,761,113	(6,770,692)	-
Total	82,622,032	2,297,442	23,319,703	(6,770,692)	101,468,485
Net financing (costs) / income	(19,841,375)	282	(6,438,507)	44	(26,279,556)
Depreciation	(1,227,463)	(16,296)	(658,611)	(44,213)	(1,946,583)
Net monetary (loss) / gain	(717,283)	1,598,534	2,770,413	503,774	4,155,438
Segment profit before tax	8,276,230	2,277,368	4,692,235	454,991	15,700,824
Taxation	(2,579,897)	-	(653,516)	68,767	(3,164,646)
Segment profit after tax	5,696,333	2,277,368	4,038,719	523,758	12,536,178
Segment assets	39,369,813	4,298,340	14,114,413	(15,617,549)	42,165,015
Segment liabilities	26,074,764	9,167,427	11,146,919	(15,549,994)	30,839,115

Year Ended 31 December 2019

Historical	FMCG $	Medical $	Manufacturing $	Eliminations / Unallocated $	Total $
Revenue - external	20,083,066	-	8,197,336	-	28,280,402
- internal	62,706	-	3,603,356	(3,666,662)	-
Total	20,145,772	-	11,801,292	(3,666,662)	28,280,402
Net financing (costs) / profit	(24,361,107)	-	(5,512,936)	19	(28,874,024)
Depreciation	(290,312)	(11,824)	(247,088)	(2,667)	(551,891)
Segment (loss) / profit before tax	(20,404,845)	(11,824)	718,938	(4,070)	(19,701,801)
Taxation	4,944,319	-	(248,558)	(1,190)	4,694,571
Segment (loss) / profit after tax	(15,460,526)	(11,824)	470,380	(5,259)	(15,007,229)
Foreign currency translation (loss) / gain	(1,137,383)	26,094	713,960	18,865	(378,464)
Segment total comprehensive (loss) / income	(16,597,910)	14,270	1,184,340	13,607	(15,385,693)
Segment assets	23,548,660	644,692	9,273,462	(2,265,989)	31,200,825
Segment liabilities	38,446,053	1,466,153	7,989,107	(2,215,952)	45,685,362

Year ended 31 December 2018

Historical	FMCG $	Medical $	Manufacturing $	Eliminations / Unallocated $	Total $
Revenue - external	10,048,296	279,442	2,014,048	-	12,341,786
- internal	1,166	-	822,367	(823,533)	-
Total	10,049,462	279,442	2,836,415	(823,533)	12,341,786
Net financing (costs) / income	(2,413,341)	37	(783,127)	-	(3,196,431)
Depreciation	(139,966)	(1,833)	(74,693)	(4,971)	(221,463)
Segment profit / (loss) before tax	1,160,101	(32,367)	299,923	(5,528)	1,422,129
Taxation	(313,798)	-	(79,487)	8,366	(384,919)
Segment profit / (loss) after tax	846,303	(32,367)	220,436	2,838	1,037,210
Other comprehensive income	-	-	-	-	-
Segment assets	7,213,068	628,554	1,868,056	(3,911,424)	5,798,254
Segment liabilities	5,512,564	1,464,285	1,768,042	(3,847,793)	4,897,098

11 Net financing costs

	Inflation adjusted 2019 $	Inflation adjusted 2018 $	Historical 2019 $	Historical 2018 $
Interest payable	(1,177,068)	(2,278,007)	(556,187)	(277,078)
Net exchange rate loss	(61,051,715)	(24,013,304)	(29,318,196)	(2,920,780)
Interest received	839	11,732	359	1,427
	(62,227,944)	(26,279,579)	(29,874,024)	(3,196,431)

12 Account payable

	Inflation adjusted 2019 $	Inflation adjusted 2018 $	Historical 2019 $	Historical 2018 $
Accounts payable	35,880,647	18,982,329	35,880,647	3,015,706

The Group's major accounts payable are foreign suppliers and the increase is due to changes in the functional currency which has resulted in translation from a previous USD1: ZWL1 to interbank rates at 31 December 2019 USD1: ZWL16.77. Existing foreign creditors amount to ZAR 27,9 million.

13 Short term loans payable

	Inflation adjusted 2019 $	Inflation adjusted 2018 $	Historical 2019 $	Historical 2018 $
Short term loans payable	5,336,668	2,395,747	5,336,668	382,664

The short term borrowings were incurred to finance capital expenditure and working capital requirements. As at 31 December 2019, short term borrowings amounting to $3,336,668 (31 December 2018: $17,690) were unsecured, whilst $2,000,000 (31 December 2018 : $ 364,974) were secured by an unlimited guarantee issued by the holding company and NGCBs for $887,500 over inventories and accounts receivable.

14 Amounts owed to related parties

The amounts are owed to Turfgreens Investments (Private) Limited and Grillage Investments (Private) Limited. These companies are under the control of one of the holding company's major shareholders. The amounts owed which are payable in the ordinary course of business, are in respect of rentals payable for various properties leased by the Group.

15 Going concern

The Group's equity reserves have been significantly depleted over the last few years due to cumulative operating losses. The directors have assessed the ability of the Group to continue as a going concern and are of the view that the preparation of these financial statements on a going concern basis appropriate as for the reasons disclosed in detail in the financial statements.