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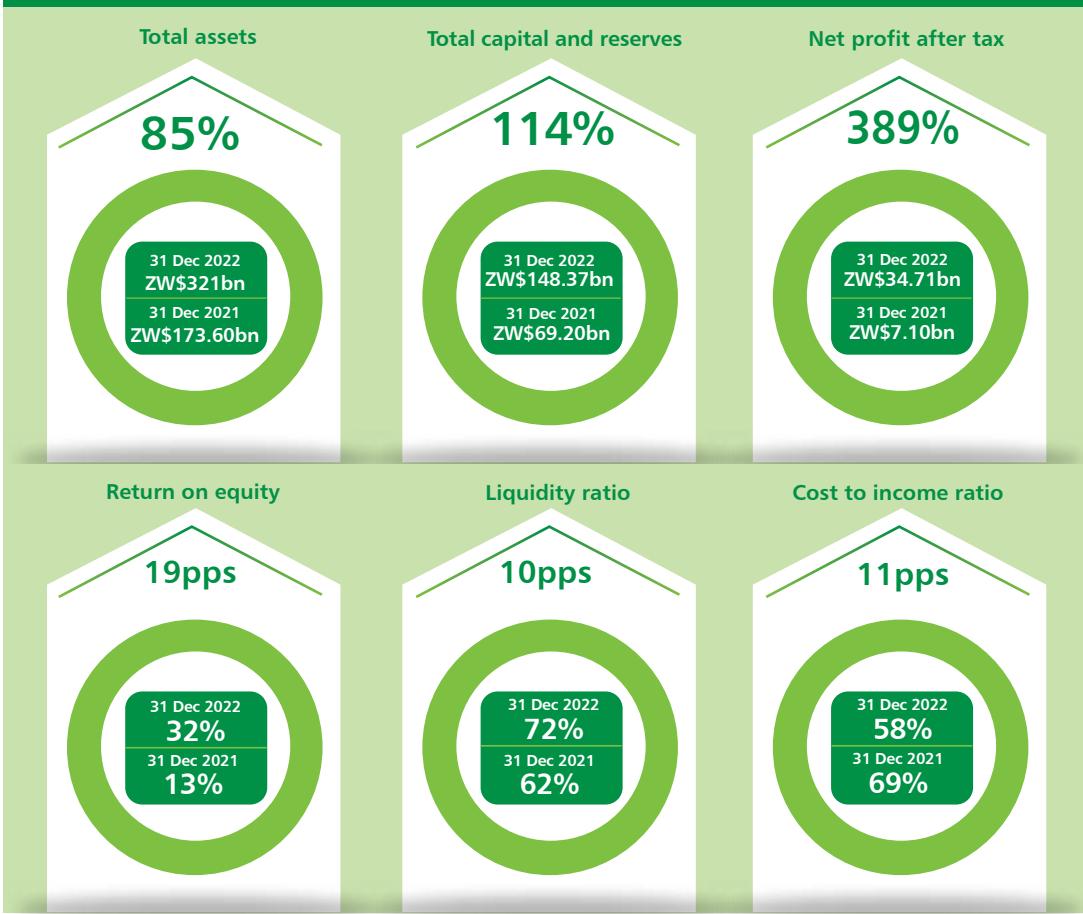
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AUDITED INFLATION ADJUSTED FINANCIAL HIGHLIGHTS



CHAIRMAN'S STATEMENT

I am pleased to present the performance of the Group for the year ended 31 December 2022. The Group delivered strong financial results despite the domestic economic challenges.

Operating Environment:

The domestic economy is estimated to have grown by 4% in 2022, underpinned by output growth in mining (10%), construction (10.5%), and accommodation and food services (56.3%). The country benefitted from an above average agriculture season, which culminated in good output in key crops, including wheat and tobacco.

Furthermore, the economy registered significant improvements in foreign currency receipts, upwards of US\$11.6bn according to the Reserve Bank of Zimbabwe (RBZ). Export earnings and Diaspora remittances were amongst the major contributors of the record foreign currency receipts achieved in 2022.

Partly as a result of the improved foreign currency receipts, and in part as a result of continued depreciation of the local currency, the economy recorded an increase in the use of USD currency for trade, with the RBZ estimating that close to 70% of transactions are now being conducted in hard currency.

Meanwhile, annual inflation remained high during the year under review, rising from 60.6% in January 2022 to 243.75% as at December 2022. There was however an improvement in month on month inflation which rose from 5.3% in January 2022 to a peak of 30.7% in June 2022, before progressively reducing to a yearly low of 1.8% in November 2022 and ending the year at 2.4% in December 2022.

Group Performance:

The Group posted a profitable performance for the year. This is detailed in the Group Chief Executive Officer's report.

Capital Requirements:

As at 31 December 2022, all Group companies, with the exception of ZB Building Society, were in compliance with prescribed minimum capital requirements. The Group is still working to consolidate all its banking operations under one licence, that is, merging ZB Bank Limited, ZB Building Society and Intermarket Banking Corporation.

Dividends:

The Board has declared a final dividend of ZW837.49 cents per share for the year ended 31 December, 2022. This brings the aggregate dividend for the year ended 31 December 2022 to ZW914.67 cents per share. A separate dividend notice will be published to this effect.

Compliance & Regulatory Issues:

The Group dealt with all governance issues which were the subject of a Corrective Order issued by the Reserve Bank of Zimbabwe (RBZ) on 7 March, 2017 and reviewed in March 2018, and the Corrective order was lifted on the 9th of December 2022, after a satisfactory review by the regulator.

Sustainability:

The Group embarked on a journey of integrating sustainability into its business value chains. The integration goes beyond the current process of attaining the Sustainability Standards Certification Initiative (SSCI) by the European Organisation for Sustainable Development (EOSD). Our goal is to ensure sustainability is fully embedded in our products and services, operations, how we engage with our clients, and business relations. Sustainability will now define how ZB Financial Holdings does business going forward.

Directorate:

Mr K. Maukazu resigned from the Board on 31 August 2022. I would like to extend my gratitude and appreciation to him for his distinguished service to the Group.

Mrs Georgina Chikomo, resigned from the Group with effect from the 1st of September 2022. She was the Managing Director for ZB Bank Limited. I wish Mrs Georgina Chikomo success in her future endeavours.

In her stead, Mr Elisha Chibvuri was appointed as the new Chief Executive Officer for ZB Bank Limited.

The Group underwent an organisational transformation program, which led to a restructure of the organisation.

The Group is now made up of three main clusters, namely Banking, Investment and Insurance Clusters. The following appointments were made for the Chief Executive Officers of the Clusters:

Elisha Chibvuri-Banking Cluster; Tandiwe Masunda-Investments Cluster; and Letwin Mawire-Insurance Cluster.

I pledge the Board's support to Mr E. Chibvuri, Ms T Masunda and Mrs L Mawire and wish them enjoyable and successful terms of office.

Outlook:

In the outlook, the domestic economy is projected to grow by 3.8% in 2023, underpinned by growth in output from the mining, construction, agriculture and accommodation (tourism) sectors. The envisaged growth is mainly premised on normal to above normal rainfall patterns and optimal distribution thereof, favourable international commodity prices, continuance of tight monetary and fiscal policies to engender stability, as well as continued slowdown in inflation, among other factors.

Downside risks to the attainment of projected economic growth outturn for 2023 relate to effects of power shortages and load shedding on production, the continued effects of disruptions in global supply chains and rising global inflation, uncertainty and potentially destabilising effects of the 2023 harmonised national elections, monetary instability (exchange rate depreciation and inflation), unreliable rainfall patterns and distribution, among other factors.

The Group will continue to focus on revenue growth and cost optimisation strategies with an overall aim of growing and strengthening the balance sheet position. The Group will continue with its Organisational Transformation Programme focussing more on improving the effectiveness and efficiencies of back-end systems.

Conclusion:

I would like to express my appreciation to our valued customers and all key stakeholders, for the continued support to the ZBFH Group. I extend my gratitude to Board colleagues, Management and Staff, without whose collective contributions the Group would not have been able to achieve the 2022 performance.

P.Chiromo
Chairman

19 April, 2023

GROUP CHIEF EXECUTIVE'S REPORT

Introduction:

The Group's primary financial statements are adjusted for inflation in terms of International Accounting Standard (IAS) – Financial Reporting in Hyperinflationary Economies.

Historical cost financial statements have been issued for information purposes only.

Performance Outturn:

The Group recorded a 75% increase in total income from ZW\$40.343bn in 2021 to ZW\$70.542bn in 2022. This positive outturn was achieved on the back of significant rise in trading income and fair value credits.

Net interest income increased by 77%, from ZW\$11.359bn in 2021 to ZW\$20.050bn in 2022. The performance was underpinned by the growth in the loans and advances book. Gross loan impairment charges to the income statement surged by 229%, from ZW\$2.136bn in 2021 to ZW\$7.035bn in 2022. As a result, net income from lending activities registered a growth of 41%, from ZW\$9.224bn in 2021 to ZW\$13.015bn in 2022.

The Group's commissions and fees moved up by 38% from ZW\$11.570bn in 2021 to ZW\$15.910bn. The improvement in commissions was supported by growth in both number of customers and volume of transactions as a result of the Group's Organisational Transformation Programme journey.

Other operating income improved by 394% from ZW\$4.500bn in 2021 to ZW\$22.237bn. Other income largely constituted by the realised foreign exchange gains from treasury trading activities and unrealised gains from revaluation of the Group's foreign denominated balances.

Fair value adjustments moved from ZW\$12.195bn in 2021 to ZW\$15.492bn, as a result of higher fair value gains from investment properties.

Net insurance related earnings increased by 36%, from ZW\$2.854bn in 2021, to ZW\$3.889bn in 2022, on the back of a 120% rise in gross premiums from ZW\$6.814bn in 2021 to ZW\$15.014bn in 2022, which was partially off-set by a rise in insurance related expenses by 181% from ZW\$3.960bn in 2021 to ZW\$11.125bn in 2022.

Meanwhile, operating costs rose by 46% from ZW\$27.925bn in 2021 to ZW\$40.708bn in 2022, largely on account of the effects of inflation.

Profit from ordinary activities improved by 140%, from ZW\$12.418bn in 2021 to ZW\$29.834bn in 2022.

Performance was also enhanced by a 1 909% rise in share of associate companies' profit net of tax, from ZW\$0.269bn in 2021 to ZW\$5.395bn in 2022.

Net profit registered a 391% increase, from ZW\$7.074bn attained in 2021 to ZW\$34.715bn in 2022.

Meanwhile, total assets for the Group increased by 85% in real terms, to close the year 2022 at ZW\$320.964bn. A rebalancing of the asset mix was undertaken during the year through acquisition of Mashonaland Holdings, which saw a 516% increase in investment properties.

Deposits and other related funding account balances grew by 62%, from ZW\$67.616bn as at 31 December 2021 to ZW\$109.210bn as at 31 December 2022.

Earning assets increased by 95% from ZW\$99.353bn as at 31 December 2021 to close the year 2022 at ZW\$194.232bn, whilst constituting 61% of total assets (57% at 31 December 2021).

The Group maintained a comfortable liquidity margin of safety, with the ratio of liquid assets to customer deposits being above 60% throughout the year against a prescribed ratio of 30%.

The Group's total equity increased by 114%, from ZW\$69.189bn as at 31 December 2021 to ZW\$148.370bn as at 31 December 2022, underpinned by the positive performance outturn for the year, as well as gains on the revaluation of properties and equipment.

Operations Review:

Banking Operations:

ZB Bank Limited posted a profit after tax of ZW\$14.523bn in 2022, as compared to ZW\$6.413bn in 2021. Its total assets stood at ZW\$200.360bn as at 31 December 2022, from ZW\$127.290bn as at 31 December 2021.

ZB Building Society posted a profit after tax of ZW\$4.472bn in 2022, as compared to a profit of ZW\$2.807bn in 2021. The Society's total assets stood at ZW\$17.742bn as at 31 December 2022, from ZW\$10.093bn as at 31 December 2021.

Insurance Operations:

ZB Reinsurance posted a profit after tax of ZW\$1.951bn in 2022 compared to ZW\$1.538bn in 2021. Its total assets increased in real terms from ZW\$6.396bn as at 31 December 2021 to close the year 2022 at ZW\$9.945bn.

ZB Life Assurance posted a profit of ZW\$2.324bn in 2022, compared to a loss of ZW\$0.097bn in 2021. Its total assets increased in real terms from ZW\$20.240bn as at 31 December 2021 to ZW\$28.094bn as at 31 December 2022.

Strategic Operations:

The Group has adopted a regional expansion strategy, and in November 2022, it successfully launched reinsurance operations in Botswana.

During the year, the Group acquired additional equity interest in Mashonaland Holdings Limited (Mash) and achieved a shareholding of above 50%, granting it control of Mash and subsequently became a subsidiary of the Group with effective 31 December 2022.

Internal Processes:

The Group progressed its transformation program during 2022, which entailed a review of its business model and organisational design. The Group's project to re-purpose bank branches into Group-wide customer service centres to enhance customer convenience has been a huge success, and as at end of December 2022, a total of 25 branches had been renovated and converted into customer service centres. The remaining 20 will be done in 2023.

Sustainability:

The Group continues to integrate sustainability across operations; this compels ZBFH to strike a balance between the welfare of the people it serves, the preservation and promotion of the Environment (Planet) in which it operates, and the quest for Value Creation (Profit). Towards this end, the Group is working on attaining certification under the Sustainability Standards Certification Initiative (SSCI) by the European Organisation for Sustainable Development (EOSD) – ZBFH is one of the financial institutions under the RBZ-led SSCI certification program.

The Group adopted a Purpose Statement to "improve lives through service", and its 3 High Impact Goals: "Promote financial inclusion", "Foster investments in Sustainable Infrastructure", and "Stimulate the Real Economy". The goals are structured to ensure ZBFH avails resources towards supporting Government's National Development Strategy 1 (NDS1), and the Sustainable Development Goals (SDGs), towards the country's Vision 2030.

To demonstrate our commitment to sustainability, the Group commenced greening its own premises by rolling out solar energy. To date, solar power has been installed at the Group's Head Office, and service centres across the country will be added in 2023.

Further, the Group adopted the Global Reporting Initiatives (GRI) Standards as a strategy for identifying and being accountable on economic, environmental, social, and governance impacts and opportunities while building shared values with stakeholders. To this effect, the Group has prepared this annual report in accordance with GRI Standards to demonstrate its commitment to corporate sustainability.

Human Capital:

As part of the organisational transformation, the Group reviewed its organisational design, and came up with a new Group Structure supportive of its Strategy going forward. This resulted in an evaluation of jobs, coming up with new jobs and some old jobs falling away, and resultantly there have been redeployments as well as skilling and training to ensure attainment of required skills set.

Despite a challenging operating environment, staff attrition in the Group remained within acceptable levels.

The Group staff complement as at 31 December 2022 stood at 965.

Industrial relations remained cordial during the year under review.

Appreciation:

I extend my gratitude to our valued customers and all key stakeholders for their continued support and commitment to the ZBFH Group.

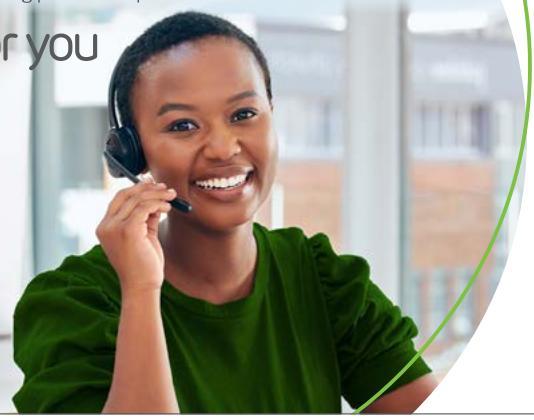
My deep appreciation also goes to the Group's Staff and Management team for their hard work and dedication which produced the 2022 financial results.

As ZBFH Group team, we undertake to continue living up to our Mission: "to work hard everyday to create happy people", including but not limited to our customers, employees, shareholders, regulators, among all other stakeholders.

Finally, I would like to thank the Board for its valuable contribution and counsel.

S. T. Fungura
Group Chief Executive

19 April, 2023



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NOTES TO CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (Continued)

1.2 Statement of compliance (continued)

The consolidated and separate financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) promulgated by the International Accounting Standards Board (IASB) which includes standards and interpretations approved by IASB, the International Financial Reporting Interpretations Committee (IFRIC) and in the manner required by the Companies and Other Business Entities Act (Chapter 24:31), the Banking Act (Chapter 24:20), the Building Societies Act (Chapter 24:02), the Insurance Act (Chapter 24:07), the Microfinance Act (24:29), Securities and Exchange Act (Chapter 24:25) and relevant regulations made thereunder.

The consolidated and separate financial statements were authorised for issue by the board of directors on 19 April 2023.

1.3 Effects of inflation adjustments

The Public Accountants and Auditors Board (PAAB), through circular 01/19 indicating the conditions required for the application of International Accounting Standard ("IAS") 29, *Financial Reporting in Hyper-Inflationary Economies*. All entities reporting in Zimbabwe were now required to apply the requirements of IAS 29 with effect from 1 July 2019.

The restatement of figures has been calculated by means of conversion factors derived from the consumer price index (CPI) prepared by the Zimbabwe Central Statistical Office. The conversion factors used to restate the consolidated and separate financial statements at 31 December 2022 are as follows:

	Index	Conversion factors
31 December 2022	13 672.91	1.00
31 December 2021	3 977.46	3.44
31 December 2020	2 474.51	5.53

The main guidelines for the restatement are as follows:

- All amounts not already expressed in terms of the measuring unit current at the statement of financial position date are restated by applying a general CPI.
- Corresponding figures for previous periods are similarly restated.
- Monetary assets and liabilities are not restated because they are already expressed in terms of the monetary unit current at the statement of financial position date. Monetary items are money held, assets and liabilities to be recovered or paid at the nominal value recorded at the original cost.
- Non-monetary assets carried at cost (excluding PPE and investment property) and liabilities and the components of shareholding's equity are restated by applying the relevant conversion factors reflecting the increase in the CPI from the date of change in functional currency from US\$ to ZW\$ in 2018.
- All items in the consolidated and separate statement of profit or loss and other comprehensive income are restated by applying the respective monthly factors.
- The capitalisation of borrowing costs during construction of a qualifying asset is considered to be a partial recognition of inflation and is reversed to the consolidated and separate statement of profit or loss and other comprehensive income and replaced by indexed cost.
- The effect of general inflation on the net monetary position is included in the consolidated and separate statement of profit or loss and other comprehensive income as effects of inflation adjustments.
- Share capital and share premium were restated from the date of change in functional currency from US\$ to ZW\$ in 2018.

1.4 Basis of reporting

The same accounting policies and methods of computation were applied to the financial results as at the reporting date of ZB Bank Limited, ZB Building Society, ZB Life Limited and ZB Reinsurance Limited, incorporated in this reporting package.

1.5 Basis of consolidation

Subsidiaries

A subsidiary is an entity controlled by another entity, that is the parent. The Group controls an entity when it is exposed to, or has rights to variable returns from its involvement with the investee and has the ability to exert control over the entity's financial and operational decisions through its power over the investee. The results of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Subsidiaries are included in the separate financial statements of the Holding company at their net asset value which is considered to be an estimate of fair value. Assets valuation are done on a yearly basis as such the NAV will be approximately the fair value at year end.

Business combinations

The Group accounts for business combinations using the acquisition method when control is transferred to the entity parent. The consideration transferred in the acquisition is measured at fair value, as are the identifiable net assets acquired. Any excess of the consideration over the fair values of the identifiable net assets acquired is recognised as goodwill. Where the fair values of the identifiable net assets acquired exceed the consideration, a bargain purchase (negative goodwill) is recognised in profit or loss in the period of acquisition. Transaction costs are expensed, except if related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Non-controlling interests (NCI)

Non-controlling interests are measured at their proportionate share of the fair values of the assets and liabilities recognised.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Where necessary, adjustments are made to the financial statements of subsidiaries and associates to bring the accounting policies used into line with those used by the Group.

Transactions eliminated on consolidation

Intra-Group transactions, balances, and unrealised income and expenses are eliminated on consolidation.

1.6 Key sources of judgement and estimation uncertainty

Significant assumptions and estimations, as at the date of financial reporting, with material implications on the reported financial outturn and balances have been made in the following areas:

- The computation of expected credit losses (IFRS 9)
- Determination of the fair value of financial assets (IFRS 13)
- Valuation of property (including investment properties) and equipment (IAS 16 and IAS 40)
- Estimation of liabilities under insurance contracts including life funds valuation (IFRS 4)
- Ascertaining of the degree of control or significant influence in investee companies (IAS 27 and IAS 28)
- Determination of carrying amounts of right of use assets and lease liabilities (IFRS 16)

The nature of assumptions made and processes involved in the development of estimates, and relevant models used, where applicable, are discussed in the accounting policy notes in the Group's annual report as at 31 December 2022.

The same above significant assumptions and estimates were applied to the extent where relevant, to the financial results as at the reporting date of ZB Bank Limited, ZB Building Society, ZB Life Limited and ZB Reinsurance Limited, incorporated in this reporting package.

2. SEGMENT INFORMATION

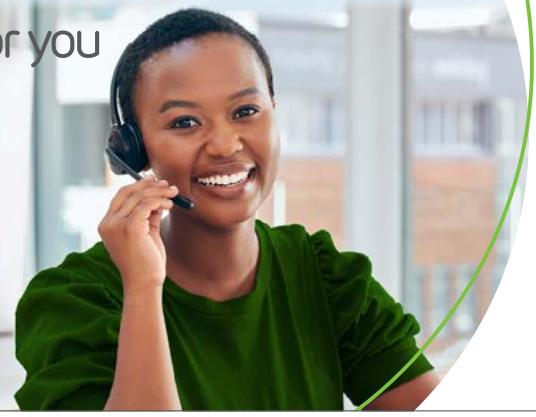
31 December 2022	Inflation adjusted			
	Banking operations		Other strategic investments ¹	
	ZW\$	ZW\$	ZW\$	Total ZW\$
External revenue				
Net earnings from lending activities	13 404 492 436	(236 325 431)	(153 451 688)	13 014 715 317
Net fees and commission income	15 655 183 972	3 899 214 747	244 344 165	19 798 742 884
Corporate Banking	2 371 147 316	-	-	2 371 147 316
Retail Banking	13 284 036 656	-	-	13 284 036 656
Insurance	-	3 899 214 747	-	3 899 214 747
Other commissions	-	-	244 344 165	244 344 165
Other revenue	22 462 941 191	4 200 657 798	(4 426 641 484)	22 236 957 505
Fair value adjustments	13 095 728 424	3 002 874 128	(607 056 387)	15 491 546 165
Total segment revenue	64 618 346 023	10 866 421 242	(4 942 805 394)	70 541 961 871
Inter-segmental Revenue	1 574 161 504	-	65 547 522 559	67 121 684 063
Total segment operating expenses	(39 307 083 122)	(5 145 561 979)	3 745 062 815	(40 707 582 286)
Material non-cash items included in the above figures:				
Expected credit losses	(6 795 733 709)	(217 004 715)	(22 054 452)	(7 034 792 876)
Fair value adjustments	13 095 728 424	3 002 874 128	(607 056 387)	15 491 546 165
Depreciation	(2 698 699 633)	(75 724 107)	(191 025 795)	(2 965 449 535)
Amortisation of intangible assets	(210 141 851)	(3 400 754)	(212 410)	(213 755 015)
Profit from associates net of tax	-	4 809 434 065	585 884 447	5 395 318 512
Reportable segment profit before taxation	22 778 050 815	5 504 651 911	7 558 679 575	35 841 382 301
Income tax expense	950 822 994	1 234 031 079	(1 192 772 347)	992 081 726
Reportable segment assets as at 31 December 2022	230 681 824 377	38 205 175 316	52 076 739 970	320 963 739 663
Reportable segment liabilities as at 31 December 2022	147 400 945 505	21 780 973 766	3 412 023 449	172 593 942 720
Investment in associates	-	18 449 862 736	(17 142 527 771)	1 307 334 965

NOTES TO CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (Continued)

31 December 2021	Inflation adjusted			
	Banking operations	Insurance operations	Other strategic investments ¹	Total
	ZW\$	ZW\$	ZW\$	ZW\$
External revenue				
Net earnings from lending activities	9 187 764 345	45 246 902	(9 466 287)	9 223 544 960
Net fees and commission income	11 378 963 869	2 863 253 022	182 062 474	14 424 279 365
Corporate Banking	1 723 467 427	-	-	1 723 467 427
Retail Banking	9 655 496 442	-	-	9 655 496 442
Insurance	-	2 863 253 022	-	2 863 253 022
Other commissions	-	-	182 062 474	182 062 474
Other revenue	4 734 863 292	842 114 910	(1 076 638 183)	4 500 340 019
Fair value adjustments	8 638 948 050	3 292 820 068	263 164 951	12 194 933 069
Total segment revenue	33 940 539 556	7 043 434 902	(640 877 045)	40 343 097 413
Inter-segmental Revenue	309 128 886	-	5 049 399 868	5 358 528 754
Total segment operating expenses	(26 507 071 734)	(2 643 129 489)	1 224 770 585	(27 925 430 639)
Material non-cash items included in the above figures:				
Expected credit losses	(1 881 629 784)	30 243 898	(284 306 792)	(2 135 692 678)
Depreciation	(7 533 385 577)	(59 723 232)	(81 619 417)	(7 674 728 226)
Amortisation of intangible assets	(137 558 990)	(36 831 392)	(520 178)	(174 910 560)
Profit from associates net of tax	5 533 088 320	70 317 877	198 215 122	268 532 999
Reportable segment profit before taxation	759 909 861	2 270 976 865	927 326 306	8 731 391 491
Income tax expense	-	836 848 883	61 699 635	1 658 458 379
Reportable segment assets as at 31 December 2021	141 093 054 667	26 744 069 529	5 736 847 560	173 573 971 756
Reportable segment liabilities as at 31 December 2021	90 700 744 973	14 954 436 848	(1 269 935 028)	104 385 246 793
Investment in associates	-	13 703 765 875	3 979 659 294	17 683 425 169

31 December 2022	Unaudited Historical cost			
Banking operations	Insurance operations	Other strategic investments¹	Total	
	ZW\$	ZW\$	ZW\$	ZW\$

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NOTES TO CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (Continued)

3. TREASURY BILLS (continued)

- The Group invested in treasury bills issued by the RBZ over a period ranging from 3 months to 9 months (2021: 3 months to 24 months) and were at rates ranging from 8% to 92% (2021: 5% to 21%).
- The Group purchased treasury bills from the secondary market. These treasury bills have coupon rates ranging from 0% to 5% (2021: 5% to 15%) with maturity periods ranging from 2 to 10 years (2021: 1 month to 3 years).
- The Group received treasury bills as substitution for debt instruments from the Zimbabwe Asset Management Company (ZAMCO). The treasury bills have a coupon rate of 5% (December 2021: 5%) and maturity periods ranging from 4 to 10 years (2021: 3.5 months to 10 years).
- Capitalisation Treasury Bills (CTBs) with a face value of \$20 000 000 were acquired on 26/05/2015 from the Government of Zimbabwe by the holding company, ZB Financial Holdings Limited (ZBFH). The CTBs were then used to recapitalise ZB Bank Limited, a 100% owned subsidiary of ZBFH. The CTBs mature on 26 May 2025 and carry a coupon of 1% which is payable on maturity. The CTBs are carried at amortised cost, with cost having been established at fair value at initial recognition using a Discounted Cash Flow valuation technique in which an assessed discount rate of 5% was applied as a proxy for market rate in the absence of free market trade on similar instruments.

3.2 Determination of fair value of treasury bills

The fair value of treasury bills was determined using level 2 inputs due to lack of active market for treasury bills which are classified as "FVTPL". The Group used the discounted cash flow valuation technique by applying an average yield market rate on the contractual cash flows in order to determine the fair value of the treasury bills.

Treasury bills purchased from the secondary market value were fair valued using TBs average yield market rate of 68%.

USD denominated Treasury bills fair value was computed using a proxy discount rate of 2% by reference to US Federal Reserve TBs with same tenor and adjusted for country risk.

3.3 Impairment assessment of treasury bills

Treasury bills were assessed for ECL in the current year in line with IFRS 9. Treasury bills, being local sovereign exposures have been assessed as "low risk" instruments and there were no defaults recorded in past on all Government Instruments. In addition, the Government of Zimbabwe has a strong capacity to meet its contractual cashflow obligations in the near term and an adverse in the economics and business conditions in the longer term may, but will not necessarily reduce the Government of Zimbabwe's ability to fulfil its obligations. The amount of ECL was insignificant as such no adjustment for impairment was recognized.

4. MORTGAGES AND OTHER ADVANCES

	Inflation adjusted		Unaudited Historical cost	
	31 Dec 2022 ZWS	31 Dec 2021 ZWS	31 Dec 2022 ZWS	31 Dec 2021 ZWS
4.1 Gross loan book				
Mortgage advances	2 188 959 388	1 118 331 324	2 188 959 388	325 323 401
Other advances:				
Loans, overdraft and other accounts	62 053 477 361	36 572 731 961	62 053 477 361	10 639 034 509
Finance leases	2 715 035 334	4 646 584 656	2 715 035 334	1 351 694 879
Bills discounted	138 277 282	1 394 263 249	138 277 282	405 592 200
Insurance advances	2 118 559 956	760 756 222	2 118 559 956	221 304 542
Total other advances	67 025 349 933	43 374 336 088	67 025 349 933	12 617 626 130
Gross advances	69 214 309 321	44 492 667 412	69 214 309 321	12 942 949 531
Off balance sheet exposures				
In respect of Guarantees	3 133 776 126	2 849 843 046	3 133 776 126	829 021 429
In respect of Loan commitments	6 864 150 030	2 504 910 185	6 864 150 030	728 680 207
Gross credit exposure	79 212 235 477	49 847 420 643	79 212 235 477	14 500 651 167
Gross advances	69 214 309 321	44 492 667 412	69 214 309 321	12 942 949 531
Less: Allowance for loan impairments	(4 344 604 579)	(2 440 805 534)		
Net advances	64 869 704 742	42 051 861 878	64 869 704 742	12 232 917 414
4.2 Maturity analysis				
On demand	3 314 940 341	3 402 502 112	3 314 940 341	989 790 356
Within 1 month	1 628 466 895	2 040 929 754	1 628 466 895	593 707 960
Between 1 and 6 months	14 242 664 848	4 718 896 323	14 242 664 848	1 372 730 396
Between 6 and 12 months	22 350 972 921	8 813 055 900	22 350 972 921	2 563 724 415
After 12 months	37 675 190 472	30 872 036 554	37 675 190 472	8 980 698 040
	79 212 235 477	49 847 420 643	79 212 235 477	14 500 651 167
4.3 Non-performing loans				
Included in the above are the following:				
Non-performing loans	230 172 094	1 716 654 221	230 172 094	499 375 970
Less: Allowance for loan impairments	(75 028 348)	(1 606 755 560)	(75 028 348)	(467 406 369)
Value to be received from security held	155 143 746	109 898 661	155 143 746	31 969 601

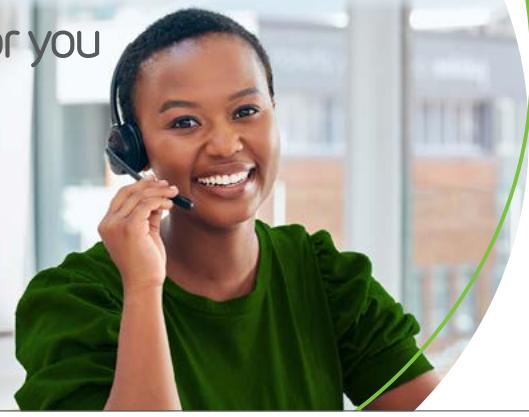
For the secured non-performing loans, security exists in the form of liens registered over funded accounts, bonds registered over landed property and guarantees in various forms. The Group discounts the value of the security at hand using internal thresholds for prudential purposes. Generally, no security value is placed on ordinary guarantees. The internally discounted value of the security held in respect of the non-performing book amounted to ZW\$5 432 212 657 as at 31 December 2022 (2021: ZW\$29 259 743).

	Inflation adjusted		Unaudited Historical cost	
	31 Dec 2022 ZWS	As a % of Total	31 Dec 2021 ZWS	As a % of Total
4.4 Sectorial analysis				
Gross advances:				
Private	19 951 358 928	25%	21 761 884 455	44%
Agriculture	3 106 261 211	4%	4 068 731 909	8%
Mining	11 447 874 338	14%	16 455 856 177	3%
Manufacturing	2 274 113 131	3%	11 447 874 338	14%
Distribution	6 800 355 711	8%	2 377 076 131	2%
Construction	255 906 600	0%	3 381 689	0%
Transport	3 717 944 871	5%	1 557 193 484	3%
Services	16 154 281 558	20%	9 734 789 883	20%
Financial	5 994 842 920	8%	2 230 130 378	4%
Communication	8 006 551	0%	172 672 239	0%
Total gross advances	69 214 309 321	87%	44 492 667 412	89%
Guarantees:				
Manufacturing	3 045 948 099	3.8%	2 703 272 638	6%
Distribution	41 20 464	0.05%	110 101 074	0%
Construction	-	0%	3 231 343	0%
Services	46 807 563	0.06%	46 807 563	0%
Total guarantees	3 133 776 126	4%	2 849 843 046	6%
Loan commitments:				
Agriculture	1 184 716 731	1%	1 014 993 182	2%
Mining	43 765 562	0%	43 765 562	0%
Manufacturing	1 234 632 807	2%	298 916 260	1%
Distribution	578 052 049	1%	1 324 835 807	2%
Construction	6 396 893	0%	18 352 037	0%
Transport	1 200 847 525	2%	189 627 818	0%
Communication	40 649 141	0%	40 649 141	0%
Services	2 568 063 257	3%	2 568 063 257	3%
Financial Services	6 022 065	0%	116 846 155	0%
Total loan commitments	6 864 150 030	9%	2 504 910 185	5%
	6 864 150 030	9%	6 864 150 030	9%
	728 680 207	5%	728 680 207	5%

4.6 Finance lease receivables

Loans and advances to customers include the following finance lease receivables for leases of certain equipment where the Group is the lessor:

	Inflation adjusted		Unaudited Historical cost	
	31 Dec 2022 ZWS	31 Dec 2021 ZWS	31 Dec 2022 ZWS	31 Dec 2021 ZWS
Gross investment in finance leases:				
Maturing within 1 year	1 433 065 020	5 244 166 974	1 433 065 020	1 525 532 013
Maturing after 1 year	9 660 162 816	7 052 084 584	9 660 162 816	2 051 456 570
Gross investment in finance leases	11 093 227 836	12 296 251 558	11 093 227 836	3 576 988 583
Unearned finance charges	(8 378 192 502)	(7 649 666 905)	(8 378 192 502)	(2 225 293 704)
Net investment in finance leases	2 715 035 334	4 646 584 653	2 715 035 334	1 351 694 879
Maturing within 1 year	427 547 783	2 134 672 305	427 547 783	620 977 737
Maturing after 1 year	2 287 487 551	2 511 912 348	2 287 487 551	730 717 142
	2 715 035 334	4 646 584 653	2 715 035 334	1 351 694 879
5. INVESTMENT PROPERTIES				
Made up as follows:				
Land stock held for capital appreciation and completed properties available for lease:				
Residential	7 591 318 166	1 232 598 171	7 591 318 166	358 563 710
Commercial				



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8. INTANGIBLE ASSETS

	Inflation adjusted		Unaudited Historical cost	
	31 Dec 2022 ZWS	31 Dec 2021 ZWS	31 Dec 2022 ZWS	31 Dec 2021 ZWS
Computer software				
Carrying amount at beginning of year	695 956 323	1 194 610 537	22 206 622	28 389 024
Additions at cost	1 087 133 944	37 715 405	691 561 685	10 358 475
Reversal of cancelled projects	-	(35 577 734)	-	(1 385 883)
Amortisation	(213 755 015)	(174 910 560)	(8 171 322)	(1 644 934)
Reclassification to equipment	-	(325 881 325)	-	(13 510 060)
Impairment	(102 802 673)	-	(2 192 314)	-
Balance at end of year	1 466 532 579	695 956 323	703 404 671	22 206 622

9. DEPOSITS AND OTHER ACCOUNTS

9.1 Summary of deposits by type	Inflation adjusted		Unaudited Historical cost	
	31 Dec 2022 ZWS	% Contribution	31 Dec 2021 ZWS	% Contribution
Balances of banks	3 922 054 654	1 683 427 552	3 922 054 654	489 710 308
Current accounts	15 857 450 583	18 086 823 989	15 857 450 583	5 261 470 343
Savings and call accounts	80 441 208 461	38 928 723 005	80 441 208 461	11 324 394 029
Fixed deposits	8 989 549 137	8 917 524 295	8 989 549 137	2 594 114 348
9.2 Maturity analysis	109 210 262 835	67 616 498 841	109 210 262 835	19 669 689 027
On demand	97 956 090 356	47 366 915 683	97 956 090 356	13 779 070 458
Within 1 month	3 054 318 231	18 597 089 559	3 054 318 231	5 409 906 971
Between 1 and 6 months	8 032 735 138	551 302 294	8 032 735 138	160 374 241
Between 6 and 12 months	150 149 071	1 020 622 367	150 149 071	296 899 794
After 12 months	16 970 040	80 568 938	16 970 040	23 437 563
Total	109 210 262 835	67 616 498 841	109 210 262 835	19 669 689 027

9.3 Deposit concentration	Inflation adjusted		Unaudited Historical cost	
	31 Dec 2022 ZWS	% Contribution	31 Dec 2021 ZWS	% Contribution
Private individuals	18 658 986 903	17%	10 849 147 705	16%
Agriculture	5 880 137 408	5%	3 559 026 936	5%
Mining	2 450 824 504	2%	681 453 716	1%
Manufacturing	5 911 603 684	5%	2 838 053 247	4%
Distribution	3 026 337 835	4%	1 027 501 432	3%
Construction	1 284 960 325	1%	852 321 302	1%
Transport	585 085 764	1%	1 035 140 265	2%
Services	48 439 090 709	44%	28 934 042 373	43%
Financial	13 349 374 649	12%	8 393 501 673	12%
Communication	8 723 960 054	8%	8 446 310 192	12%
Total	109 210 262 835	100%	67 616 498 841	100%

9.4 Secured and unsecured deposits analysis	Inflation adjusted		Unaudited Historical cost	
	31 Dec 2022 ZWS	31 Dec 2021 ZWS	31 Dec 2022 ZWS	31 Dec 2021 ZWS
Secured deposits	-	-	-	-
Unsecured deposits	109 210 262 835	67 616 498 841	109 210 262 835	19 669 689 027
Total	109 210 262 835	67 616 498 841	109 210 262 835	19 669 689 027

10. LEASE LIABILITIES

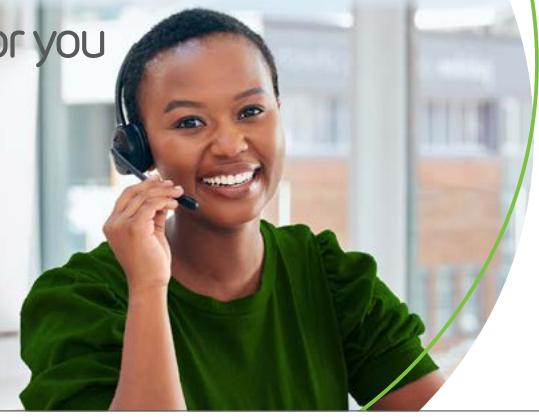
Balance at the beginning of year	411 437 741	384 450 727	119 687 540	69 577 553
Add finance cost posted to profit or loss	409 713 988	236 909 950	309 586 388	19 538 243
Exchange gains	(2 138 786 358)	(151 859 862)	690 680 746	31 108 045
Less lease liability payments during the year	(574 353 928)	(308 195 884)	(384 558 281)	(69 639 836)
Lease modifications	(4 245 979 728)	284 000 251	86 737 877	69 103 535
Effects of inflation adjustment	6 960 102 579	(33 147 441)	-	-
Balance at end of year	822 134 270	411 437 741	822 134 270	119 687 540
Maturing within 1 year	164 426 854	82 287 548	164 426 854	23 937 508
Maturing after 1 year	1 067 421 404	329 150 193	1 067 421 404	95 750 032
Total	1 231 848 258	411 437 741	1 231 848 258	119 687 540

11. LONG TERM BORROWINGS

Comprising of:				
Face value of loan	20 000 000	68 751 975	20 000 000	20 000 000
Valuation discount	(2 204 945)	(10 492 682)	(2 204 945)	(3 052 329)
Balance at end of year	17 795 055	58 259 293	17 795 055	16 947 671
Valuation discount:				
Balance at beginning of the year	10 492 682	21 324 896	3 052 329	3 859 361
Amortisation during the year	(1 265 604)	(3 579 919)	(847 384)	(807 032)
Effects of inflation adjustment	(7 022 133)	(7 252 295)	-	-
Balance at end of year	2 204 945	10 492 682	2 204 945	3 052 329

12. ACQUISITION OF A SUBSIDIARY

On 31 December 2022, the Group acquired 18.01% of the shares and voting interests in Mashonaland Holdings Limited (Mash) through the acquisition of shares from other shareholders. As a result, the Group's equity interest in Mash increased from 32.58% to 50.59%, granting it control of Mash and subsequently, became a subsidiary of the Group.			
The principal activities of Mash are property research & development and management.			
12.3.1 Consideration transferred			
Total consideration transferred was cash amounting to ZW\$3 602 565 002 (unaudited historical cost: ZW\$ 3 446 947 365).			
12.3.2 Acquisition-related costs			
Acquisition-related costs were not material and charged to profit or loss.			
12.3.3 Revenue and Profit contribution			
The revenue and profit contribution from the new acquisition were immaterial.			
Had the acquired business been consolidated from 1 January 2022, the Group's consolidated revenue and consolidated profit for the year ended 31 December 2022 would have been ZW\$22 420 980 875 (unaudited historical cost: ZW\$57 586 912 255) and ZW\$17 245 756 852 (unaudited historical cost: ZW\$20 073 925 697) respectively.			
12.3.4 Identifiable assets acquired and liabilities assumed			
The following table summarises the recognised amounts of acquired assets and liabilities assumed at the date of acquisition.			
Inflation adjusted	Unaudited Historical cost		
31 Dec 2022 ZWS	31 Dec 2021 ZWS	31 Dec 2022 ZWS	31 Dec 2021 ZWS
Total identifiable assets acquired			



Audited Financial Results for the year ended 31 December 2022



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19.2.2 Liquidity risk (continued)

Liquidity gap analysis as at 31 December 2022

The tables below set out the remaining contractual maturities of the Group's financial assets and financial liabilities.

	Unaudited Historical cost					
	Up to 1 month ZW\$	2 to 6 months ZW\$	7 to 12 months ZW\$	Above 12 months ZW\$	Total ZW\$	Carrying amount ZW\$
FINANCIAL ASSETS BY TYPE:						
Cash and cash equivalents	48 104 372 434	870 891 791	12 740 087 484	-	61 715 351 709	61 715 351 709
Trade and other receivables	8 479 007 315	2 704 784 101	-	11 183 791 416	11 183 791 416	
Treasury bills	-	7 154 283 826	10 048 178 578	17 202 462 404	16 762 999 294	
Mortgages and other advances	10 369 789 270	14 536 989 278	38 817 520 492	67 544 485 777	131 268 784 817	64 869 704 742
Financial assets held at fair value through profit or loss	-	-	15 994 026 238	15 994 026 238	15 994 026 238	
Financial assets held at amortised cost	-	-	1 107 018 423	1 107 018 423	1 107 018 423	
Loan commitments	6 864 150 030	-	-	6 864 150 030	6 864 150 030	
	73 817 319 049	25 266 948 996	51 557 607 976	94 693 709 016	245 335 585 037	178 497 041 852
FINANCIAL LIABILITIES BY TYPE:						
Deposits and other accounts	(6 979 444 115)	(193 255 173)	(153 950)	(108 015 476 544)	(115 188 329 782)	(109 210 262 835)
Trade and other payables	(23 284 164 813)	(6 792 509 518)	(30 000 000)	-	(30 106 674 331)	(30 106 674 331)
Long term loan	-	-	(20 000 000)	(20 000 000)	(17 795 055)	
Offshore borrowings	-	(6 742 509 518)	-	(6 742 509 518)	(6 714 466 000)	
Lease liabilities	(13 702 238)	(68 511 189)	(82 213 427)	(1 067 421 404)	(1 231 848 258)	(822 134 270)
	(30 277 311 166)	(13 796 785 398)	(112 367 377)	(109 102 897 948)	(153 289 361 889)	(146 871 332 491)
Period gap	43 540 007 883	11 470 163 598	51 445 240 599	(14 409 188 932)	92 046 223 148	31 625 709 361
Cumulative gap	43 540 007 883	55 010 171 481	106 455 412 080	92 046 223 148	-	-

Liquidity gap analysis as at 31 December 2021

The tables below set out the remaining contractual maturities of the Group's financial assets and financial liabilities.

	Unaudited Historical cost					
	Up to 1 month ZW\$	2 to 6 months ZW\$	7 to 12 months ZW\$	Above 12 months ZW\$	Total ZW\$	Carrying amount ZW\$
FINANCIAL ASSETS BY TYPE:						
Cash and cash equivalents	8 215 980 305	45 356 181	1 450 741 716	-	9 712 078 202	9 712 078 202
Trade and other receivables	1 494 345 380	498 115 126	-	-	1 992 460 506	1 992 460 506
Treasury bills	101 093 151	1 436 013 199	766 976 857	207 141 172	2 511 224 379	2 410 330 922
Mortgages and other advances	1 360 289 290	1 850 034 205	10 113 599 346	15 143 143 158	28 467 065 999	12 232 917 414
Financial assets held at fair value through profit or loss	-	-	-	4 074 467 484	4 074 467 484	
Financial assets held at amortised cost	-	-	-	4 074 467 484	4 074 467 484	
Loan commitments	-	69 896 797	-	521 270 562	591 167 359	591 167 359
	728 680 207	-	-	-	728 680 207	728 680 207
	11 900 388 333	3 899 415 508	12 331 317 919	19 946 022 376	48 077 144 136	31 742 102 094
FINANCIAL LIABILITIES BY TYPE:						
Deposits and other accounts	(1 080 628 318)	(273 149 424)	(9 592 694)	(19 846 634 216)	(21 210 004 652)	(19 669 689 027)
Trade and other payables	(4 007 040 076)	(132 401 664)	(112 401 669)	-	(4 251 843 409)	(4 251 843 409)
Long term loan	-	-	-	(20 000 000)	(20 000 000)	(16 947 671)
Offshore borrowings	-	(82 401 664)	(82 401 669)	(506 279 827)	(671 083 160)	(657 911 243)
Short term borrowings	-	-	(512 438 356)	-	(512 438 356)	(403 331 507)
Lease liabilities	(1 994 792)	(9 973 962)	(11 968 754)	(164 667 310)	(188 604 818)	(119 687 540)
	(5 089 663 186)	(497 926 714)	(728 803 142)	(20 537 581 353)	(26 853 974 395)	(25 119 410 397)
Period gap	6 810 725 147	3 401 488 794	11 602 514 777	(591 558 977)	21 223 169 741	6 622 691 697
Cumulative gap	6 810 725 147	10 212 213 941	21 814 728 718	21 223 169 741	-	-

	Inflation adjusted		Unaudited Historical cost	
	31 Dec 2022 ZW\$	31 Dec 2021 ZW\$	31 Dec 2022 ZW\$	31 Dec 2021 ZW\$
Liquidity ratios				
Total liquid assets	78 478 351 003	41 671 978 716	78 478 351 003	12 122 409 124
Total liabilities to the public	109 210 262 835	67 616 498 841	109 210 262 835	19 669 689 027
Liquidity ratio	71.86%	61.63%	71.86%	61.63%
Average for the year	59%	87%	59%	87%
Maximum for the year	51%	89%	51%	89%
Minimum for the year	69%	71%	69%	71%
Minimum statutory liquidity ratio	30%	30%	30%	30%

Regulated banking operations, ZB Bank Limited and ZB Building Society reported liquidity ratios that were above the minimum regulated ratios as follows:

	Inflation adjusted		Unaudited Historical cost	
	31 Dec 2022 ZW\$	31 Dec 2021 ZW\$	31 Dec 2022 ZW\$	31 Dec 2021 ZW\$
ZB Bank Limited	63%	58%	63%	58%
ZB Building Society	129%	70%	129%	70%

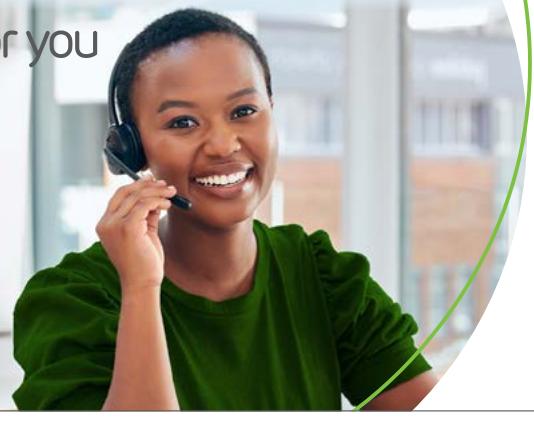
19.2.3 Market risk

Market risk is the risk of losses in on- and off-balance sheet positions arising from movements in market prices. The Group is exposed to market risk through holding interest rate, foreign exchange rate and stock price sensitive positions. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

19.2.3.1 Interest rate gap analysis

Interest rate gap analysis as at 31 December 2022

	Inflation adjusted				
	Up to 1 month ZW\$	2 to 6 months ZW\$	7 to 12 months ZW\$	Above 12 months ZW\$	Carrying amount ZW\$



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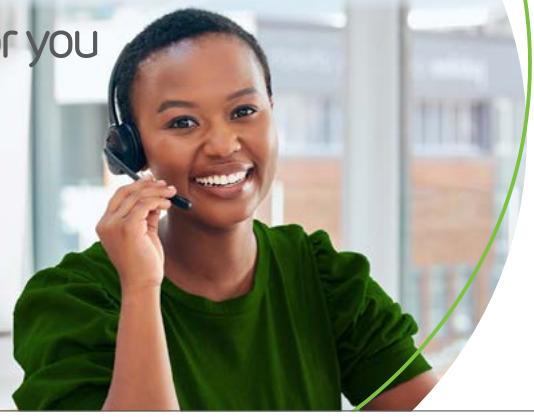
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19.2.4 Internal rating grade

	Inflation adjusted December 2022				Inflation adjusted December 2021			
	STAGE 1 ZWS	STAGE 2 ZWS	STAGE 3 ZWS	TOTAL ZWS	STAGE1 ZWS	STAGE 2 ZWS	STAGE 3 ZWS	TOTAL ZWS
Total loans and advances	65 121 615 539	1 739 388 311	234 745 515	67 095 749 365	41 608 111 272	402 102 643	1 721 697 275	43 731 911 190
Guarantees	3 133 776 126	-	-	3 133 776 126	2 849 843 046	-	-	2 849 843 046
Loan commitments	6 864 150 030	-	-	6 864 150 030	2 504 910 185	-	-	2 504 910 185
Letters of credit	-	-	-	-	-	-	-	-
Treasury bills	16 762 999 294	-	-	16 762 999 294	8 285 750 617	-	-	8 285 750 617
Insurance debtors	1 959 336 533	-	159 223 423	2 118 559 956	716 534 625	-	44 221 597	760 756 222
Other financial assets	220 697 365	-	220 697 365	726 754 881	-	-	726 754 881	
Total financial assets	94 062 574 887	1 739 388 311	393 968 938	96 195 932 136	56 691 904 626	402 102 643	1 765 918 872	58 859 926 141
Total loans and advances	65 121 615 539	1 739 388 311	234 745 515	67 095 749 365	41 608 111 272	402 102 643	1 721 697 275	43 731 911 190
Good (AAAto-BBB-)	65 108 137 842	27 295 032	4 184 162	65 139 617 036	41 595 881 928	16 997 180	4 534 001	41 617 413 109
Special Mention (BB+toCCC-)	13 477 697	1 712 093 279	389 259	1 725 960 235	385 105 463	509 057	397 843 864	
Non performing (CCTOD)	-	-	230 172 094	230 172 094	-	-	1 716 654 217	1 716 654 217
Total loans and advances	65 121 615 539	1 739 388 311	234 745 515	67 095 749 365	41 608 111 272	402 102 643	1 721 697 275	43 731 911 190
Corporate Lending	43 068 701 176	-	-	43 068 701 176	19 234 032 633	-	-	19 234 032 633
Good (AAAto-BBB-)	-	1 348 278 989	-	1 348 278 989	-	123 175 386	-	123 175 386
Special Mention (BB+toCCC-)	-	-	28 896 398	28 896 398	-	-	1 624 740 269	1 624 740 269
Total corporate lending	43 068 701 176	1 348 278 989	28 896 398	44 445 876 563	19 234 032 633	123 175 386	1 624 740 269	20 981 948 288
Small business Lending	2 893 642 594	156 981	31 305	2 893 830 880	1 342 485 734	10 835	38 058	1 342 534 627
Good (AAAto-BBB-)	-	19 203 609	2 463	19 206 072	-	121 430 396	-	121 430 396
Special Mention (BB+toCCC-)	-	-	80 768 844	80 768 844	-	-	13 335 133	13 335 133
Total small business Lending	2 893 642 594	19 360 590	80 802 612	2 993 805 796	1 342 485 734	121 441 231	13 373 191	1 477 300 156
Consumer Lending	17 058 718 101	27 138 051	4 152 187	17 090 008 339	19 940 851 728	16 546 961	4 495 943	19 961 894 632
Good (AAAto-BBB-)	13 477 697	252 954 414	386 796	266 819 907	12 229 344	139 480 749	509 057	152 219 150
Special Mention (BB+toCCC-)	-	-	110 280 372	110 280 372	-	-	40 217 640	40 217 640
Total consumer lending	17 072 195 798	280 092 465	114 819 355	17 467 107 618	19 953 081 072	156 027 710	45 222 640	20 154 331 422
Mortgage Lending	2 087 075 971	-	670	2 087 076 641	1 078 511 833	439 384	-	1 078 951 217
Good (AAAto-BBB-)	-	91 656 267	-	91 656 267	-	1 018 932	-	1 018 932
Special Mention (BB+toCCC-)	-	-	10 226 480	10 226 480	-	-	38 361 175	38 361 175
Total Mortgage Lending	2 087 075 971	91 656 267	10 227 150	2 188 959 388	1 078 511 833	1 458 316	38 361 175	1 118 331 324
Guarantees	3 133 776 126	-	-	3 133 776 126	2 849 843 046	-	-	2 849 843 046
Loan commitments	6 864 150 030	-	-	6 864 150 030	2 504 910 185	-	-	2 504 910 185
Good (AAAto-BBB-)	-	-	-	-	-	-	-	-
Special Mention (BB+toCCC-)	-	-	-	-	-	-	-	-
Non performing (CCTOD)	-	-	-	-	-	-	-	-
Total loan commitments	6 864 150 030	-	-	6 864 150 030	2 504 910 185	-	-	2 504 910 185
Letters of Credit	Good (AAAto-BBB-)	-	-	-	-	-	-	-
Good (AAAto-BBB-)	-	-	-	-	-	-	-	-
Special Mention (BB+toCCC-)	-	-	-	-	-	-	-	-
Non performing (CCTOD)	-	-	-	-	-	-	-	-
Total letters of credit	-	-	-	-	-	-	-	-
Other financial assets	Bonds	Good (AAA to BBB)	-	-	-	-	-	-
Bonds	220 697 365	-	-	220 697 365	726 754 881	-	-	726 754 881
Total other financial assets	220 697 365	-	-	220 697 365	726 754 881	-	-	726 754 881

	Unaudited Historical cost December 2022				Unaudited Historical cost December 2021			
	STAGE 1 ZWS	STAGE 2 ZWS	STAGE 3 ZWS	TOTAL ZWS	STAGE1 ZWS	STAGE 2 ZWS	STAGE 3 ZWS	TOTAL ZWS
Total loans and advances	65 121 615 539	1 739 388 311	234 745 515	67 095 749 365	12 103 830 038	116 971 953	500 842 998	12 721 644 989
Guarantees	3 133 776 126	-	-	3 133 776 126	829 021 429	-	-	829 021 429
Loan commitments	6 864 150 030	-	-	6 864 150 030	728 680 207	-	-	728 680 207
Letters of credit	-	-	-	-	-	-	-	-
Treasury bills	16 762 999 294	-	-	16 762 999 294	2 410 330 922	-	-	2 410 330 922
Insurance debtors	1 959 336 533	-	159 223 423	2 118 559 956	208 440 447	-	12 864 095	221 304 542
Other financial assets	220 697 365	-	-	220 697 365	211 413 527	-	-	211 413 527
Total financial assets	94 062 574 887	1 739 388 311	393 968 938	96 195 932 136	16 491 716 570	116 971 953	513 707 093	17 122 395 616
Total loans and advances	65 121 615 539	1 739 388 311	234 745 515	67 095 749 365	12 103 830 038	116 971 953	500 842 998	12 721 644 989
Good (AAAto-BBB-)	65 108 137 842	27 295 032	4 184 162	65 139 617 036	12 100 272 513	4 944 492	1 318 944	1



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NOTES TO CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (Continued)

19.2.4 Internal rating grade (continued)

An analysis of changes in the gross carrying amount are as follows:

	Inflation adjusted December 2022			Inflation adjusted December 2021				
	STAGE 1 ZWS	STAGE 2 ZWS	STAGE 3 ZWS	TOTAL ZWS	STAGE1 ZWS	STAGE 2 ZWS	STAGE 3 ZWS	TOTAL ZWS
Total loans and advances	65 121 615 539	1 739 388 311	234 745 515	67 095 749 365	41 608 111 273	402 102 643	1 721 697 275	43 731 911 191
Guarantees	3 133 776 126	-	-	3 133 776 126	2 849 843 046	-	-	2 849 843 046
Loan commitments	6 864 150 030	-	-	6 864 150 030	2 504 910 185	-	-	2 504 910 185
Treasury bills	16 762 999 294	-	-	16 762 999 294	8 285 750 617	-	-	8 285 750 617
Insurance debtors	1 959 336 533	-	159 223 423	2 118 559 956	716 534 625	-	44 221 597	760 756 222
Other financial assets	220 697 365	-	-	220 697 365	726 754 880	-	-	726 754 880
Total financial assets	94 062 574 887	1 739 388 311	393 968 938	96 195 932 136	56 691 904 626	402 102 643	1 765 918 872	58 859 926 141

Balance at beginning of year	56 691 904 626	402 102 643	1 765 918 872	58 859 926 141	23 905 467 293	1 857 605 873	152 816 267	26 915 889 433
Effects of inflation adjustments	(40 200 188 056)	(285 130 690)	(1 252 211 779)	(41 737 530 252)	(9 033 073 122)	(1 079 793 272)	(57 744 134)	(10 170 610 528)
New assets	88 373 511 474	1 674 654 988	322 395 287	90 370 561 749	51 322 038 666	94 667 555	28 822 203	51 445 528 424
Repayments	(10 721 057 402)	(85 337 178)	(42 138 859)	(10 848 533 439)	(8 565 541 852)	(669 239 206)	(94 579 989)	(9 329 361 047)
Stage reassessments	-	-	-	-	-	-	-	-
Stage 1	-	44 548 931	37 046 824	81 595 755	-	(130 995 896)	1 067 982 255	936 886 359
Stage 2	(44 548 931)	-	11 450 383	(33 098 548)	130 995 896	-	670 142 411	801 138 307
Stage 3	(37 046 824)	(11 450 383)	-	(48 497 207)	(1 067 982 255)	(670 142 411)	-	(1 738 124 666)
Write-offs	-	-	(448 491 790)	(448 491 790)	-	-	(1 520 141)	(1 520 141)
Balance at end of year	94 062 574 887	1 739 388 311	393 968 938	96 195 932 136	56 691 904 626	402 102 643	1 765 918 872	58 859 926 141

An analysis of changes in the ECLs are as follows:

	Inflation adjusted December 2022			Inflation adjusted December 2021				
	STAGE 1 ZWS	STAGE 2 ZWS	STAGE 3 ZWS	TOTAL ZWS	STAGE1 ZWS	STAGE 2 ZWS	STAGE 3 ZWS	TOTAL ZWS
Total loans and advances	3 711 735 280	395 918 398	77 727 478	4 185 381 156	678 109 747	106 189 420	1 612 284 769	2 396 583 936
Insurance debtors	-	-	159 223 423	159 223 423	-	-	44 221 596	44 221 596
Total Loans and other advances	3 711 735 280	395 918 398	236 950 901	3 444 604 579	678 109 747	106 189 420	1 656 506 365	2 440 605 532
In respect of guarantees	315 142 226	-	-	315 142 226	131 584 536	-	-	131 584 536
In respect of Loan commitments	-	-	-	-	-	-	-	-
In respect of other financial assets	26 134 882	-	-	26 134 882	5 458 701	-	-	5 458 701
Total impairment allowances	6 591 447	-	-	6 591 447	45 084 772	-	-	45 084 772
Balance at beginning of year	860 237 757	106 189 420	1 656 506 365	2 622 933 542	688 005 744	719 136 004	130 190 954	1 537 332 702
Effects of inflation adjustments	(609 993 646)	(75 298 840)	(1 174 627 450)	(1 859 920 254)	(259 974 256)	(271 737 342)	(49 194 790)	(580 906 388)
New assets	4 270 035 672	377 699 860	203 549 363	4 851 284 895	1 719 215 438	137 200 737	237 873 860	2 094 390 035
Repayments	(434 389 533)	(23 166 785)	(15 851 092)	(473 407 410)	(348 800 717)	(42 446 889)	(35 554 458)	(426 802 064)
Stage reassessments	-	-	-	-	-	-	-	-
Stage 1	-	13 916 351	12 369 746	26 286 097	-	(7 168 738)	945 477 190	938 088 452
Stage 2	(13 916 351)	-	3 421 608	(10 494 743)	7 168 738	-	428 794 352	435 493 090
Stage 3	(12 369 746)	(3 421 608)	-	(15 791 354)	(945 477 190)	(428 794 352)	-	(1 741 271 542)
Write-offs	-	-	(448 417 639)	(448 417 639)	-	(1 080 743)	-	(1 080 743)
Balance at end of year	4 059 603 835	395 918 398	236 950 901	4 692 473 134	860 237 757	106 189 420	1 656 506 365	2 622 933 542

An analysis of changes in the gross carrying amount are as follows:

	Unaudited Historical cost December 2022			Unaudited Historical cost December 2021				
	STAGE 1 ZWS	STAGE 2 ZWS	STAGE 3 ZWS	TOTAL ZWS	STAGE1 ZWS	STAGE 2 ZWS	STAGE 3 ZWS	TOTAL ZWS
Total loans and advances	65 121 615 539	1 739 388 311	234 745 515	67 095 749 365	12 103 830 038	116 971 953	500 842 998	12 721 644 989
Guarantees	3 133 776 126	-	-	3 133 776 126	829 021 429	-	-	829 021 429
Loan commitments	6 864 150 030	-	-	6 864 150 030	728 680 207	-	-	728 680 207
Treasury bills	16 762 999 294	-	-	16 762 999 294	2 410 330 922	-	-	2 410 330 922
Insurance debtors	1 959 336 533	-	159 223 423	2 118 559 956	208 440 447	-	12 864 099	221 304 542
Other financial assets	220 697 365	-	-	220 697 365	211 413 527	-	-	211 413 527
Total financial assets	94 062 574 887	1 739 388 311	393 968 938	96 195 932 136	16 491 716 570	116 971 953	513 707 093	17 122 395 616
Balance at beginning of year	16 491 716 570	116 971 953	513 707 093	17 122 395 616	4 326 390 355	517 166 987</td		



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NOTES TO CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (Continued)

19.2 Corrective orders and regulatory penalties

The Group dealt with all governance issues which were the subject of a Corrective Order issued by the Reserve Bank of Zimbabwe (RBZ) on 7 March, 2017 and reviewed in March 2018, and the Corrective Order was lifted on the 9th of December 2022, after a satisfactory review by the regulator.

19.3 Insurance operations

In terms of paragraph 3 of Statutory Instrument 206 of 2021, Amendment Regulations of 2021 (Number 22), paragraph 11B (1) was inserted to the principal regulations of the Insurance Act (Chapter 24:07) with the effect of setting the minimum prescribed assets ratios for insurers at the rate of 15% of the market value of total adjusted assets in the case life assurance businesses and 10% of the market value of total adjusted assets in the case of short-term re-insurance businesses.

ZB Life Assurance Limited did not comply with these ratios throughout 2022, closing the year with ratio at 6.01% (2021: 0.81%). As further required by paragraph 11B sub-section 4, ZB Life Assurance has collaborated with the Insurance and Pensions Commissions (IPEC) on the non-compliance as required by the Regulations, and provided a roadmap to remedy the non-compliance which is being tracked on a monthly basis. Compliance has been affected by the shortage of qualifying assets on the market. Furthermore, the ratio have been impacted on by an inflationary growth in the value of assets. The non-compliance persisted up to the date of release of these financial statements. No penalties have been levied on ZB Life Assurance Limited for the non-compliance.

ZB Reinsurance complied with this requirement as at 31 December 2022 with a ratio of 10% (2021: 11%).

19.4 Other compliance issues

The directors are not aware of any other material cases of non-compliance with regulations governing the operations of all companies within the Group.

20. SUBSEQUENT EVENTS

As at 31 December 2022, ZB Building Society was not compliant with the new Reserve Bank of Zimbabwe's minimum capital requirements. The target was to finalise the consolidation of the banking and building society operations, by merging ZB Building Society and Intermarket Banking Corporation (property owning company) into ZB Bank Limited during 2022, but the transaction has taken longer than anticipated, as the transaction is yet to get the shareholders consent and approval. Reserve Bank of Zimbabwe in its February Monetary Policy Statement did further extend the compliance date to 31 December 2023 for non-compliant banking institutions. The Group is confident that the non-compliance by the Society will be remedied by consolidating ZB Building Society and Intermarket Banking Corporation Limited net assets and operations into the Bank before 31 December 2023.

The Directors are confident that the Society will meet the regulatory minimum capital requirements either through the proposed consolidation of the Society's operations with the rest of ZB Financial Holdings Limited's banking operations or through organic growth and capital injection as required and committed to in a letter of support provided by ZB Financial Holdings Limited to the Society.

21. GOING CONCERN

The Board undertakes regular assessment of whether the Company and its subsidiaries is a going concern in the light of current economic conditions and all available information about future risks and uncertainties.

The Monetary Policy Committee of the Reserve Bank of Zimbabwe, revised minimum capital requirements for banking institutions which became effective from 31 December 2021. The revised limit for Tier 1 Banks is the ZW\$ equivalent of US\$30m and for Building Societies is the ZW\$ equivalent of US\$20m reckoned with reference to the exchange rate ruling at that time.

A rearrangement of capital resources through the restructuring of the Group's banking operations namely ZB Bank Limited and ZB Building Society is planned for the optimisation of capital resources and also address possible capital strain at a solo level for the subsidiaries. The Group will ensure that it continues to support the ZB Building Society operations to meet the minimum capital requirements.

The projections for the Group have been prepared, covering its future performance, capital and liquidity for a period of 12 months from the date of approval of these financial statements including performing sensitivity analysis. These analysis have taken into account the ongoing developments related to the COVID-19 pandemic and do not reflect the possibility of a strain that can affect the continuation of operations in their current state.

Whilst aggregate risk has been assessed as a whole, risks in the following areas continue to remain under close monitoring as a result of the continuation of the COVID-19 pandemic:

- a) Credit Risk – changed operating models and market dynamics may affect the ability of borrowers to service their obligations. The Group may be forced to consider loan forbearance to mitigate the risk of loss.
- b) Liquidity Risk – During the year, the market continued to have excess liquidity and the Group has not been affected by this risk. For any mismatches that may arise between assets and liabilities due to changed business models for suppliers of critical funding, the Group will maintain a significant liquidity buffer in the short-term. This may affect asset creation activities in the short-term period
- c) Insurance Risk – funeral insurance claims remained very low on individual life products despite the advent of COVID-19. There was also an improvement in the claims experience for 2022 where the overall claims ratio came down to 32% compared to 30% in 2021. Current claims levels have been in line with expected trends.

NOTES TO CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (Continued)

21. GOING CONCERN (continued)

- d) Market risk – the valuation of equity investments maybe affected through an unfavourable underlying performance fundamentals as a result of COVID-19 and the difficult operating environment. This may have an effect of reducing the carrying value for investments designated as fair value instruments. The Group does not hold any derivative instruments which may be exposed to secondary risks related to COVID-19 pandemic. Additionally, there may be a market wide requirement to re-price instruments which may affect the Group's investment portfolio of interest rate sensitive instruments. This may result in a repricing gap between assets and liabilities. The Group's interest sensitive liabilities were higher than interest sensitive assets as at 31 December 2022. A market wide increase in interest rates is likely to reduce the Group's net interest earnings in the short-term.

Consequently, the consolidated inflation adjusted financial statements for the year ended 31 December 2022 have been prepared on a going-concern basis.

22. BOARD ATTENDANCE DURING THE YEAR 2022

ENTITY	ZBFH	ZBBL	ZBBS	ZBRE	ZBLA
TOTAL MEETINGS	6	6	4	5	4
P CHIROMO (MRS)	6	X	X	X	X
J MUTEVEDZI	6	X	X	X	X
T SIBANDA (MS)	6	X	X	X	X
A MAKAMURE (MRS)	5	X	X	X	X
***K MAUKAZUVA	5	X	X	X	X
S FUNGURA	6	6	X	5	X
E MUNGONI (MRS)	6	X	X	X	X
L ZEMBE	6	X	X	X	X
P M V WOOD	6	X	X	X	X
S DIMAIRHO	6	X	X	X	X
S A SIBANDA	X	5	X	X	X
P M MATUPIRE	X	6	X	X	X
C MANDIZVIDZA	X	6	X	X	X
G N MAHLANGU (MS)	X	6	X	X	X
****G CHIKOMO (MRS)	X	3	X	X	X
F NYAMBIRI	X	6	X	X	X
*K LANGLEY	X	NIL	X	X	X
P MURENA (MRS)	X	5	X	X	X
E MASINIRE	X	6	X	X	X
O MANDIMIKA	X	X	4	X	X
S K CHIGANZE	X	X	3	X	X
T KAPUMHA	X	X	4	X	X
J KATSIDZIRA	X	X	4	X	X
F B CHIRIMUITA	X	X	X	5	X
B SHUMBA	X	X	X	5	X
P MURAMBINDA (MRS)	X	X	X	5	X
A NYAKONDA	X	X	X	5	X
M SHONIWA (MRS)	X	X	X	5	X
C MASIMBE (MRS)	X	X	X	5	X
E T Z CHIDZONGA	X	X	X	X	4
L MAWIRE (MRS)	X	X	X	X	4
C MAKONI	X	X	X	X	4
A MANGORO	X	X	X	X	4
R DZIMBA-MABVURUNGE (MRS)	X	X	X	X	4
**O PAZVAKAVAMBWA	X	X	X	X	3

*K Langley resigned from the ZBBL Boards with effect from 22 February 2022

**O Pazvakavambwa was appointed to the ZBLA Board with effect from 29 May 2022

***K Maukazuva resigned from the ZBFH Boards with effect from 23 August 2022.

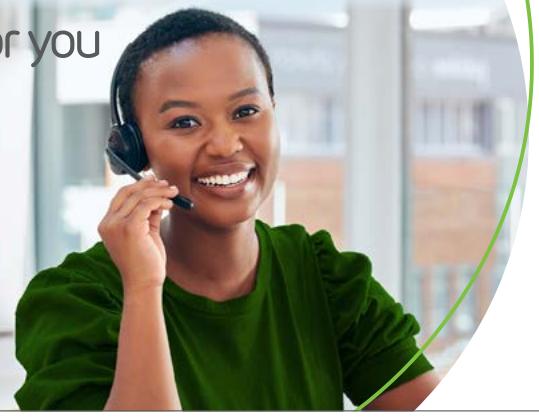
****G Chikomo resigned from the ZBBL with effect from 30 August 2022.

KEY

- | | | |
|------|---|-------------------------------------|
| ZBFH | - | ZB Financial Holdings Limited Board |
| ZBBL | - | ZB Bank Limited Board |
| ZBBS | - | ZB Building Society Board |
| ZBRE | - | ZB Reinsurance Company Board |
| ZBLA | - | ZB Life Assurance Board |

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AUDITED FINANCIAL RESULTS for the year ended 31 December 2022

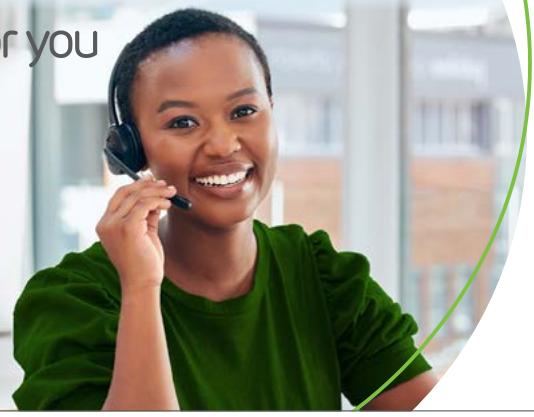
STATEMENT OF FINANCIAL POSITION As at 31 December 2022

Notes	Inflation adjusted		*Unaudited Historical cost		
	31 Dec 2022 ZWS	31 Dec 2021 ZWS	31 Dec 2022 ZWS	31 Dec 2021 ZWS	
ASSETS					
Cash and cash equivalents	1	50 948 126 262	30 260 873 938	50 948 126 262	
Treasury bills	2	16 762 999 295	8 285 750 617	16 762 999 295	
Advances and other accounts	3	63 638 407 221	40 021 778 126	63 638 407 221	
Inventories	4	284 064 167	186 854 152	277 343 553	
Trade and other receivables	5	11 409 057 738	6 486 457 466	11 409 057 738	
Financial assets at fair value through profit or loss	6	8 216 967 339	7 228 386 606	8 216 967 339	
Financial assets held at amortised cost	7	652 589 276	967 032 023	652 589 276	
Investment in subsidiary company	8	21 076 646 584	12 387 825 532	21 076 562 656	
Right of use assets	9	2 183 594 758	1 627 607 937	1 108 645 780	
Intangible assets	10	1 381 328 181	587 672 171	628 356 561	
Property and equipment	11	23 806 139 153	19 249 517 645	23 806 139 153	
Total assets		200 359 919 974	127 289 756 213	198 525 194 834	
LIABILITIES					
Deposits from customers	12	107 487 376 967	67 964 837 457	107 487 376 967	
Offshore borrowings	13	6 714 466 000	2 261 634 883	6 714 466 000	
Trade and other payables	14	21 660 173 247	12 199 198 177	21 660 173 247	
Lease liabilities	15	5 914 043 472	1 341 688 787	5 914 043 472	
Current tax liabilities		425 272 350	144 820 873	425 272 350	
Deferred tax liabilities	16	1 839 374 606	3 829 382 926	1 704 172 100	
Total liabilities		144 040 706 642	87 741 563 103	143 905 504 136	
EQUITY AND RESERVES					
Share capital	25	415 178 768	415 178 768	1 810 402	
Share premium	25	7 558 253 774	7 558 253 774	32 958 032	
Functional currency translation reserve	25	-	-	45 437 973	
Property revaluation reserves	25	23 753 707 081	18 747 155 276	45 437 973	
Investment reserves		(1 684 591 291)	(6 021 691)	(1 684 591 291)	
Retained income		26 276 665 000	12 833 626 983	6 628 648 023	
Total equity		56 319 213 332	39 548 193 110	54 619 690 698	
Total equity and liabilities		200 359 919 974	127 289 756 213	198 525 194 834	
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME					
For the year ended 31 December 2022					
Notes	Inflation adjusted		*Unaudited Historical cost		
	31 Dec 2022 ZWS	31 Dec 2021 ZWS	31 Dec 2022 ZWS	31 Dec 2021 ZWS	
Interest received	17.1	24 174 797 828	12 430 516 490	18 078 001 342	
Interest paid	17.2	(5 424 864 690)	(2 070 405 079)	(4 034 214 924)	
Net interest and related income received		18 749 933 138	10 360 111 411	14 043 786 418	
Loan impairment charges, net of recoveries	18	(6 739 074 679)	(2 059 999 984)	(4 854 228 135)	
Net income from lending activities		12 010 858 459	8 300 111 427	9 189 558 283	
Commission and fee income	19	14 807 692 071	10 791 014 634	10 976 479 988	
Operating income	20	16 310 689 131	3 791 516 041	2 514 743 868	
Fair value adjustments	21	8 778 084 698	9 910 243 245	1 023 081 741	
Total income		51 907 324 359	32 792 885 347	57 615 589 897	
Operating expenses	22	(36 188 098 361)	(24 379 772 773)	(4 352 066 849)	
Operating profit before taxation		15 719 225 998	8 413 112 574	33 388 804 115	
Income tax credit / (expense) Effects of inflation adjustments	23	416 514 399	(383 999 252)	(1 088 681 517)	
Profit for the year		14 522 571 007	6 412 889 604	32 300 122 598	
Other comprehensive income					
Items that will not be reclassified to profit or loss					
Gain on revaluation-property, plant and equipment	11	6 653 312 032	18 349 991 712	15 994 209 967	
Items that may be reclassified to profit or loss					
Fair value gains on FVTOCI financial assets		(2 235 440 457)	189 581	(2 235 440 457)	
Related tax		(1 065 639 209)	(4 536 164 815)	55 149	
Other comprehensive income net of tax		3 352 232 366	13 814 016 478	11 600 689 345	
Total comprehensive income for the year		17 874 803 373	20 226 906 082	43 900 811 943	
Basic earnings per share (ZW cents)		80.22	35.42	178.41	
STATEMENT OF CHANGES IN EQUITY					
For the year ended 31 December 2022					
Notes	Inflation adjusted				
	Share capital ZWS	Share premium ZWS	Property and equipment revaluation reserve ZWS	Financial assets at FVTOCI reserve ZWS	Retained income ZWS
Balance at 1 January 2021	415 178 768	7 558 253 774	4 955 782 063	(9 908 495)	8 754 563 038
Changes in equity for 2021					21 673 869 148
Profit or loss					6 412 889 604
Profit for the year					6 412 889 604
Other comprehensive income, net of tax					13 813 873 761
Revaluation of property					142 717
Fair value gains on financial assets at FVTOCI					-
Distributions					(2 356 326 207)
Dividend to shareholders					(2 356 326 207)
Other movements					-
Transfer to retained income					(22 500 548)
Effects of inflation adjustments					3 744 087
Balance 1 January 2022	415 178 768	7 558 253 774	18 747 155 276	(6 021 691)	12 833 626 983
Changes in equity for 2022					39 548 193 110
Profit or loss					14 522 571 007
Other comprehensive income, net of tax					5 035 071 942
Revaluation of property					(1 682 839 576)
Fair value gains on financial assets at FVTOCI					5 035 071 942
Distributions					(1 108 053 127)
Dividend to shareholders					(1 108 053 127)
Other movements					(28 520 137)
Transfer to retained income					4 269 976
Effects of inflation adjustments					28 520 137
Balance at 31 December 2022	415 178 768	7 558 253 774	23 753 707 081	(1 684 591 291)	26 276 665 000

STATEMENT OF CHANGES IN EQUITY

For the year ended 1 December 2022

	*Unaudited historical cost						
	Share capital ZWS	Share premium ZWS	Functional currency translation reserve ZWS	Property and equipment revaluation reserve ZWS	Financial assets at FVTOCI reserve ZWS	Retained income ZWS	Total ZWS
Balance at 1 January 2021	1 810 402	32 958 032	45 437 973	919 239 238	(1 793 231)	2 808 343 224	3 805 995 638
Changes in equity for 2021							
Profit or loss	-	-	-	-	-	-	4 344 084 822
Other comprehensive income, net of tax	-	-	-	-	-	-	3 636 511 738
Revaluation of property	-	-	-	-	-	-	41 516
Fair value gains on financial assets at FVTOCI	-	-	-	-	-	-	41 516
Distributions	-	-	-	-	-	-	(527 852 152)
Dividend to shareholders	-	-	-				



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NOTES TO THE SEPARATE FINANCIAL STATEMENTS (Continued)

2. TREASURY BILLS (continued)

- The Bank invested in treasury bills issued by the RBZ over a period ranging from 90 days to 9 months which were at rates ranging from 8% to 92% (December 2021: 5% to 21%).
- The Bank purchased treasury bills from the secondary market. These treasury bills have coupon rates ranging from 0% to 5% (December 2021: 5% to 15%) with a maturity period of 2 years to 10 years.
- The Bank received treasury bills as substitution for debt instruments from the Zimbabwe Asset Management Company (ZAMCO). The treasury bills have a coupon rate of 5% (December 2021: 5%) and maturity periods ranging from 4 years to 10 years (December 2021: 3.5 months to 10 years).
- Capitalisation Treasury Bills (CTBs) with a face value of \$20 000 000 were acquired on 26/05/2015 from the Government of Zimbabwe by the holding company, ZB Financial Holdings Limited (ZBFH). The CTBs were then used to recapitalise ZB Bank Limited, a 100% owned subsidiary of ZBFH. The CTBs mature on 26/05/2025 and carry a coupon of 1% which is payable on maturity.

Treasury bills amounting to \$665 078 million (2021: \$1.174 million) and US\$9.033 million (2021: US\$4.114) were used as security for the Bank to access fixed deposits.

2.2 Determination of fair value of treasury bills

The fair value of treasury bills was determined using level 2 inputs due to lack of active market for treasury bills which are classified as "FVTPL". The Bank used the discounted cash flow valuation technique by applying a risk discounted rate for comparable risk profiles on the contractual cash flows in order to determine the present value of the treasury bills.

The CTBs are carried at amortised cost, which cost having been established at fair value at initial recognition using a Discounted Cash Flow valuation technique in which an assessed discount rate of 5% was applied as a proxy for trade on similar instruments.

The fair value of treasury bills classified as FVTPL was determined by discounting the future cash flows at the prevailing Reserve Bank coupon rates which are floated at the time of bidding in order to determine the present value of the treasury bills.

2.3 Impairment assessment of treasury bills

Treasury bills were assessed for ECL in the current year in line with IFRS 9. Treasury bills, being local sovereign exposures have been assessed as "low risk" instruments and there were no defaults recorded in past on all Government Instruments. The amount of ECL was insignificant as such no adjustment for impairment was recognized.

	Inflation adjusted		Unaudited Historical cost	
	31 Dec 2022 ZWS	31 Dec 2021 ZWS	31 Dec 2022 ZWS	31 Dec 2021 ZWS

3. ADVANCES AND OTHER ACCOUNTS

3.1. Loans, overdrafts and other accounts at amortised cost	62 692 032 611	35 254 812 132	62 692 032 611	10 255 650 666
Mortgage loans	2 176 046 601	1 051 068 426	2 176 046 601	305 756 575
*Finance leases	2 715 035 335	4 646 584 656	2 715 035 335	1 351 694 879
Bills discounted	138 277 282	1 394 263 249	138 277 282	405 592 200
Gross advances	67 721 391 829	42 346 728 463	67 721 391 829	12 318 694 320

Off balance sheet exposures

In respect of guarantees

In respect of loan commitments

9 997 926 157 5 514 956 357 9 997 926 157 1 604 304 843

Gross credit exposure

77 719 317 986 47 861 684 820 77 719 317 986 13 922 999 163

Gross advances

Less: Allowance for loan

Impairment

(4 082 984 608) (2 324 950 337) (4 082 984 608) (676 329 756)

Net advances

63 638 407 221 40 021 778 126 63 638 407 221 11 642 364 564

3.2 Maturity analysis

- On demand
- Within 1 month
- Between 1 and 6 months
- Between 6 and 12 months
- After 12 months

2 944 955 461 3 227 323 545 2 944 955 461 938 830 782

1 166 870 363 1 776 347 277 1 166 870 363 516 740 724

12 736 951 314 4 238 656 701 12 736 951 314 1 233 028 338

18 339 842 054 5 698 181 809 18 339 842 054 1 657 605 261

42 530 698 794 32 921 175 488 42 530 698 794 9 576 794 058

77 719 317 986 47 861 684 820 77 719 317 986 13 922 999 163

3.3 Loans and advances by business line:

Corporate lending	56 721 125 386	26 428 241 906	56 721 125 386	7 687 994 923
Small business lending	2 740 647 985	1 468 862 795	2 740 647 985	427 293 263
Consumer lending	16 081 498 014	18 913 511 693	16 081 498 014	5 501 954 402
Mortgage lending	2 176 046 601	1 051 068 426	2 176 046 601	305 756 575
	77 719 317 986	47 861 684 820	77 719 317 986	13 922 999 163

3.4 Mortgage loans

Mortgage advances were spread as follows:

Type of property:

High density

110 073 879 19 462 102 110 073 879 5 661 540

Medium density

113 068 564 21 923 650 113 068 564 6 377 606

Low density

1 267 139 714 990 593 251 1 267 139 714 288 164 302

Commercial

683 764 444 19 089 423 683 764 444 5 553 127

2 176 046 601 1 051 068 426 2 176 046 601 305 756 575

3.5 Finance lease receivables

Gross investment in finance leases:

Maturing within 1 year

1 433 065 020 5 244 166 976 1 433 065 020 1 525 532 013

Maturing after 1 year

9 660 162 816 7 052 084 584 9 660 162 816 2 051 456 570

Gross investment in finance leases

11 093 227 836 12 296 251 560 11 093 227 836 3 576 988 583

Unearned finance charges

(8 378 192 501) (7 649 666 904) (8 378 192 501) (2 225 293 704)

Net investment in finance leases

2 715 035 335 4 646 584 656 2 715 035 335 1 351 694 879

Maturing within 1 year

427 547 783 2 134 672 305 427 547 783 620 977 737

Maturing after 1 year

2 287 487 552 2 511 912 351 2 287 487 552 730 717 142

2 715 035 335 4 646 584 656 2 715 035 335 1 351 694 879

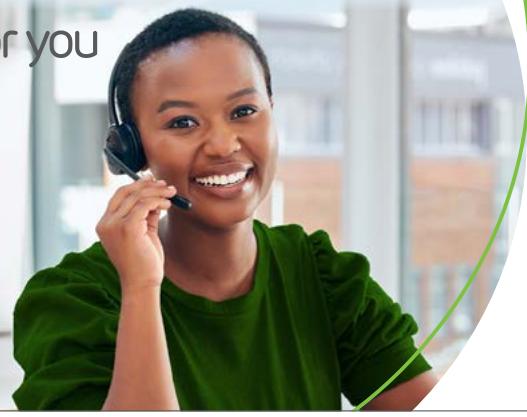
3.6 Sectoral analysis of advances

	Inflation adjusted		Unaudited Historical cost	
	31 Dec 2022 ZWS	% Contribution	31 Dec 2021 ZWS	% Contribution

Private	18 521 403 775	27.35%	20 271 573 346	47.86%
Agriculture	3 106 243 234	4.59%	4 068 731 909	9.61%
Mining	11 446 508 998	16.90%	1 645 691 245	3.89%
Manufacturing	1 999 182 489	2.95%	771 966 230	1.82%
Distribution	6 286 441 935	9.28%	2 455 336 815	5.80%
Construction	251 975 480	0.37%	83 774 047	0.20%
Transport Services	3 715 834 227	5.49%	1 554 000 759	3.67%
Financial	18 129 745 483	26.77%	9 729 182 545	22.98%
Communication	8 066 550	0.01%	172 597 592	0.41%
	67 721 391 829	100%	42 346 728 463	100%

	18 521 403 775	27.35%	20 271 573 346	47.86%

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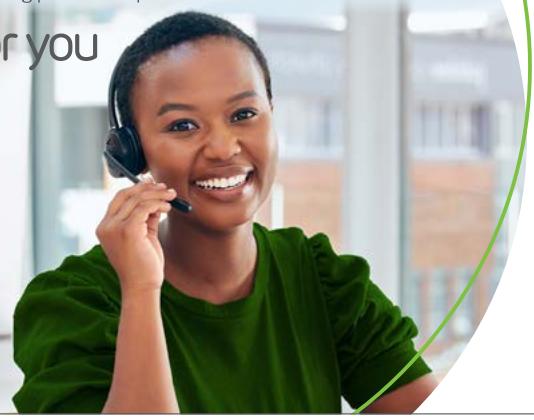
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NOTES TO THE SEPARATE FINANCIAL STATEMENTS (Continued)

3.12 Impairment allowance for loans and advances

	Inflation adjusted							
	ECL STAGE CLASSIFICATION							
	STAGE 1 ZWS	STAGE 2 ZWS	STAGE 3 ZWS	2022 TOTAL ZWS	STAGE 1 ZWS	STAGE 2 ZWS	STAGE 3 ZWS	2021 TOTAL ZWS
3.12.1 Total loans and advances								
Good (AAA to A-)	3 620 441 028	-	-	3 620 441 028	616 211 318	-	-	616 211 318
Special Mention (BBB+ to B-)	-	387 515 232	-	387 515 232	-	101 983 460	-	101 983 460
Non performing (CC TO D)	-	-	75 028 348	75 028 348	-	1 606 755 559	1 606 755 559	
TOTAL	3 620 441 028	387 515 232	75 028 348	4 082 984 608	616 211 318	101 983 460	1 606 755 559	2 324 950 337
Corporate Lending								
Good (AAA to A-)	2 849 835 271	-	-	2 849 835 271	28 857 816	-	-	28 857 816
Special Mention (BBB+ to B-)	-	296 643 087	-	296 643 087	-	19 016 754	-	19 016 754
Non performing (CCTO D)	-	-	8 935 369	8 935 369	-	1 581 839 329	1 581 839 329	
TOTAL	2 849 835 271	296 643 087	8 935 369	3 155 413 727	28 857 816	19 016 754	1 581 839 329	1 629 713 899
Small business Lending								
Good (AAA to A-)	156 160 214	-	-	156 160 214	76 669 436	-	-	76 669 436
Special Mention (BBB+ to B-)	-	777 578	-	777 578	-	48 485 815	-	48 485 815
Non performing (CC TO D)	-	-	29 454 771	29 454 771	-	2 917 046	2 917 046	
TOTAL	156 160 214	777 578	29 454 771	186 392 563	76 669 436	48 485 815	2 917 046	128 072 297
Consumer Lending								
Good (AAA to A-)	559 075 984	-	-	559 075 984	484 714 167	-	-	484 714 167
Special Mention (BBB+ to B-)	-	62 694 707	-	62 694 707	-	34 228 544	-	34 228 544
Non performing (CC TO D)	-	-	35 537 640	35 537 640	-	19 475 092	19 475 092	
TOTAL	559 075 984	62 694 707	35 537 640	657 308 331	484 714 167	34 228 544	19 475 092	538 417 803
Mortgage Lending								
Good (AAA to A-)	55 369 559	-	-	55 369 559	25 969 899	-	-	25 969 899
Special Mention (BBB+ to CCC-)	-	27 399 860	-	27 399 860	-	252 347	-	252 347
Non performing (CC TO D)	-	-	1 100 568	1 100 568	-	2 524 092	2 524 092	
TOTAL	55 369 559	27 399 860	1 100 568	83 869 987	25 969 899	252 347	2 524 092	28 746 338
Unaudited Historical cost								
	STAGE 1 ZWS	STAGE 2 ZWS	STAGE 3 ZWS	2022 TOTAL ZWS	STAGE 1 ZWS	STAGE 2 ZWS	STAGE 3 ZWS	2021 TOTAL ZWS
3.12.1 Total loans and advances								
Good (AAA to A-)	3 620 441 028	-	-	3 620 441 028	179 256 324	-	-	179 256 324
Special Mention (BBB+ to CCC-)	-	387 515 232	-	387 515 232	-	29 667 063	-	29 667 063
Non performing (CC TO D)	-	-	75 028 348	75 028 348	-	467 406 369	467 406 369	
TOTAL	3 620 441 028	387 515 232	75 028 348	4 082 984 608	179 256 324	29 667 063	467 406 369	676 329 756
Corporate Lending								
Good (AAA to A-)	2 849 835 271	-	-	2 849 835 271	8 394 760	-	-	8 394 760
Special Mention (BBB+ to CCC-)	-	296 643 087	-	296 643 087	-	5 531 988	-	5 531 988
Non performing (CC TO D)	-	-	8 935 369	8 935 369	-	460 158 219	460 158 219	
TOTAL	2 849 835 271	296 643 087	8 935 369	3 155 413 727	8 394 760	5 531 988	460 158 219	474 084 967
Small business Lending								
Good (AAA to A-)	156 160 214	-	-	156 160 214	22 303 195	-	-	22 303 195
Special Mention (BBB+ to CCC-)	-	777 578	-	777 578	-	14 104 559	-	14 104 559
Non performing (CC TO D)	-	-	29 454 771	29 454 771	-	848 571	848 571	
TOTAL	156 160 214	777 578	29 454 771	186 392 563	22 303 195	14 104 559	848 571	37 256 325
Consumer Lending								
Good (AAA to A-)	559 075 984	-	-	559 075 984	141 003 706	-	-	141 003 706
Special Mention (BBB+ to CCC-)	-	62 694 707	-	62 694 707	-	9 957 108	-	9 957 108
Non performing (CC TO D)	-	-	35 537 640	35 537 640	-	5 665 319	5 665 319	
TOTAL	559 075 984	62 694 707	35 537 640	657 308 331	141 003 706	9 957 108	5 665 319	156 626 133
Mortgage Lending								
Good (AAA to A-)	55 369 559	-	-	55 369 559	7 554 663	-	-	7 554 663
Special Mention (BBB+ to CCC-)	-	27 399 860	-	27 399 860	-	73 408	-	73 408
Non performing (CC TO D)	-	-	1 100 568	1 100 568	-	734 260	734 260	
TOTAL	55 369 559	27 399 860	1 100 568	83 869 987	7 554 663	73 408	734 260	8 362 331
Inflation adjusted								
	STAGE 1 ZWS	STAGE 2 ZWS	STAGE 3 ZWS	2022 TOTAL ZWS	STAGE 1 ZWS	STAGE 2 ZWS	STAGE 3 ZWS	2021 TOTAL ZWS
3.12.2 Financial guarantees and loan commitments								
Guarantees	315 142 225	-	-	315 142 225	131 584 536	-	-	131 584 536
Good (AAA to A-)	315 142 225	-	-	315 142 225	131 584 536	-	-	131 584 536
Loan commitments	26 134 882	-	-	26 134 882	5 458 697	-	-	5 458 697
Good (AAA to A-)	26 134 882	-	-	26 134 882	5 458 697	-	-	5 458 697
Unaudited Historical cost								
	STAGE 1 ZWS	STAGE 2 ZWS	STAGE 3 ZWS	2022 TOTAL ZWS	STAGE 1 ZWS	STAGE 2 ZWS	STAGE 3 ZWS	2021 TOTAL ZWS
Guarantees	315 142 225	-	-	315 142 225	38 278 037	-	-	38 278 037
Good (AAA to A-)	315 142 225	-	-	315 142 225	38 278 037	-	-	38 278 037
Loan commitments	26 134 882	-	-	26 134 882	1 587 939	-	-	1 587 939



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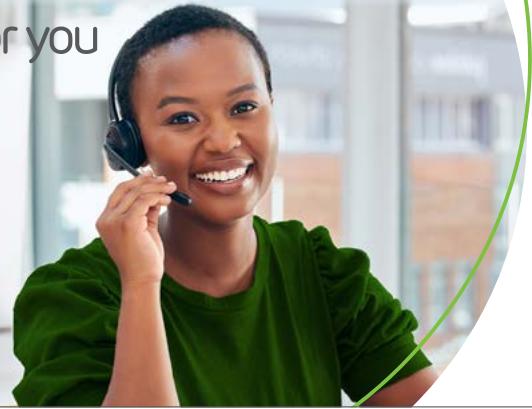
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NOTES TO THE SEPARATE FINANCIAL STATEMENTS (Continued)

	Unaudited Historical cost					
	Computer software ZWS		Capital work in progress ZWS		Total ZWS	
10. INTANGIBLE ASSETS (Continued)						
2022						
Cost or valuation						
Balance at 1 January 2022	23 077 903		17 202 845		40 280 748	
Additions	149 984 831		466 762 552		616 747 383	
Balance at 31 December 2022	173 062 734		483 965 397		657 028 131	
Accumulated amortisation						
Balance at 1 January 2022	21 583 672		-		21 583 672	
Charge to income statement (Note 22)	7 087 898		-		7 087 898	
Balance at 31 December 2022	28 671 570		-		28 671 570	
Carrying value at 31 December 2022	144 391 164		483 965 397		628 356 561	
2021						
Cost or valuation						
Balance at 1 January 2021	23 077 903		24 971 484		48 049 387	
Additions	-		7 127 304		7 127 304	
Other movements	-		(1 385 883)		(1 385 883)	
Transfer to PPE	-		(13 510 060)		(13 510 060)	
Balance at 31 December 2021	23 077 903		17 202 845		40 280 748	
Accumulated amortisation						
Balance at 1 January 2021	20 608 039		-		20 608 039	
Charge to income statement (Note 22)	975 633		-		975 633	
Balance at 31 December 2021	21 583 672		-		21 583 672	
Carrying value at 31 December 2021	1 494 231		17 202 845		18 697 076	
Inflation adjusted						
	Freehold properties ZWS	Leasehold improvements ZWS	Equipment, furniture & fittings ZWS	Computer equipment ZWS	Motor vehicles ZWS	Capital work in progress ZWS
11. PROPERTY, PLANT AND EQUIPMENT						
2022						
Cost or valuation						
Balance at 1 January 2022	587 630 997	6 460 950 014	10 150 430 113	13 585 597 639	2 461 820 007	199 629 452
Additions	-	15 803 249	733 687 133	579 389 232	749 351 625	2 161 741 390
Gains on revaluation	134 171 622	-	-	6 250 519 981	268 620 429	-
Disposals	-	-	(28 981 343)	(5 672 699)	(5 960 370)	(40 614 412)
Transfer between categories	-	1 610 406 684	169 666 466	-	-	(1 780 073 150)
Other movements	-	-	-	-	-	(94 805 259)
Balance at 31 December 2022	721 802 619	8 087 159 947	11 024 802 369	20 409 834 153	3 473 831 691	486 492 432
Accumulated depreciation						
Balance at 1 January 2022	56 762 619	6 069 084 334	2 940 396 398	3 424 670 044	1 519 659 467	185 967 715
Charge to statement of profit or loss (Note 22)	-	63 424 409	293 824 570	1 376 590 159	146 667 948	-
Disposals	-	-	(2 139 327)	(1 276 251)	(1 229 326)	(4 644 904)
Impairment	-	323 389 397	3 887 915 924	-	-	114 075 978
Balance at 31 December 2022	56 762 619	6 455 898 140	7 119 997 565	4 799 983 952	1 665 098 089	300 043 693
Net book value at 31 December 2022	665 040 000	1 631 261 807	3 904 804 804	15 609 850 201	1 808 733 602	186 448 739
2021						
Cost or valuation						
Balance at 1 January 2021	463 935 158	2 384 918 141	2 474 605 367	6 308 760 699	2 184 391 796	496 894 182
Additions	-	30 109 847	111 697 423	135 077 073	137 503 951	79 730 790
Gains on revaluation	123 695 839	3 812 538 211	7 492 830 845	6 773 576 271	147 350 546	-
Disposals	-	-	(9 838 825)	(2 901 465)	(7 426 286)	(20 166 576)
Transfer from intangible assets	-	-	-	-	-	325 881 324
Inter Group transfers	-	233 383 815	81 135 303	371 085 061	-	(17 160 179)
Transfer between categories	-	-	-	-	(685 604 179)	(17 160 179)
Other movements	-	-	-	-	-	(12 486)
Balance at 31 December 2021	587 630 997	6 460 950 014	10 150 430 113	13 585 597 639	2 461 820 007	199 629 452
Accumulated depreciation						
Balance at 1 January 2021	56 762 619	1 992 438 208	931 995 675	2 483 683 640	1 413 406 288	185 967 715
Charge to statement of profit or loss (Note 22)	-	4 076 646 126	2 009 212 428	941 746 450	107 784 851	-
Disposals	-	-	(811 705)	(760 046)	(1 531 672)	(3 103 423)
Balance at 31 December 2021	56 762 619	6 069 084 334	2 940 396 398	3 424 670 044	1 519 659 467	185 967 715
Net book value at 31 December 2021	530 868 378	391 865 680	7 210 033 715	10 160 927 595	942 160 540	13 661 737
Unaudited Historical cost						
	Freehold properties ZWS	Leasehold improvements ZWS	Equipment, furniture & fittings ZWS	Computer equipment ZWS	Motor vehicles ZWS	Capital work in progress ZWS
2022						
Cost or valuation						
Balance at 1 January 2022	154 430 000	143 754 049	2 135 968 632	3 217 374 052	326 694 490	478 522
Additions	-	14 134 137	616 027 230	404 831 338	589 889 342	2 083 442 186
Gains on revaluation	510 610 000	-	1 251 964 180	13 180 992 162	1 050 643 625	-
Disposals	-	-	(28 280 656)	(4 899 644)	(5 960 370)	(39 140 670)
Inter Group transfers	-	-	-	-	-	(138 758 520)
Transfer between categories	-	1 547 392 301	167 021 842	-	(1 714 414 143)	-
Other movements	-	-	-	-	-	(44 299 306)
Balance at 31 December 2022	665 040 000	1 705 280 487	4 142 701 228	16 798 297 908	1 961 267 087	186 448 739
Accumulated depreciation						
Balance at 1 January 2022	-	29 760 038	38 564 543	261 552 773	52 619 298	-
Charge to statement of profit or loss (Note 22)	-	44 258 642	201 423 091	928 108 733	101 143 513	-
Disposals	-	-	(2 091 210)	(1 213 799)	(1 229 326)	(4 543 335)
Balance at 31 December 2022	-	74 018 680	237 896 424	1 188 447 707	152 533 485	-
Net book value at 31 December 2022	665 040 000	1 631 261 807	3 904 804 804	15 609 850 201	1 808 733 602	186 448 739
2021						
Cost or valuation						
Balance at 1 January 2021	73 689 726	87 440 441	290 425 362	737 281 010	160 492 884	56 271 197
Additions	-	7 366 853	26 886 004	30 856 236	40 000 000	17 045 321
Gain on revaluation	80 740 274	-	1 804 559 677	2 434 663 884	128 361 918	-
Inter-group transfers	-	-	-	-	(4 991 909)	(4 991 909)
Disposals	-	-	(2 862 121)	(844 038)	(2 160 312)	(5 866 471)
Transfer from intangible assets	-	-	-			



Audited Financial Results for the year ended 31 December 2022

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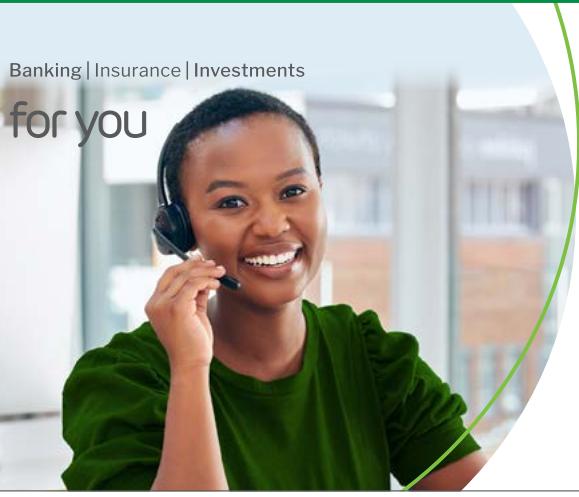
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NOTES TO THE SEPARATE FINANCIAL STATEMENTS (Continued)

	Inflation adjusted		Unaudited Historical cost	
	31 Dec 2022 ZWS	31 Dec 2021 ZWS	31 Dec 2022 ZWS	31 Dec 2021 ZWS
17. NET INTEREST AND RELATED INCOME				
17.1 Interest received				
Interest received comprises interest on:				
- Advances	18 495 664 392	9 891 905 660	13 590 208 118	2 174 977 816
- Overdrafts	2 376 955 402	1 135 320 691	1 865 623 463	263 149 215
Establishment fees	1 432 660 951	208 086 966	941 022 097	219 200 480
Placements with other banks	218 663 825		155 262 740	60 274
Financial assets at amortised cost	236 946 677	238 161 193	203 226 409	57 834 549
Treasury bills at FVTPL	1 325 325 537	912 166 725	750 328 035	193 316 382
Treasury bills at FVTOCI	35 586 511	38 710 555	235 303 129	33 368 088
Other interest receivable categories	52 994 533	6 164 700	337 027 351	385 240
Total interest received	24 174 797 828	12 430 516 490	18 078 001 342	2 942 292 044
17.2 Interest paid				
Interest paid comprise interest on:				
- Customer deposits	3 517 121 183	1 572 584 697	2 511 191 851	378 117 728
Placements from other banks	642 410 400	100 303 483	543 064 362	26 336 071
Other interest expense categories	1 265 333 107	397 516 899	979 958 711	85 041 471
Total interest paid	5 424 864 690	2 070 405 079	4 034 214 924	489 495 270
Net interest received	18 749 933 138	10 360 111 411	14 043 786 418	2 452 796 774
18. ANALYSIS OF LOAN IMPAIRMENT CHARGES / (RECOVERIES) TO STATEMENT OF PROFIT OR LOSS				
Impairment charges on loans and overdrafts (Note 3.10)	6 593 695 184	1 881 629 784	4 793 409 611	426 708 983
Impairment charges on other financial assets (Note 7.3)	24 177 119	50 171 499	(6 523 746)	11 578 240
Impairment charges on guarantees (Note 24.2)	349 434 489	131 205 840	276 864 188	37 445 505
Impairment charges on undrawn facilities (Note 24.3)	48 049 379	5 351 661	24 546 943	957 780
Recoveries during the year	(276 281 492)	(8 358 800)	(234 068 861)	(1 901 320)
	6 739 074 679	2 059 999 984	4 854 228 135	474 789 188
19. COMMISSION AND FEE INCOME COMPRISES INCOME FROM:				
Digital channels	3 824 437 635	4 154 866 735	2 572 957 520	952 720 186
Management and service fees	9 982 477 563	5 349 213 679	6 715 886 925	1 226 586 597
Other commissions	1 000 776 873	1 286 934 220	1 687 635 543	335 437 085
	14 807 692 071	10 791 014 634	10 976 479 988	2 514 743 868
20. OPERATING INCOME				
Exchange income	15 389 497 868	2 607 819 440	14 096 520 176	733 077 682
Dividends from other investments	303 900 630	830 226 079	216 804 845	204 763 159
Rentals and recoveries	464 133 175	260 209 080	359 077 900	65 109 893
Loss on sale of equipment	(24 833 597)	(1 288 099)	(24 205 656)	(374 709)
Sundry	177 991 055	94 549 541	111 959 059	20 505 716
	16 310 689 131	3 791 516 041	14 760 156 324	1 023 081 741
21. FAIR VALUE ADJUSTMENTS				
Arising from fair value through profit or loss instruments				
Investment securities at fair value through profit or loss (Note 9.2)	235 974 195	6 266 605 078	5 361 617 844	1 941 965 055
Investment in subsidiary company (Note 11.1)	8 688 821 052	3 667 640 262	17 474 488 007	2 042 055 398
Treasury bills at fair value through profit or loss	(146 710 549)	(24 002 095)	(146 710 549)	(7 869 963)
	8 778 084 698	9 910 243 245	22 689 395 302	3 976 150 490
22. OPERATING EXPENSES				
Staff expenses	12 527 729 958	6 629 482 946	9 305 919 248	1 607 079 372
Communication expenses	596 962 407	641 462 080	448 072 739	152 276 224
Computer and information technology	3 445 753 463	2 299 774 438	2 719 964 538	530 522 490
Occupation expenses	1 050 095 531	680 110 557	710 469 145	155 154 284
Transport expenses	271 896 508	84 370 549	196 268 649	20 181 015
Travelling expenses	252 607 182	115 169 793	201 198 592	28 443 822
Administration expenses	18 043 053 312	13 929 402 410	10 644 892 871	1 858 409 642
	36 188 098 361	24 379 772 773	24 226 785 782	4 352 066 849
Included in administration expenses are the following:				
Depreciation charges on property and equipment (Note 11)	1 880 507 086	7 135 389 855	1 274 933 979	289 761 901
Amortisation of intangible assets (Note 10)	210 220 002	137 827 641	7 087 898	975 633
Depreciation charges on right of use Asset (Note 9)	437 490 942	441 082 104	255 326 523	113 426 422
Auditor's remuneration	407 931 372	72 236 601	283 873 238	15 638 950
23. INCOME TAX EXPENSE				
Current income tax expense	2 639 133 130	2 228 905 779	2 639 133 130	648 390 323
Deferred taxation (credit) / charge	(3 055 647 529)	(1 844 906 527)	(1 550 451 613)	147 441 691
	(416 514 399)	383 999 252	1 088 681 517	795 832 014
24. CONTINGENT LIABILITIES				
24.1 In respect of guarantees	3 133 776 126	2 849 843 045	3 133 776 126	829 021 429
In respect of undrawn loan commitments	6 864 150 031	2 665 113 312	6 864 150 031	775 283 414
	9 997 926 157	5 514 956 357	9 997 926 157	1 604 304 843
24.2 Impairment movement on guarantees				
Opening balance	131 584 536	4 600 160	38 278 037	832 532
Charge to profit or loss (note 18)	349 434 489	131 205 840	276 864 188	37 445 505
Effects of inflation adjustment	(165 876 800)	(4 221 464)	-	-
	315 142 225	131 584 536	315 142 225	38 278 037
24.3 Impairment movement on undrawn commitments				
Opening balance	5 458 697	3 481 939	1 587 939	630 159
Charge to profit or loss (note 18)	48 049 379	5 351 661	24 546 943	957 780
Effects of inflation adjustment	(27 373 194)	(3 374 903)	-	-
	26 134 882	5 458 697	26 134 882	1 587 939
25. CAPITAL ADEQUACY				
Ordinary share capital	415 178 768	415 178 768	1 810 402	1 810 402
Share premium	7 558 253 774	7 558 253 774	32 958 032	32 958 032
Reserves	48 345 780 790	31 574 760 568	54 584 922 264	11 224 013 128
IFRS capital	56 319 213 332	39 548 193 110	54 619 690 698	11 258 781 562
Add / (less) Regulatory adjustments:				
Fair value adjustment on capitalization treasury bills	425 440	4 666 753	425 440	1 357 562
Interest in reserve	(182 126 683)	(109 291 951)	(182 126 683)	(31 793 098)
Loans to group entities	(874 407 863)	(24 665 677)	(874 407 863)	(7 175 264)
Revaluation reserve	(23 753 707 081)	(18 747 155 277)	(17 852 125 604)	(4 597 116 820)
Tier 1 capital	31 509 397 145	20 671 746 994	35 711 435 988	6 624 053 942
Revaluation reserve	23 753 707 081	18 747 155 277	17 806 687 631	4 551 678 847
General provision	790 461 245	622 303 226	790 461 245	181 028 464
Effect of change in functional currency	-	-	45 437 973	45 437 973
Tier 2 capital	24 544 168 326	19 369 458 503</		



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NOTES TO THE SEPARATE FINANCIAL STATEMENTS (Continued)

26.2 Liquidity risk (continued)

The tables below set out the remaining contractual maturities of the Bank's financial assets and financial liabilities

Unaudited Historical Cost						
Up to 1 month ZW\$	2 to 6 months ZW\$	7 to 12 months ZW\$	Above 12 months ZW\$	Total ZW\$	Carrying amount ZW\$	
48 104 372 434	870 891 791	1 972 862 037	-	50 948 126 262	50 948 126 262	
-	7 154 283 826	-	10 048 178 578	17 202 462 404	16 762 999 295	
4 058 324 360	10 275 262 426	14 393 795 825	37 867 692 787	66 595 075 398	63 638 407 221	
-	-	-	8 216 967 339	8 216 967 339	8 216 967 339	
-	167 788 875	52 908 490	431 891 911	652 589 276	652 589 276	
53 721 098	2 474 417 639	823 202 539	3 512 808 755	6 864 150 031	6 864 150 031	
52 216 417 892	20 942 644 557	17 242 768 891	60 077 539 370	150 479 370 710	147 083 239 424	
<hr/>						
104 077 558 915	3 727 335 366	192 622 304	-	107 997 516 585	107 487 376 967	
-	6 742 509 518	-	-	6 742 509 518	6 714 466 000	
9 419 355 801	9 077 558 665	1 747 136	2 605 860 685	21 104 522 287	21 660 173 247	
-	-	2 464 184 780	3 449 858 692	5 914 043 472	5 914 043 472	
113 496 914 716	19 547 403 549	2 658 554 220	6 055 719 377	141 758 591 862	141 776 059 686	
(61 280 496 824)	1 395 241 008	14 584 214 671	54 021 819 993	8 720 778 848	5 307 179 738	
(61 280 496 824)	(59 885 255 816)	(45 301 041 145)	8 720 778 848	-	-	
<hr/>						
8 215 980 305	45 356 181	541 573 902	-	8 802 910 388	8 802 910 388	
101 093 151	1 436 013 199	766 976 857	207 141 172	2 511 224 379	2 410 330 922	
1 460 275 828	1 331 045 156	1 842 103 222	10 075 570 928	14 708 995 134	11 642 364 564	
-	-	-	2 102 742 957	2 102 742 957	2 102 742 957	
-	-	281 310 324	-	281 310 324	281 310 324	
129 071 900	247 561 768	289 916 895	108 732 851	775 283 414	775 283 414	
9 906 421 184	3 059 976 304	3 721 881 200	12 494 187 908	29 182 466 596	26 014 942 569	
<hr/>						
19 112 304 999	451 503 589	272 797 222	9 339 160	19 845 944 970	19 771 020 986	
-	82 401 664	82 401 669	506 279 827	671 083 160	657 911 243	
1 552 479 840	812 235 499	14 072 868	1 081 871 576	3 460 659 783	3 548 755 685	
-	-	162 624 271	227 673 980	390 298 251	390 298 251	
20 664 784 839	1 346 140 752	531 896 030	1 825 164 543	24 367 986 164	24 367 986 165	
(10 758 363 655)	1 713 835 552	3 189 985 170	10 669 023 365	4 814 480 432	1 646 956 404	
(10 758 363 655)	(9 044 528 103)	(5 854 542 933)	4 814 480 432	-	-	
<hr/>						
Inflation adjusted				Unaudited Historical Cost		
31 Dec 2022 ZW\$	31 Dec 2021 ZW\$	31 Dec 2022 ZW\$	31 Dec 2021 ZW\$	31 Dec 2022 ZW\$	31 Dec 2021 ZW\$	
50 948 126 262	30 260 873 938	50 948 126 262	8 802 910 388	16 762 999 295	2 410 330 922	
16 762 999 295	8 285 750 617	16 762 999 295	2 410 330 922	167 788 875	187 813 934	
167 788 875	645 628 949	167 788 875	187 813 934	52 908 490	7 764 153	
52 908 490	26 690 042	52 908 490	7 764 153	<hr/>		
67 931 822 922	39 218 943 546	67 931 822 922	11 408 819 397	107 487 376 967	19 771 020 986	
107 487 376 967	67 964 837 457	107 487 376 967	19 771 020 986	63%	58%	
63%	57.70%	63%	58%	63%	58%	
63%	58%	63%	58%	63%	58%	
85%	51%	85%	71%	85%	71%	
47%	68%	47%	44%	68%	44%	
20%	20%	20%	20%	20%	20%	

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (Continued)

26.3 Interest rate rises

Inflation adjusted					
Up to 1 month ZW\$	2 to 6 months ZW\$	7 to 12 months ZW\$	Above 12 months ZW\$	Carrying amount ZW\$	
14 850 669 523	-	-	-	14 850 669 523	
-	6 724 208 777	-	10 038 790 518	16 762 999 295	
4 058 104 725	10 262 533 675	14 382 863 389	34 934 905 432	63 638 407 221	
-	-	-	8 216 967 339	8 216 967 339	
-	167 788 875	52 908 490	-	220 697 365	
18 908 774 248	17 154 531 327	14 435 771 879	53 190 663 289	103 689 740 743	
103 723 947 750	3 613 428 586	150 000 631	-	107 487 376 967	
-	6 714 466 000	-	-	6 714 466 000	
-	-	2 464 184 780	3 449 858 692	5 914 043 472	
103 723 947 750	10 327 894 586	2 614 185 411	3 449 858 692	120 115 886 439	
(84 815 173 502)	6 826 636 741	11 821 586 468	49 740 804 597	(16 426 145 696)	
(84 815 173 502)	(77 988 536 761)	(66 166 950 293)	(16 426 145 696)	-	
4 726 331 202	-	-	-	4 726 331 202	
343 759 877	4 936 437 209	2 331 600 191	673 953 339	8 285 750 616	
5 003 670 821	4 238 658 701	5 698 181 809	25 081 268 795	40 021 778 126	
-	-	-	7 228 386 606	7 228 386 606	
-	-	967 032 023	-	967 032 023	
10 073 761 900	9 175 093 910	8 996 814 023	32 983 608 740	61 229 278 573	
65 470 623 370	1 527 879 445	934 504 436	31 830 206	67 964 837 457	
-	277 704 000	277 704 017	1 706 226 865	2 261 634 882	
-	-	559 036 995	782 651 793	1 341 688 788	
65 470 623 370	1 805 583 445	1 771 245 448	2 520 708 864	71 568 161 127	
(55 396 861 470)	7 369 510 465	7 225 568 575	30 462 899 876	(10 338 882 554)	
(55 396 861 470)	(48 027 351 005)	(40 801 782 430)	(10 338 882 554)	-	
Unaudited Historical Cost					
Up to 1 month ZW\$	2 to 6 months ZW\$	7 to 12 months ZW\$	Above 12 months ZW\$	Carrying amount ZW\$	
14 850 669 523	-	-	-	14 850 669 523	
-	6 724 208 777	-	10 038 790 518	16 762 999 295	
4 058 104 725	10 262 533 675	14 382 863 389	34 934 905 432	63 638 407 221	
-	-	-	8 216 967 339	8 216 967 339	
-	167 788 875	52 908 490	-	220 697 365	
18 908 774 248	17 154 531 327	14 435 771 879	53 190 663 289	103 689 740 743	
103 723 947 750	3 613 428 586	150 000 631	-	107 487 376 967	
-	6 714 466 000	-	-	6 714 466 000	
-	-	2 464 184 780	3 449 858 692	5 914 043 472	
103 723 947 750	10 327 894 586	2 614 185 411	3 449 858 692	120 115 886 439	
(84 815 173 502)	6 826 636 741	11 821 586 468	49 740 804 597	(16 426 145 696)	
(84 815 173 502)	(77 988 536 761)	(66 166 950 293)	(16 426 145 696)	-	
1 374 893 208	-	-	-	1 374 893 208	
100 000 000	1 436 013 199	678 264 203	196 053 520	2 410 330 922	
1 455 571 506	1 233 028 338	1 657 605 261	7 296 159 459	11 642 364 564	
-	-	-	2 102 742 957	2 102 742 957	
-	-	281 310 324	-	281 310 324	
2 930 464 714	2 669 041 537	2 617 179 788	9 594 955 936	17 811 641 975	
19 045 452 281	444 461 249	271 848 025	9 259 431	19 771 020 986	
-	80 784 297	80 784 302	496 342 644	657 911 243	
-	-	162 624 271	227 673 980	390 298 251	
19 045 452 281	525 245 546	515 256 598	733 276 055	20 819 230 480	
(16 114 987 567)	2 143 795 991	2 101 923 190	8 861 679 881	(3 007 588 505)	
(16 114 987 567)	(13 971 191 576)	(11 869 268 386)	(3 007 588 505)	-	

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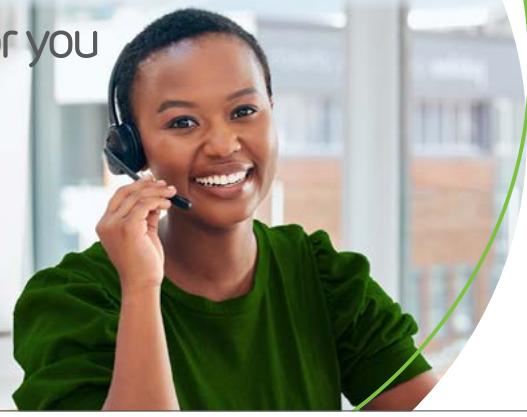
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AUDITED FINANCIAL RESULTS for the year ended 31 December 2022

**STATEMENT OF FINANCIAL POSITION
As at 31 December 2022**

	Notes	Inflation adjusted		Historical cost	
		31 Dec 2022 ZW\$	31 Dec 2021 ZW\$	31 Dec 2022 ZW\$	31 Dec 2021 ZW\$
ASSETS					
Cash and cash equivalents	1	2 256 257 350	1 523 143 072	2 256 257 350	443 083 435
Money market investments	2	1 900 000 000	-	1 900 000 000	-
Loans and other advances	3	1 576 766 221	1 253 766 783	1 576 766 221	364 721 675
Trade and other receivables	4	477 639 557	337 234 449	477 639 557	98 101 748
Inventories	5	17 561 654	62 336 179	17 146 166	17 146 166
Financial assets at FVTPL	6	912 389 778	836 695 408	912 389 778	243 395 307
Right of use assets	7	104 419 994	2 369 572	104 419 994	689 310
Property and equipment	8	289 827 821	71 692 913	289 827 821	20 855 521
Investment properties	9	6 625 355 000	3 852 035 680	6 625 355 000	1 120 560 000
Investments in subsidiaries	10	3 581 625 834	2 153 445 436	3 581 624 075	626 434 675
Total assets		17 741 843 209	10 092 719 492	17 741 425 962	2 934 987 837
LIABILITIES					
Deposits from customers	11	3 269 152 435	2 242 591 011	3 269 152 435	652 371 367
Trade and other payables	12	2 370 392 206	527 444 742	2 370 392 206	153 434 062
Lease liabilities	13	120 283 951	2 510 641	120 283 951	730 347
Deferred tax liabilities	14	331 267 750	192 601 784	331 267 750	56 028 000
Total liabilities		6 091 096 342	2 965 148 178	6 091 096 342	862 563 776
EQUITY					
Share capital	15.1	218 967 155	218 967 155	954 814	954 814
Share premium	15.1	2 040 335 052	2 040 335 052	8 896 953	8 896 953
Reserves	15.2	9 391 444 660	4 868 269 107	11 640 477 853	2 062 572 294
Total equity		11 650 746 867	7 127 571 314	11 650 329 620	2 072 424 061
Total equity and liabilities		17 741 843 209	10 092 719 492	17 741 425 962	2 934 987 837

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2022

	Notes	Inflation adjusted		Historical cost	
		31 Dec 2022 ZW\$	31 Dec 2021 ZW\$	31 Dec 2022 ZW\$	31 Dec 2021 ZW\$
Interest income					
Interest income	16.1	811 778 391	886 676 392	592 996 610	208 670 028
Interest expense	16.2	(19 183 547)	(66 417 806)	(12 101 769)	(18 690 175)
Net interest income		792 594 844	820 258 586	580 894 841	189 979 853
Allowance for loan impairment					
Allowance for loan impairment	17	(56 659 030)	(87 276 916)	(56 659 030)	(14 626 710)
Net income from lending activities		735 935 814	732 981 670	524 235 811	175 353 143
Commissions, fees and operating income					
18	1 711 912 073	871 393 957	1 252 543 865	204 131 926	
Fair value adjustments	19	4 277 194 088	2 463 980 022	9 128 978 871	1 198 034 557
Total income		6 725 041 975	4 068 355 649	10 905 758 547	1 577 519 626
Total operating expenses					
Total operating expenses	20	(1 593 771 580)	(1 100 414 733)	(1 174 010 465)	(263 357 852)
Operating profit		5 131 270 395	2 967 940 916	9 731 748 082	1 314 161 774
Effects of inflation adjustments					
Profit before taxation	21	(520 148 441)	(105 551 044)	-	-
Income tax expense		(138 665 966)	(55 525 471)	(275 239 750)	(31 220 050)
Profit for the year		4 472 455 988	2 806 864 401	9 456 508 332	1 282 941 724
Other comprehensive income:					
Items that will not be reclassified to profit or loss					
Gains on property and equipment revaluation		50 719 565	26 825 538	121 397 227	12 564 377
Other comprehensive income for the year, net of tax		50 719 565	26 825 538	121 397 227	12 564 377
Total comprehensive income for the year		4 523 175 553	2 833 689 939	9 577 905 559	1 295 506 101

STATEMENT OF CHANGES IN EQUITY

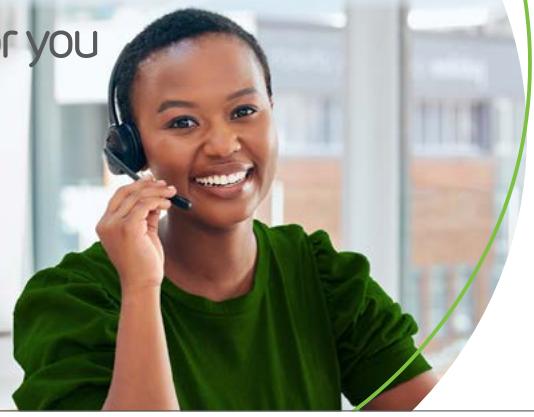
For the year ended 31 December 2022

	Notes	Inflation adjusted				
		Share capital ZWS	Share premium ZWS	Property and equipment revaluation reserve ZWS	Retained income ZWS	Total ZWS
Balance at 1 January 2021						
Balance at 1 January 2021		218 967 155	2 040 335 052	307 471 355	1 727 107 813	4 293 881 375
Changes in equity for 2021						
Profit or loss		-	-	-	2 806 864 401	2 806 864 401
Profit for the year		-	-	-	-	-
Other comprehensive income, net of tax		-	-	26 825 538	-	26 825 538
Revaluation of property and equipment		-	-	(200 650 112)	200 650 112	-
Other movements		-	-	-	-	-
Transfer to retained income		-	-	-	-	-
Balance at 1 January 2022		218 967 155	2 040 335 052	133 646 781	4 734 622 326	7 127 571 314
Changes in equity for 2022						
Profit or loss		-	-	-	4 472 455 988	4 472 455 988
Profit for the year		-	-	-	-	-
Other comprehensive income, net of tax		-	-	50 719 565	-	50 719 565
Revaluation of property and equipment		-	-	-	-	-
Balance at 31 December 2022		218 967 155	2 040 335 052	184 366 346	9 207 078 314	11 650 746 867

STATEMENT OF CHANGES IN EQUITY (continued)

For the year ended 31 December 2022

	Share capital ZWS
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

	Inflation adjusted			
	31 Dec 2022 ZW\$	Percentage Contribution	31 Dec 2021 ZWS	Percentage Contribution
3.6 Sectoral analysis				
Private Manufacturing	1 398 522 392	85%	1 308 082 621	99%
Distribution Services	247 524 175	15%	-	0%
	453 646	0%	2 830 019	0%
	5 179 989	0%	5 607 341	0%
	1 651 680 202	100%	1 316 519 981	100%
	Historical cost			
	31 Dec 2022 ZW\$	Percentage Contribution	31 Dec 2021 ZWS	Percentage Contribution
Private Manufacturing	1 398 522 392	85%	380 522 192	99%
Distribution Services	247 524 175	15%	-	0%
	453 646	0%	823 255	0%
	5 179 989	0%	1 631 180	0%
	1 651 680 202	100%	382 976 627	100%

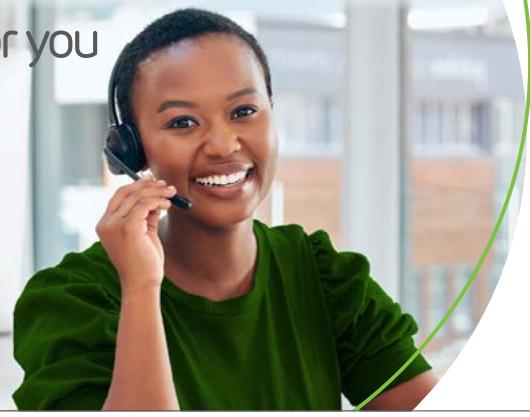
3.7 Internal rating scale of advances and other accounts

The table below shows the credit quality and the maximum exposure for credit risk based on the Society's internal credit rating system and period end stage classification.

	Inflation adjusted 31 Dec 2022				Inflation adjusted 31 Dec 2021			
	STAGE 1 ZWS	STAGE 2 ZWS	STAGE 3 ZWS	TOTAL ZWS	STAGE1 ZWS	STAGE 2 ZWS	STAGE 3 ZWS	TOTAL ZWS
Total loans and advances								
Good (AAA to BBB-)	1 599 038 297	27 295 032	4 184 162	1 630 517 491	1 272 964 842	16 997 180	4 534 001	1 294 496 023
Special mention (BB+ to CCC-)	13 477 697	491 604	389 259	14 358 560	12 229 344	219 742	509 057	12 769 143
Non-performing (CC+ to D)	-	-	6 804 151	6 804 151	-	-	9 065 815	-
Total	1 612 515 994	27 786 636	11 377 572	1 651 680 202	1 285 194 186	17 216 922	14 108 873	1 316 519 981
Mortgage lending								
Good (AAA to BBB-)	12 904 611	-	670	12 905 281	66 786 178	439 384	-	67 225 562
Special mention (BB+ to CCC-)	-	-	-	-	-	-	-	-
Non-performing (CC+ to D)	-	-	7 506	7 506	-	-	37 336	37 336
Total	12 904 611	-	8 176	12 912 787	66 786 178	439 384	37 336	67 262 898
Consumer lending								
Good (AAA to BBB-)	1 333 644 710	27 138 051	4 152 187	1 364 934 948	1 199 823 104	16 546 961	4 495 943	1 220 866 008
Special mention (BB+ to CCC-)	13 477 697	481 385	386 796	14 345 878	12 229 344	109 450	509 057	12 847 851
Non-performing (CC+ to D)	-	-	6 328 778	6 328 778	-	-	7 105 864	7 105 864
Total	1 347 122 407	27 619 436	10 867 761	1 385 609 604	1 212 052 448	16 656 411	12 110 864	1 240 819 723
Small business lending								
Good (AAA to BBB-)	252 488 976	156 981	31 305	252 677 262	6 355 560	10 835	38 058	6 404 453
Special mention (BB+ to CCC-)	-	10 219	2 463	12 682	-	110 292	-	110 292
Non-performing (CC+ to D)	-	-	467 867	467 867	-	1 922 615	1 922 615	-
Total	252 488 976	167 200	501 635	253 157 811	6 355 560	121 127	1 960 673	8 437 360
	Historical cost 31 Dec 2022				Historical cost 31 Dec 2021			
	STAGE 1 ZWS	STAGE 2 ZWS	STAGE 3 ZWS	TOTAL ZWS	STAGE1 ZWS	STAGE 2 ZWS	STAGE 3 ZWS	TOTAL ZWS
Total loans and advances								
Good (AAA to BBB-)	1 599 038 297	27 295 032	4 184 162	1 630 517 491	370 306 406	4 944 492	1 318 944	376 569 842
Special mention (BB+ to CCC-)	13 477 697	491 604	389 259	14 358 560	3 557 525	63 923	148 085	3 769 533
Non-performing (CC+ to D)	-	-	6 804 151	6 804 151	-	-	2 637 252	2 637 252
Total	1 612 515 994	27 786 636	11 377 572	1 651 680 202	373 863 931	5 008 415	4 104 281	362 976 627
Mortgage lending								
Good (AAA to BBB-)	12 904 611	-	670	12 905 281	19 428 148	127 817	-	19 555 965
Special mention (BB+ to CCC-)	-	-	7 506	7 506	-	-	10 861	10 861
Total	12 904 611	-	8 176	12 912 787	19 428 148	127 817	10 861	19 566 826
Consumer lending								
Good (AAA to BBB-)	1 333 644 710	27 138 051	4 152 187	1 364 934 948	349 029 421	4 813 523	1307 873	355 150 817
Special mention (BB+ to CCC-)	13 477 697	481 385	386 796	14 345 878	3 557 525	31 839	148 085	3 737 449
Non-performing (CC+ to D)	-	-	6 328 778	6 328 778	-	-	2 067 101	2 067 101
Total	1 347 122 407	27 619 436	10 867 761	1 385 609 604	352 586 946	4 845 362	3 523 059	360 955 367
Small business lending								
Good (AAA to BBB-)	252 488 976	156 981	31 305	252 677 262	1 848 837	3 152	11 071	1 863 060
Special mention (BB+ to CCC-)	-	10 219	2 463	12 682	-	32 084	-	32 084
Non-performing (CC+ to D)	-	-	467 867	467 867	-	-	559 290	559 290
Total	252 488 976	167 200	501 635	253 157 811	1 848 837	35 236	570 361	2 454 434

An analysis of ECL in relation to loans and advances are as follows

	Inflation adjusted 31 Dec 2022				Inflation adjusted 31 Dec 2021			
	STAGE 1 ZWS	STAGE 2 ZWS	STAGE 3 ZWS	TOTAL ZWS	STAGE1 ZWS	STAGE 2 ZWS	STAGE 3 ZWS	TOTAL ZWS
Total ECL for loans and advances								
Good (AAA to BBB-)	63 329 212	8 319 241	1 553 238	73 201 691	52 419 670	4 141 320	3 130 119	59 691 109
Special mention (BB+ to CCC-)	482 473	83 925	172 018	738 416	598 359	64 641	208 480	871 480
Non-performing (CC+ to D)	-	-	973 874	973 874	-	-	2 190 609	2 190 609
Total	63 811 685	8 403 166	2 699 130	74 913 981	<			



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NOTES TO THE FINANCIAL STATEMENTS (Continued)

	Inflation adjusted		Historical cost	
	31 Dec 2022 ZW\$	31 Dec 2021 ZW\$	31 Dec 2022 ZW\$	31 Dec 2021 ZW\$
10 INVESTMENT IN SUBSIDIARIES				
10.1 Assets at fair value through profit or loss				
Balance at beginning of period	2 153 445 436	1 471 964 162	626 434 675	266 388 063
Fair value gain	1 428 180 398	681 481 274	2 955 189 400	360 046 612
Balance at end of period	3 581 625 834	2 153 445 436	3 581 624 075	626 434 675
Non-current	3 581 625 834	2 153 445 436	3 581 624 075	626 434 675

10.2 Measurement of fair value

The fair value of investment in subsidiaries has been categorised under level 3 in the fair value hierarchy based on the inputs to the valuation technique used and the significant amount of judgement applied. The reconciliation of carrying amount shown above reconciles the opening balance and the closing balances for level 3 fair values.

	Inflation adjusted		Historical cost	
	31 Dec 2022 ZW\$	31 Dec 2021 ZW\$	31 Dec 2022 ZW\$	31 Dec 2021 ZW\$
11. DEPOSITS FROM CUSTOMERS				
11.1 Deposit by type				
Demand accounts	3 250 834 161	1 941 091 800	3 250 834 161	564 665 026
Savings accounts	982 549	223 157 457	982 549	64 916 667
Fixed deposits	17 335 725	78 341 754	17 335 725	22 789 674
	3 269 152 435	2 242 591 011	3 269 152 435	652 371 367
11.2 Maturity analysis				
On demand	3 250 834 161	1 941 091 800	3 250 834 161	564 665 025
Within 1 month	574 632	165 244 736	574 632	48 069 815
1 month to 6 months	625 162	1 397 810	625 162	406 624
6 months to 12 months	148 440	86 117 930	148 440	25 051 769
More than 1 year	16 970 040	48 738 735	16 970 040	14 178 134
	3 269 152 435	2 242 591 011	3 269 152 435	652 371 367

	Inflation adjusted		Historical cost	
	31 Dec 2022 ZW\$	% Contribution	31 Dec 2021 ZW\$	% Contribution
11.3 Sectorial analysis				
Private individuals	2 211 853 247	68%	2 006 908 146	89%
Financial institutions	747 840	0%	23 322 427	1%
Communication	2 275 141	0%	3 101 175	0%
Manufacturing	33 379 223	1%	737 406	0%
Distribution	103 206 126	3%	76 135 635	3%
Construction	721 577 358	22%	13 036 925	1%
Agriculture	100 180 314	3%	51 203 848	2%
Services	95 933 186	3%	68 145 449	3%
	3 269 152 435	100%	2 242 591 011	100%
	3 269 152 435	100%	3 269 152 435	100%

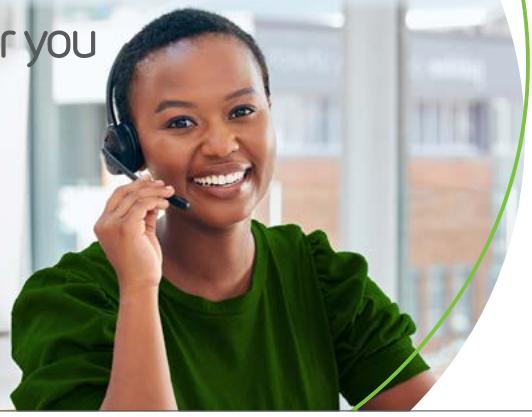
	Inflation adjusted		Historical cost	
	31 Dec 2022 ZW\$	31 Dec 2021 ZW\$	31 Dec 2022 ZW\$	31 Dec 2021 ZW\$
12. TRADE AND OTHER PAYABLES				
Leave pay accrual	10 178 029	4 420 456	10 178 029	1 285 914
Creditors and other accounts	1 827 343 625	95 140 975	1 827 343 625	27 676 580
Deferred income	31 863 556	29 142 695	31 863 556	8 477 631
Intercompany balances	501 006 996	398 740 616	501 006 996	115 993 937
	2 370 392 206	527 444 742	2 370 392 206	153 434 062
Financial items	2 338 528 650	498 302 047	2 338 528 650	144 956 431
Non-financial items	31 863 556	29 142 695	31 863 556	8 477 631
	2 370 392 206	527 444 742	2 370 392 206	153 434 062

	Inflation adjusted		Historical cost	
	31 Dec 2022 ZW\$	31 Dec 2021 ZW\$	31 Dec 2022 ZW\$	31 Dec 2021 ZW\$
13. LEASE LIABILITIES				
Balance at beginning of year	2 510 641	4 029 101	730 347	729 183
Lease reassessments	110 690 109	1 912 243	110 690 109	556 273
Accrued interest expense posted to profit or loss	7 463 809	459 881	4 109 812	103 672
Lease commitments paid during the year	(3 922 398)	(2 612 336)	(2 638 862)	(599 014)
Gain on lease modification	(108 532 621)	(943 450)	(108 532 621)	(274 451)
Exchange loss on lease modification	115 925 166	737 996	115 925 166	214 684
Effects of inflation adjustments	(3 850 755)	(1 072 794)	-	-
Balance at end of year	120 283 951	2 510 641	120 283 951	730 347

	Inflation adjusted		Historical cost	
	Balance at 1 January ZW\$	Recognised in profit or loss ZW\$	Transfers between categories ZW\$	Balance at 31 December ZW\$
2022				
Investment properties	192 601 784	138 665 966	-	331 267 750

	Inflation adjusted		Historical cost	
	Balance at 1 January ZW\$	Recognised in profit or loss ZW\$	Transfers between categories ZW\$	Balance at 31 December ZW\$
2021				
Property and equipment	12 879 387	-	(12 879 387)	-
Investment properties	124 196 926	55 525 471	12 879 387	192 601 784
	137 076 313	55 525 471	-	192 601 784

	Inflation adjusted		Historical cost	
	Balance at 1 January ZW\$	Recognised in profit or loss ZW\$	Transfers between categories ZW\$	Balance at 31 December ZW\$
2022				
Investment properties	56 028 000			



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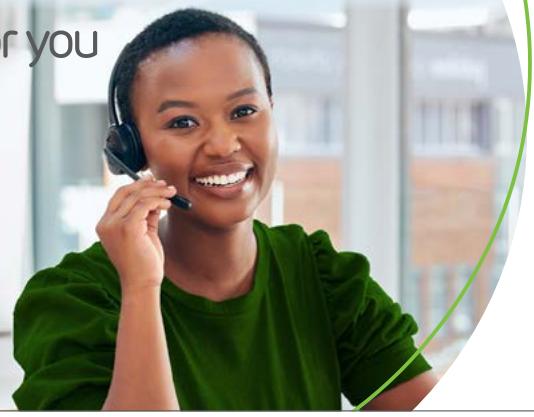
NOTES TO THE FINANCIAL STATEMENTS (Continued)

21. RISK MANAGEMENT

21.1 Financial assets and financial liabilities classification and fair value

The following table shows the carrying amounts and the fair value of financial assets and financial liabilities including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Inflation adjusted							
	CARRYING AMOUNT			FAIR VALUE				
	Designated at FVTPL ZWS	Amortised cost ZWS	Designated at FVOCI ZWS	Total ZWS	Level 1 ZWS	Level 2 ZWS	Level 3 ZWS	Total ZWS
As at 31 December 2022								
Financial assets measured at fair value								
Financial assets at FVTPL	912 389 778	-	-	912 389 778	-	-	912 389 778	912 389 778
Investments in subsidiaries	3 581 625 834	-	-	3 581 625 834	-	-	3 581 625 834	3 581 625 834
	4 494 015 612	-	-	4 494 015 612	-	-	4 494 015 612	4 494 015 612
Financial assets not measured at fair value								
Trade and other receivables	-	477 481 093	-	477 481 093	-	-	477 481 093	477 481 093
Loans and advances	-	1 576 766 221	-	1 576 766 221	-	-	1 576 766 221	1 576 766 221
Money market investments	-	1 900 000 000	-	1 900 000 000	-	-	1 900 000 000	1 900 000 000
Cash and cash equivalents	-	2 256 257 350	-	2 256 257 350	-	-	2 256 257 350	2 256 257 350
	-	6 210 504 664	-	6 210 504 664	-	-	6 210 504 664	6 210 504 664
Financial liabilities not measured at fair value								
Trade and other payables	-	(2 370 392 206)	-	(2 370 392 206)	-	-	(2 370 392 206)	(2 370 392 206)
Deposits from customers	-	(3 269 152 435)	-	(3 269 152 435)	-	-	(3 269 152 435)	(3 269 152 435)
	-	(5 639 544 641)	-	(5 639 544 641)	-	-	(5 639 544 641)	(5 639 544 641)
As at 31 December 2021								
Financial assets measured at fair value								
Financial assets at FVTPL	836 695 408	-	-	836 695 408	-	-	836 695 408	836 695 408
Investments in subsidiaries	2 153 445 436	-	-	2 153 445 436	-	-	2 153 445 436	2 153 445 436
	2 990 140 844	-	-	2 990 140 844	-	-	2 990 140 844	2 990 140 844
Financial assets not measured at fair value								
Trade and other receivables	-	336 689 714	-	336 689 714	-	-	336 689 714	336 689 714
Loans and advances	-	1 253 766 783	-	1 253 766 783	-	-	1 253 766 783	1 253 766 783
Cash and cash equivalents	-	1 523 143 072	-	1 523 143 072	-	-	1 523 143 072	1 523 143 072
	-	3 113 599 569	-	3 113 599 569	-	-	3 113 599 569	3 113 599 569
Financial liabilities not measured at fair value								
Trade and other payables	-	(527 444 742)	-	(527 444 742)	-	-	(527 444 742)	(527 444 742)
Deposits from customers	-	(2 242 591 011)	-	(2 242 591 011)	-	-	(2 242 591 011)	(2 242 591 011)
	-	(2 770 035 753)	-	(2 770 035 753)	-	-	(2 770 035 753)	(2 770 035 753)
Historical cost								
	Historical cost							
	CARRYING AMOUNT			FAIR VALUE				
	Designated at FVTPL ZWS	Amortised cost ZWS	Designated at FVOCI ZWS	Total ZWS	Level 1 ZWS	Level 2 ZWS	Level 3 ZWS	Total ZWS
As at 31 December 2022								
Financial assets measured at fair value								
Financial assets at FVTPL	912 389 778	-	-	912 389 778	-	-	912 389 778	912 389 778
Investments in subsidiaries	3 581 624 075	-	-	3 581 624 075	-	-	3 581 624 075	3 581 624 075
	4 494 013 853	-	-	4 494 013 853	-	-	4 494 013 853	4 494 013 853
Financial assets not measured at fair value								
Trade and other receivables	-	477 481 093	-	477 481 093	-	-	477 481 093	477 481 093
Loans and advances	-	1 576 766 221	-	1 576 766 221	-	-	1 576 766 221	1 576 766 221
Money market investments	-	1 900 000 000	-	1 900 000 000	-	-	1 900 000 000	1 900 000 000
Cash and cash equivalents	-	2 256 257 350	-	2 256 257 350	-	-	2 256 257 350	2 256 257 350
	-	6 210 504 664	-	6 210 504 664	-	-	6 210 504 664	6 210 504 664
Financial liabilities not measured at fair value								
Trade and other payables	-	(2 370 392 206)	-	(2 370 392 206)	-	-	(2 370 392 206)	(2 370 392 206)
Deposits from customers	-	(3 269 152 435)	-	(3 269 152 435)	-	-	(3 269 152 435)	(3 269 152 435)
	-	(5 639 544 641)	-	(5 639 544 641)	-	-	(5 639 544 641)	(5 639 544 641)
As at 31 December 2021								
Financial assets measured at fair value								
Financial assets at FVTPL	243 395 307	-	-	243 395 307	-	-	243 395 307	243 395 307
Investments in subsidiaries	626 434 675	-	-	626 434 675	-	-	626 434 675	626 434 675
	869 829 982	-	-	869 829 982	-	-	869 829 982	869 829 982
Financial assets not measured at fair value								
Trade and other receivables	-	97 943 284	-	97 943 284	-	-	97 943 284	97 943 284
Loans and advances	-	364 721 675	-	364 721 675	-	-	364 721 675	364 721 675
Cash and cash equivalents	-	443 083 435	-	443 083 435	-	-	443 083 435	443 083 435
	-	905 748 394	-	905 748 394	-	-	905 748 394	905 748 394
Financial liabilities not measured at fair value								
Trade and other payables	-	(153 434 062)	-	(153 434 062)	-	-	(153 434 062)	(153 434 062)
Deposits from customers	-	(652 371 367)	-	(652 371 367)	-	-	(652 371 367)	(652 371 367)
	-	(805 805 429)	-	(805 805 429)	-	-	(805 805 429)	(805 805 429)
21.2 Interest rate risk								
21.2.1 Interest rate gap analysis								
	Inflation adjusted							
	Up to 1 month ZWS	2 to 6 months ZWS	7 to 12 months ZWS	Above 12 months ZWS	Carrying amount ZWS			
	Up to 1 month ZWS	2 to 6 months ZWS	7 to 12 months ZWS	Above 12 months ZWS	Carrying amount ZWS			
As at 31 December 2022								



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AUDITED SEPARATE FINANCIAL RESULTS for the year ended 31 December 2022

**STATEMENT OF FINANCIAL POSITION
As at 31 December 2022**

	Notes	Inflation adjusted		Historical cost (Unaudited)*	
		31 Dec 2022 ZWS	31 Dec 2021 ZWS	31 Dec 2022 ZWS	31 Dec 2021 ZWS
ASSETS					
Cash and cash equivalents		12 057 291	19 464 533	12 057 291	5 662 247
Funds on deposit	1	191 808 393	230 126 953	191 808 393	66 944 099
Trade and other receivables	2	110 447 635	87 083 797	110 447 635	25 332 865
Reinsurance claim receivable		10 000	34 799	10 000	10 000
Inventories		997 226	1 380 807	973 506	379 806
Investment in securities	3	5 906 581 490	4 095 861 931	5 906 581 490	1 191 489 235
Investment properties	4	2 633 931 843	1 558 303 056	2 633 931 843	453 311 500
Right of use asset	5	153 282 017	125 764 104	65 470 839	31 613 823
Equity accounted investments	6	18 576 877 004	13 789 065 869	18 560 335 503	4 007 920 648
Equipment	7	424 876 680	226 242 366	424 876 680	65 814 070
Intangible assets	8	83 257 934	106 203 428	74 814 300	3 181 597
TOTAL ASSETS		28 094 127 513	20 239 531 643	27 981 307 480	5 851 659 890
LIABILITIES					
Life assurance funds	9	15 125 148 376	10 870 772 488	15 125 148 376	3 162 315 677
Lease Liability	10	152 828 035	107 752 953	152 828 035	31 345 413
Deferred tax liability		1 805 321 579	1 149 083 777	1 805 321 579	343 518 379
Trade and other payables	11	967 160 949	537 158 555	967 160 949	160 583 617
Provisions		66 179 544	45 621 700	66 179 544	8 947 586
Reinsurance premium payable		6 208 859	3 223 340	6 208 859	937 672
Taxation		48 003 053	183 876 900	48 003 053	53 489 925
		18 170 850 395	12 897 489 713	18 170 850 395	3 761 138 269
EQUITY					
Share capital		53 237 591	53 237 591	231 908	231 908
Share premium		1 017 260 518	1 017 260 518	4 431 623	4 431 623
Investment reserve		4 250 648 602	4 250 648 602	827 451 668	827 451 668
Revaluation reserve		688 610 311	414 642 130	557 839 942	95 392 205
Foreign currency translation reserve		3 913 520 096	1 606 253 089	28 051 287	28 051 287
Retained earnings		9 923 277 118	7 342 041 930	9 810 521 621	
TOTAL EQUITY AND LIABILITIES		28 094 127 513	20 239 531 643	27 981 307 480	5 851 659 890

*The historical cost financial information is shown as supplementary information. This information does not comply with the International Financial Reporting Standards in that it has not taken into account the requirements of International Accounting Standard 29 – Financial Reporting for Hyperinflationary Economies. As a result, the auditors have not expressed an opinion on the historical cost financial information.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2022

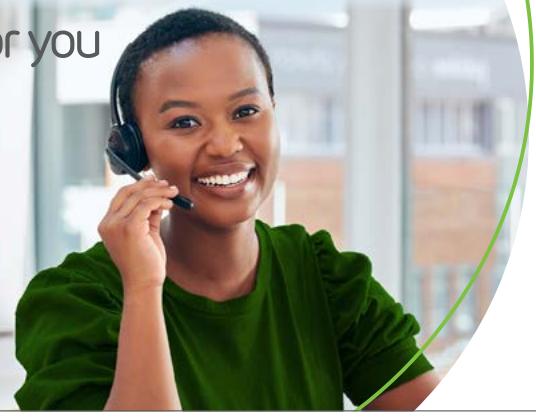
	Notes	Inflation adjusted		Historical cost (Unaudited)*	
		31 Dec 2022 ZWS	31 Dec 2021 ZWS	31 Dec 2022 ZWS	31 Dec 2021 ZWS
INCOME					
Gross premium income	12	3 109 559 607	1 817 732 131	2 207 869 306	482 400 765
Premiums ceded to reinsurers	13	(85 280 964)	(167 639 867)	(57 148 954)	(43 138 687)
Net premiums		3 024 278 643	1 650 092 264	2 150 720 352	439 262 078
Fair value gains on fair value through profit or loss financial instruments		1 044 675 289	1 772 003 291	3 885 021 115	791 094 067
Fair value gain on investment properties		1 063 191 034	407 622 075	2 170 675 143	245 062 272
Investment income	14	155 089 253	119 307 436	120 899 938	29 346 475
(Loss)/profit on disposal of listed equity investments		(33 379 227)	5 688 917	(23 471 703)	(528 283)
Other income	15	477 977 615	41 846 302	467 895 091	10 784 121
Total income		5 731 832 607	3 996 560 194	8 771 739 936	1 515 020 730
Expenses and Policyholder Benefits					
Policyholders' benefits	16	(526 448 966)	(514 388 674)	(347 488 074)	(136 968 124)
Changes to policyholder liabilities		(4 254 375 889)	(1 622 433 895)	(11 962 832 700)	(1 488 559 527)
Operating expenses	17	(2 153 390 267)	(1 122 024 336)	(1 459 162 657)	(280 269 888)
Commissions		(623 056 588)	(432 381 143)	(434 980 446)	(111 626 169)
Profit share under bancassurance agreements		(140 769 464)	(50 488 440)	(114 285 111)	(15 812 268)
Total expenses and policyholder benefits		(7 698 041 174)	(3 741 716 488)	(14 318 748 988)	(2 033 235 976)
Operating profit before taxation		(1 966 208 567)	254 843 706	(5 547 009 052)	(518 215 246)
Share of profit of equity accounted investee net of tax	6	4 801 665 914	60 192 073	14 500 632 462	1 547 432 944
Lease liability finance charge		(82 534 050)	(16 641 172)	(82 534 050)	(4 351 818)
Effects of inflation adjustments		371 324 662	129 125 550	-	-
Profit before taxation		3 124 247 959	427 520 157	8 871 089 360	1 024 865 880
Income tax expense	18	(799 536 234)	(524 581 914)	(1 605 101 632)	(256 429 979)
Profit for the year		2 324 711 725	(97 061 757)	7 265 987 728	768 435 901
Other comprehensive income					
Revaluation of equipment		224 485 756	89 608 489	357 060 976	40 845 221
Share of other comprehensive income of equity accounted investee net of tax	6	49 482 425	35 735 823	105 386 760	15 845 015
Other comprehensive income for the year		273 968 181	125 344 312	462 447 736	56 690 236
Total comprehensive income for the year		2 598 679 906	28 282 555	7 728 435 464	825 126 137

*The historical cost financial information is shown as supplementary information. This information does not comply with the International Financial Reporting Standards in that it has not taken into account the requirements of International Accounting Standard 29 – Financial Reporting for Hyperinflationary Economies. As a result, the auditors have not expressed an opinion on the historical cost financial information.

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2022

	Notes	Inflation adjusted					
		Share capital ZWS	Share premium ZWS	Revaluation reserve ZWS	Investment reserve ZWS	Retained earnings ZWS	Total ZWS
Balance at 31 December 2020							
		53 237 591	1 017 260 518	289 297 818	4 250 648 602	1 726 973 988	7 337 418 517
Profit for the year		-	-</				



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3.1 Reconciliation of carrying amount

	Inflation adjusted			
	Equities listed ZW\$	Equities unlisted ZW\$	Gold Coin ZW\$	Total ZW\$
2022				
Opening Balance	1 334 137 102	2 613 233 628	-	3 947 370 730
Additions	238 579 528	-	43 048 179	281 627 707
Disposals	(224 095 246)	-	-	(224 095 246)
Fair value gains	(574 862 714)	1 617 526 934	2 011 627	1 044 675 847
Closing balance	773 758 670	4 230 760 562	45 059 806	5 049 579 038
2021				
Opening Balance	765 162 228	1 646 181 714	191 214 720	2 602 558 662
Additions	55 237 860	-	-	55 237 860
Disposals	(351 422 436)	-	(131 006 226)	(482 428 662)
Fair value gains	865 159 450	967 051 914	(60 208 494)	1 772 002 870
Closing balance	1 334 137 102	2 613 233 628	-	3 947 370 730

	Historical cost (Unaudited)			
	Equities listed ZW\$	Equities unlisted ZW\$	Gold Coin ZW\$	Total ZW\$
2022				
Opening balance	388 101 458	760 191 578	-	1 148 293 036
Additions	129 126 958	-	39 907 152	169 034 110
Disposals	(152 769 223)	-	-	(152 769 223)
Fair value gains	409 299 341	3 470 568 984	5 152 790	3 885 021 115
Closing balance	773 758 534	4 230 760 562	45 059 942	5 049 579 038
2021				
Opening balance	138 478 307	297 924 541	34 605 871	471 008 719
Additions	11 744 998	-	-	11 744 998
Disposals	(87 444 943)	-	(38 109 805)	(125 554 748)
Fair value gains	325 323 096	462 267 037	3 503 934	791 094 067
Closing balance	388 101 458	760 191 578	-	1 148 293 036

	Inflation adjusted		Historical cost (Unaudited)	
	31 Dec 2022 ZW\$	31 Dec 2021 ZW\$	31 Dec 2022 ZW\$	31 Dec 2021 ZW\$
4. INVESTMENT PROPERTIES				
Reconciliation of carrying amount				
Opening balance as at 1 January	1 558 303 056	1 150 680 981	453 311 500	208 249 228
Fair value adjustment	1 063 191 034	407 622 075	2 170 675 143	245 062 272
Additions	12 437 753	-	9 945 200	-
Closing balance as at 31 December	2 633 931 843	1 558 303 056	2 633 931 843	453 311 500

	Inflation adjusted		Historical cost (Unaudited)	
	31 Dec 2022 ZW\$	31 Dec 2021 ZW\$	31 Dec 2022 ZW\$	31 Dec 2021 ZW\$
5. RIGHT OF USE ASSET				
Cost				
Balance at 1 January	309 641 359	164 390 064	49 263 918	7 010 210
Remeasurement of lease asset	44 863 252	145 251 295	44 863 251	42 253 708
Monetary adjustment	-	-	-	-
Balance at 31 December	354 504 611	309 641 359	94 127 169	49 263 918
Depreciation and impairment losses				
Balance as at 1 January	183 877 255	123 689 861	17 650 095	1 910 544
Depreciation	17 345 339	60 187 394	11 006 235	15 739 551
Balance as at 31 December	201 222 594	183 877 255	28 656 330	17 650 095
Net book value as at 31 December	153 282 017	125 764 104	65 470 839	31 613 823

	Inflation adjusted		
	Associate ZW\$	Subsidiary ZW\$	Total ZW\$
2022			
Balance at 1 January 2022	13 703 765 874	85 299 995	13 789 065 869
Share of profit / (loss) for the year	4 809 434 066	(7 768 152)	4 801 665 914
Dividend received	(63 337 204)	-	(63 337 204)
Share of other comprehensive income	-	49 482 425	49 482 425
Balance at 31 December 2022	18 449 862 736	127 014 268	18 576 877 004
2021			
Balance at 1 January 2021	13 658 673 350	59 689 976	13 718 363 326
Share of profit / (loss) for the year	70 317 878	(10 125 804)	60 192 074
Dividend Received	(25 225 354)	-	(25 225 354)
Share of other comprehensive income	-	35 735 823	35 735 823
Balance at 31 December 2021	13 703 765 874	85 299 995	13 789 065 869

	Historical cost		
	Associate ZW\$	Subsidiary ZW\$	Total ZW\$
2022			
Balance at 1 January 2022	3 983 413 613	24 507 035	4 007 920 648
Share of profit / (loss) for the year	14 502 315 285	(1 682 823)	14 500 632 461
Dividend received	(53 604 367)	-	(53 604 367)
Share of other comprehensive income	-	105 386 760	105 386 760
Balance at 31 December 2022	18 432 124 531	128 210 972	18 560 335 502
2021			
Balance at 1 January 2021	2 440 255 455	10 493 168	2 450 748 623
Share of profit / (loss) for the year	1 549 264 092	(1 831 148)	1 547 432 944
Dividend received	(6 105 934)	-	(6 105 934)
Share of other comprehensive income	-	15 845 015	15 845 015
Balance at 31 December 2021	3 983 413 613	24 507 035	4 007 920 648

7. EQUIPMENT

	Inflation adjusted			
	Motor vehicles ZW\$	Equipment furniture & fittings ZW\$	Computers ZW\$	Total ZW\$
2022				
Cost or valuation				
At 1 January 2022	28 393 947	141 781 197	56 067 222	226 242 366
Additions	-	7 444 541	13 273 973	20 718 514
Disposals	-	(2 240 249)	-	(2 240 249)



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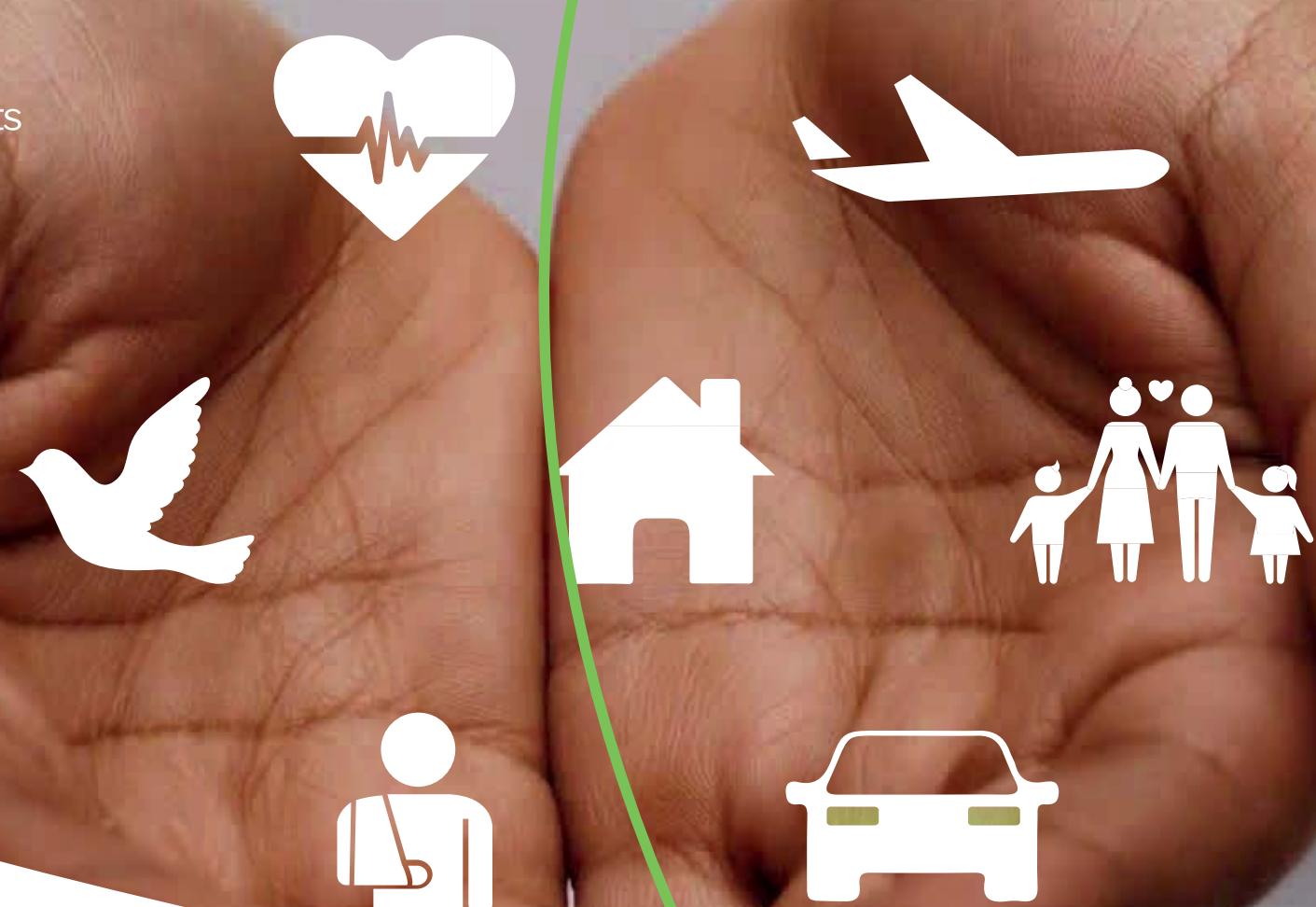
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	Inflation adjusted		Historical cost (Unaudited)	
	31 Dec 2022 ZW\$	31 Dec 2021 ZW\$	31 Dec 2022 ZW\$	31 Dec 2021 ZW\$
11. TRADE AND OTHER PAYABLES				
Policyholders' claims intimated but not paid	14 579 411	35 037 874	14 579 411	14 516 385
Other liabilities	171 014 611	62 881 433	171 014 611	18 292 255
Related parties	465 645 510	170 990 633	465 645 510	49 741 258
Unearned Premium	315 921 416	268 248 615	315 921 416	78 033 719
	967 160 948	537 158 555	967 160 948	160 583 617
12. GROSS PREMIUM INCOME				
Individual life	641 446 800	230 351 658	442 814 150	61 132 119
Group business	2 468 112 807	1 587 380 473	1 765 055 156	421 268 646
	3 109 559 607	1 817 732 131	2 207 869 306	482 400 765
13. PREMIUMS CEDED TO REINSURERS				
Individual life	(1 485 698)	(2 399 248)	(811 579)	(617 397)
Group business	(83 795 266)	(165 240 619)	(56 337 375)	(42 521 290)
	(85 280 964)	(167 639 867)	(57 148 954)	(43 138 687)
14. INVESTMENT INCOME				
Interest income on held to maturity financial instruments	50 164 898	28 569 392	39 438 898	5 799 193
Rentals from investment properties	59 103 750	45 068 707	55 562 271	11 816 097
Dividends from financial assets designated at FVTPL	45 820 605	45 669 246	25 898 769	11 731 185
	155 089 253	119 307 345	120 899 938	29 346 475
15. OTHER INCOME				
Gain on disposal of property and Equipment	-	78 697	-	22 893
Exchange gains	453 235 671	-	453 235 671	-
Sundry income	2 178 490	911 912	722 169	228 477
Reinsurance commission	12 539 727	31 822 759	7 642 846	8 167 579
Asset Management income	10 023 727	9 032 934	6 294 405	2 365 172
	477 977 615	41 846 302	467 895 091	10 784 121
16. POLICYHOLDERS' BENEFITS				
Claims during the year were as follows:-				
Death and disability benefits	293 700 940	278 360 293	195 973 650	71 739 158
Maturities	28 685 307	19 288 566	14 126 932	5 126 378
Annuities	63 358 602	55 819 863	45 349 369	14 413 756
Surrenders and pensions withdrawals	140 704 117	160 919 952	92 038 123	45 688 832
	526 448 966	514 388 674	347 488 074	136 968 124
17. OPERATING EXPENSES				
Loss on disposal of property and equipment	2 224 747	-	587 114	-
Staff expenses	1 239 956 991	605 842 992	895 967 467	160 411 728
Administration expenses	562 102 988	269 801 638	425 508 522	66 733 125
Depreciation of equipment	39 929 816	26 058 484	12 125 351	4 771 321
Depreciation of software	3 400 754	36 831 392	989 282	575 160
Depreciation of Right of Use Asset	17 345 339	60 187 394	11 006 235	15 739 551
Impairment	102 802 673	-	2 192 316	-
Foreign exchange loss	-	46 457 683	-	12 149 106
Directors Fees	87 458 111	41 700 555	70 408 602	10 740 769
Audit Fees	98 168 848	35 144 198	40 377 768	9 149 128
	2 153 390 267	1 122 024 336	1 459 162 657	280 269 888

	Inflation adjusted		Historical cost (Unaudited)	
	31 Dec 2022 ZW\$	31 Dec 2021 ZW\$	31 Dec 2022 ZW\$	31 Dec 2021 ZW\$
18. INCOME TAX CHARGE				
Current taxation	143 298 432	235 926 274	143 298 432	68 631 126
Deferred taxation	656 237 802	288 655 640	1 461 803 200	187 798 853
	799 536 234	524 581 914	1 605 101 632	256 429 979
19. RISK MANAGEMENT				
Liquidity risk gap analysis as at 31 December 2022				
	Inflation adjusted			
	Up to 1 Month ZW\$	2 to 12 Months ZW\$	Above 12 Months ZW\$	Total ZW\$
Assets				
Bank and cash	12 057 291	-	-	12 057 291
Funds on deposit	176 737 480	5 531 187	9 539 727	191 808 393
Financial assets at Amortised cost	-	857 002 452	-	857 002 452
Investments-At Fair Value	-	818 818 475	4 230 760 562	5 049 579 038
Trade and other receivables	-	110 447 634	-	110 447 634
Reinsurance receivable	10 000	-	-	10 000
Total	188 804 771	1 791 799 748	4 240 300 289	6 220 904 808
Liabilities				
Trade and other payables	-	967 160 949	-	967 160 949
Reinsurance payable	6 208 859	-	-	6 208 859
Total	6 208 859	967 160 949	-	973 369 808
Period Gap	182 595 911	824 638 800	4 240 300 289	5 247 535 001
Cumulative Gap	182 595 911	1 007 234 712	5 247 535 001	-
Liquidity risk gap analysis as at 31 December 2021				
	Inflation adjusted			
	Up to 1 Month ZW\$	2 to 12 Months ZW\$	Above 12 Months ZW\$	Total ZW\$
Assets				
Bank and cash	19 464 533	-	-	19 464 533
Funds on deposit	70 777 945	159 349 008	-	230 126 953
Financial assets at Amortised cost	-	148 491 201	-	148 491 201
Investments-At Fair Value	-	1 548 545 198	2 398 825 532	3 947 370 730
Trade and other receivables	-	87 702 326	-	87 702 326
Reinsurance receivable	34 376	-	-	34 376
Total	90 276 854	1 944 087 733	2 398 825 532	4 433 190 119
Liabilities				
Trade and other payables	-	552 022 045	-	552 022 045
Reinsurance payable	3 223 340	-	-	3 223 340
Total	3 223 340	552 022 045	-	555 245 385
Period Gap	87 053 514	1 392 065 688	2 398 825 532	3 877 944 734
Cumulative Gap	87 053 514	1 479 119 202	3 877 944 734	-

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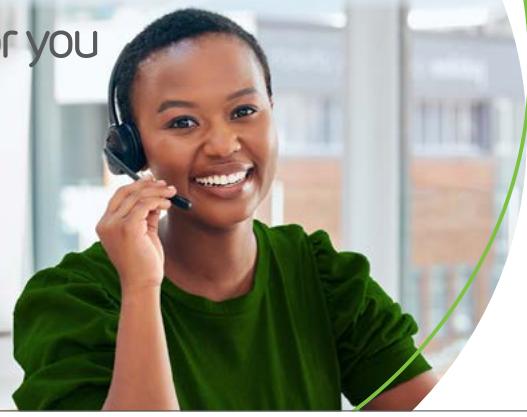


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AUDITED FINANCIAL RESULTS for the year ended 31 December 2022

STATEMENT OF FINANCIAL POSITION

As at 31 December 2022

Notes	Inflation adjusted		Historical cost	
	31 Dec 2022 ZW\$	31 Dec 2021 ZW\$	31 Dec 2022 ZW\$	31 Dec 2021 ZW\$
ASSETS				
Non-current assets				
Investments 1	1 891 519 104	1 614 439 391	1 891 519 104	469 641 600
Investment properties 2	2 791 426 000	1 792 195 557	2 791 426 000	521 351 000
Right of use assets	34 128 423	121 669 371	34 128 423	35 393 709
Equipment	261 482 827	85 124 860	261 482 827	24 762 885
Total non-current assets	4 978 556 354	3 613 429 179	4 978 556 354	1 051 149 194
Current assets				
Other assets	23 596 130	62 271 495	23 596 130	18 114 824
Balances receivable from insurance companies 3	1 959 336 533	716 534 626	1 959 336 533	208 440 447
Cash and cash equivalent 4	2 983 511 755	2 003 444 247	2 983 511 755	582 803 398
Total current assets	4 966 444 418	2 782 250 368	4 966 444 418	809 358 669
Total assets	9 945 000 772	6 395 679 547	9 945 000 772	1 860 507 863
EQUITY AND LIABILITIES				
Non-current liabilities				
Deferred tax liability	783 180 992	324 243 200	783 180 992	94 322 584
Lease Liabilities	122 365 138	123 814 878	122 365 138	36 017 839
Current liabilities				
Unearned premium reserve	831 016 652	349 525 569	831 016 652	101 677 244
Incurred but not reported claims reserve (IBNR) 5	909 286 965	388 594 133	909 286 965	113 042 318
Outstanding claims reserve 6	77 329 730	220 861 500	77 329 730	64 248 772
Balances payable to insurance companies	171 533 563	100 341 181	171 533 563	29 189 323
Taxation	(26 961 113)	42 148 567	(26 961 113)	12 261 049
Dividend Liability	-	96 008 517	-	27 928 948
Other payables	661 000 455	359 417 912	661 000 455	104 554 931
Total liabilities	3 528 752 382	2 004 955 457	3 528 752 382	583 243 008
Equity				
Share capital	1 131 603	1 131 603	5 000	5 000
Share premium	564 670 033	564 670 033	2 495 000	2 495 000
Revaluation reserve	116 410 048	41 973 760	137 095 427	20 112 341
Foreign Currency Revaluation Reserve	-	-	9 649 178	9 649 178
Retained earnings	5 734 036 706	3 782 948 694	6 267 003 785	1 245 003 336
Total shareholders' equity	6 416 248 390	4 390 724 090	6 416 248 390	1 277 264 855
Total equity and liabilities	9 945 000 772	6 395 679 547	9 945 000 772	1 860 507 863

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2022

Notes	Inflation adjusted		Historical cost	
	31 Dec 2022 ZW\$	31 Dec 2021 ZW\$	31 Dec 2022 ZW\$	31 Dec 2021 ZW\$
Gross premium				
Retrocession premium	11 904 767 647	6 758 704 164	9 008 797 117	1 569 584 679
Net premium income	(3 362 897 871)	(1 762 584 198)	(2 609 325 908)	(403 954 596)
Unearned premium	8 541 869 776	4 996 119 966	6 399 471 209	1 165 630 083
Net earned premium	(886 939 515)	(83 779 050)	(729 339 408)	9 648 797
Net claims	7 654 930 261	4 912 340 916	5 670 131 801	1 175 278 880
Net commission	(3 575 609 815)	(1 790 670 444)	(2 812 021 478)	(433 202 372)
Operating expenses 9	(2 687 959 104)	(1 403 153 972)	(2 027 330 161)	(326 388 197)
Underwriting result	(2 315 546 901)	(976 748 899)	(1 714 021 969)	(223 634 557)
Investment income	(924 185 559)	741 767 601	(883 241 807)	192 053 754
Fair value adjustment	3 666 576 547	701 690 328	3 644 800 063	176 916 222
Operating profit	895 007 804	1 113 194 857	2 910 886 389	504 749 315
Monetary loss	3 637 398 792	2 556 652 786	5 672 444 645	873 719 291
Profit before taxation	(1 251 815 935)	(706 453 959)	5 672 444 645	873 719 291
Income tax expense	(434 494 845)	(312 258 548)	(650 444 196)	(108 966 229)
Profit for the year	1 951 088 012	1 537 940 279	5 022 000 449	764 753 062
Other Comprehensive income				
Revaluation of equipment	98 879 235	32 163 553	155 397 298	14 815 232
Income tax relating to components of other comprehensive income	(24 442 947)	(7 950 830)	(38 414 212)	(3 662 325)
Total comprehensive income	2 025 524 300	1 562 153 002	5 138 983 535	775 905 969

STATEMENT OF CHANGES IN EQUITY

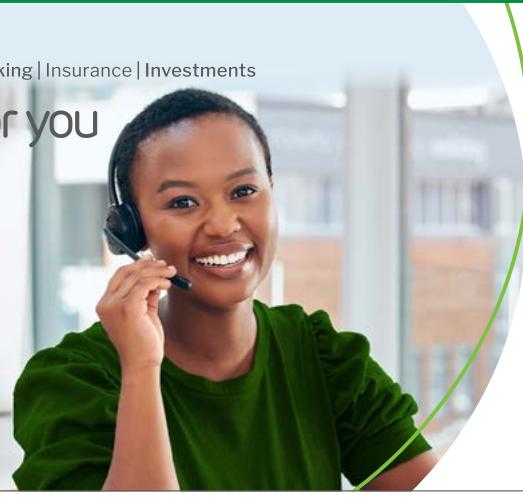
For the year ended 31 December 2022

	Inflation adjusted		Historical cost			
	Share capital ZW\$	Share premium ZW\$	FCTR reserve ZW\$	Revaluation reserve ZW\$	Retained earnings ZW\$	Total equity ZW\$
2022						
Balance at 1 January 2022						
Profit for the year	1 131 603	564 670 033	-	41 973 760	3 782 948 694	4 390 724 090
Other comprehensive income net of tax	-	-	-	-	1 951 088 012	1 951 088 012
Revaluation of equipment	-	-	-	74 436 288	-	74 436 288
Balance at 31 December 2022	1 131 603	564 670 033	-	116 410 048	5 734 036 706	6 416 248 390
2021						
Balance at 1 January 2021						
Profit for the year	1 131 603	564 670 033	-	17 761 038	2 341 016 932	2 924 579 606
Other comprehensive income net of tax	-	-	-	-	1 537 940 279	1 537 940 279
Revaluation of equipment	-	-	-	24 212 722	-	24 212 722
Dividend paid	-	-	-	(96 008 517)	(96 008 517)	(96 008 517)
Balance at 31 December 2021	1 131 603	564 670 033	-	41 973 760	3 782 948 694	4 390 724 090

STATEMENT OF CHANGES IN EQUITY (continued)

For the year ended 31 December 2022

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NOTES TO THE FINANCIAL STATEMENTS (continued)

	Inflation adjusted		Historical cost	
	31 Dec 2022 ZWS	31 Dec 2021 ZWS	31 Dec 2022 ZWS	31 Dec 2021 ZWS
3. BALANCES RECEIVABLE FROM INSURANCE COMPANIES				
Balances receivable	2 118 559 956	760 756 222	2 118 559 956	221 304 542
Impairment allowance	(159 223 423)	(44 221 596)	(159 223 423)	(12 864 095)
	1 959 336 533	716 534 626	1 959 336 533	208 440 447
4. CASH AND CASH EQUIVALENTS				
Local banks	224 627 598	645 206 999	224 627 598	187 691 188
Foreign banks	2 758 884 157	1 358 237 248	2 758 884 157	395 112 210
	2 983 511 755	2 003 444 247	2 983 511 755	582 803 398
5. UNEARNED PREMIUM RESERVE (UPR)				
Opening balance	349 525 569	615 131 972	101 677 244	111 326 041
Charge/(credit) to profit or loss	886 939 515	83 779 050	729 339 408	(9 648 797)
Effects of inflation adjustments	(405 448 432)	(349 385 453)	-	-
Closing balance	831 016 652	349 525 569	831 016 652	101 677 244
6. INCURRED BUT NOT REPORTED CLAIMS RESERVE (IBNR)				
Opening balance	388 594 133	498 199 117	113 042 318	90 163 636
Charge/(credit) to profit or loss	656 923 608	92 968 910	796 244 647	22 878 682
Effects of inflation adjustments	(136 230 776)	(202 573 894)	-	-
Closing balance	909 286 965	388 594 133	909 286 965	113 042 318
7. OUTSTANDING CLAIMS RESERVE				
Opening balance	220 861 500	157 872 181	64 248 772	28 571 568
Charge/(credit) to profit or loss	22 167 411	134 060 783	13 080 958	35 677 204
Effects of inflation adjustments	(165 699 181)	(71 071 464)	-	-
Closing balance	77 329 730	220 861 500	77 329 730	64 248 772
8. TECHNICAL RESERVES				
An external independent actuarial firm, African Actuarial Consultants determined incurred but not reported claims reserve (IBNR), Unearned Premium Reserve and the Outstanding Claims Reserves. African Actuarial Consultants has the appropriate recognised professional qualifications and experience to undertake this valuation.				
To estimate the IBNR Reserve, the actuary makes use of the Basic Chainleader and Inflation adjusted Chainleader methods. Following the results of the Actual-Estimate analysis carried out there was the use of the triangle based methods to calculate IBNR as these have inflation assumptions inherent in the approaches. To estimate the Unearned premium reserve the Actuary makes use of the 365th method. To estimate the outstanding claims reserve reports and individual case estimates received from ceding companies were used.				

NOTES TO THE FINANCIAL STATEMENTS (continued)

	Inflation adjusted		Historical cost	
	31 Dec 2022 ZWS	31 Dec 2021 ZWS	31 Dec 2022 ZWS	31 Dec 2021 ZWS
9. OPERATING EXPENSES				
Staff expenses	797 985 691	382 468 102	625 126 450	93 334 408
Impairment on balances receivable from insurance companies	115 001 826	(30 243 898)	146 359 328	(8 797 972)
Administration expenses	1 206 584 586	502 520 635	790 868 608	111 491 175
Interest expense	9 025 649	10 830 201	9 025 649	2 561 479
Depreciation - equipment	26 152 838	16 801 406	12 706 078	2 755 304
Depreciation - right of use	9 930 964	13 803 948	9 930 964	3 285 206
Directors' remuneration	77 336 041	48 217 060	60 139 112	11 623 987
Audit fees	73 529 306	32 351 445	59 865 780	7 380 970
	2 315 546 901	976 748 899	1 714 021 969	223 634 557
10. INVESTMENT INCOME				
Interest income	22 069 988	13 900 434	13 743 462	3 167 026
Dividend income	34 957 784	29 522 538	23 246 923	7 724 593
Exchange gain	3 591 038 938	640 096 345	3 591 038 938	161 756 945
Rental Income	23 722 965	16 367 475	18 742 033	3 736 318
Loss on disposal of assets	(5 213 128)	1 803 536	(1 971 293)	531 340
	3 666 576 547	701 690 328	3 644 800 063	176 916 222
11. FAIR VALUE ADJUSTMENT				
Fair value adjustment on equity investments	(104 222 639)	543 437 032	640 811 389	212 570 086
Fair value adjustment on investment property	999 230 443	569 757 825	2 270 075 000	292 179 229
	895 007 804	1 113 194 857	2 910 886 389	504 749 315
12. REGULATORY FRAMEWORK				
The Insurance and Pensions Commission (IPEC) requires reinsurers to maintain a minimum solvency level of 25%. The solvency ratio is calculated as shareholder's equity divided by net premium income. As at 31 December 2022 the company had a solvency margin of 74% (Inflation adjusted), 99% (Historical) (December 2021: 88%- Inflation adjusted and 110%-Historical). The solvency ratio is not significantly affected by the application of IPEC asset admissibility guidelines for the calculation of regulatory capital given the company's strong liquidity position. The company is also compliant with the IPEC prescribed minimum capital requirement of \$75,000,000.				

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