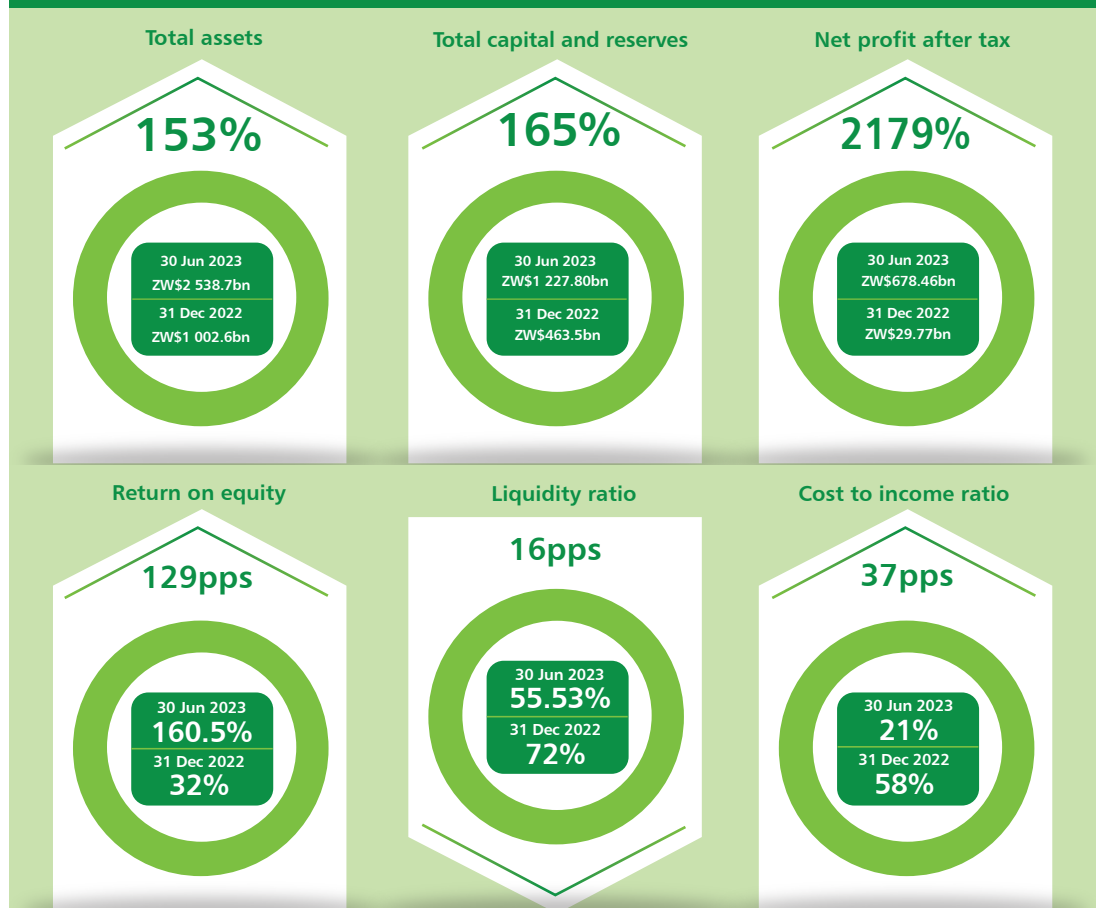


REVIEWED INFLATION ADJUSTED FINANCIAL HIGHLIGHTS



pps - percentage points

ACTING CHAIRMAN'S STATEMENT

Operating Environment:

During the half year to June 2023, the domestic economy recorded mixed fortunes, especially when performance is considered on a quarter-on-quarter basis: Q1 2023 witnessed significant power shortages and load-shedding, with the power situation improving noticeably in Q2 2023 following increased power generation capacity from Hwange Power Station units 7 and 8.

The Zimbabwean Dollar (ZWS) depreciated by 38.5% during Q1 2023, opening at 1:671.4466 to the US Dollar on 3 January 2023, to end at 1:929.8618 at 31 March 2023. In Q2 2023, the ZWL depreciated by a much wider margin of 515.5%, opening the quarter at 1:932.4874 on 3 April 2023, and ending the quarter at 1:5739.7961 on June 2023. On a year to date basis, the ZWL depreciated by 754.8% up to 30 June 2023.

Meanwhile, inflation was generally high at the beginning of the first quarter, with annual inflation recorded at 101.5% in January 2023. However, commencing February 2023 the authorities ceased publication of ZWL inflation and adopted "blended inflation" on the basis that a larger proportion of transactions (more than 70%) were now being conducted in USD. Annual inflation eased to 92.3% in February 2023 and ended the quarter at 87.6% in March 2023. As the exchange rate depreciated, inflation worsened in Q2 2023, with year-on-year blended inflation opening the quarter at 75.2% in April 2023 and ending at 175.7% in June 2023. In fact, in June 2023 officially recorded inflation reached hyperinflationary levels at 74.5% month-on-month movement.

During the half year to June 2023, the monetary authorities maintained a tight monetary policy stance, characterised by tight liquidity management, ostensibly to support exchange rate and price stability. In as much as this remains a very noble stance, its downside is the curtailing of credit creation, resultantly skewing banks' performance towards non-funded income as interest income falls.

Group Performance:

The Group's operations continued to be sustainably profitable, posting a profit after tax (PAT) of ZW\$678.459bn, 2179% improvement from same period last year. The Group's profit performance is discussed in greater detail in the Group Chief Executive's report.

Capital Requirements:

As at 30 June 2023, all Group companies, with the exception of ZB Building Society, which is currently under consolidation process with ZB Bank and Intermarket Banking Corporation were in compliance with prescribed minimum capital requirements.

Dividends:

The Board has declared an interim dividend of ZW488.47 cents and USD0.00001 cents per share for the half year ended 30 June 2023. A separate dividend notice will be published to this effect.

Sustainability and Environmental, Social, and Governance (ESG) Reporting

The Group's strategy and operations are underpinned by sustainability principles. The Group is one of 14 financial institutions in Zimbabwe which are seeking sustainability certification through the Reserve Bank of Zimbabwe (RBZ)-led Sustainability Standards Certification Initiative (SSCI). SSCI certification will be awarded by the European Organisation for Sustainable Development (EOSD). This is discussed in greater detail in the GCEO's Statement.

Tied to the Group's sustainability drive, the Group has made progress towards adopting Environmental, Social and Governance (ESG) Reporting. External consultants, Institute of Sustainability Africa (INSAF) have been engaged to assist the Group implement ESG Reporting, with a target of fully incorporating ESG Reporting by FY2023.

Directorate:

Mrs. Pamela Chirimo (Former Chairman) and Mr. Jacob Mutevedzi retired from the ZBFH Board with effect from 30 June 2023. I would like to extend my gratitude and appreciation to them for their distinguished service to the Group and wish them success in their future endeavours.

Mr. Luxon Zembe was appointed as the ZBFH Acting Board Chairman with effect from 30 June 2023.

Outlook:

The Group will continue to develop strategic business partnerships with real sectors of the economy, enhance sustainable revenue streams, especially foreign currency revenues, and take advantage of investment opportunities in order to preserve its capital position against possible loss of value from currency depreciation.

The Group will also continue to consolidate on one stop shop Service Centres, as a market differentiator in delivering distinctive quality service to customers. In the short term, prudent investment and cost containment measures will continue to be a priority in order to boost profitability. In the medium to long term, the Group continues with its digitalization journey with more focus on implementing robust and state of the art core banking and Life Assurance systems in order to enhance efficient products offerings that provide value and convenience to our customers.

Conclusion:

I would like to express my continued appreciation to our valued customers, shareholders and other key stakeholders, without whom the Group would not have been able to sustain its operations. My gratitude also goes to Board colleagues, Management and Staff, whose collective contributions culminated in the commendable performance for the half year period to 30 June 2023.

Luxon Zembe
Acting Chairman

31 August, 2023

GROUP CHIEF EXECUTIVE'S REPORT

Introduction:

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

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

Performance Outturn:

For the half year to 30 June 2023, the Group recorded a 796% rise in total income from ZW\$102.407bn for the comparable period in 2022, to ZW\$917.284bn. The income performance was mainly on the back of a 3022% rise in fair value adjustments, from ZW\$14.773bn at HY2022 to ZW\$461.205bn at HY2023, a 522% improvement in Other Operating Income, from ZW\$54.684bn in 2022 to ZW\$340.255bn, as well as 257% increase in Commissions and Fees from ZW\$19.057bn in 2022 to ZW\$68.101bn.

Net interest income rose by 115%, from ZW\$20.143bn in 2022 to ZW\$43.406bn in 2023. Loan impairment charges fell by 1%, from ZW\$11.232bn in 2022 to ZW\$11.132bn in 2023. Resultantly, net income from lending activities improved by 262%, from ZW\$8.910bn in 2022 to ZW\$32.274bn in 2023.

Net insurance related earnings rose by 210%, from ZW\$4.982bn in 2022, to ZW\$15.450bn in 2023, underpinned by a 223% increase in gross premiums from ZW\$14.386bn in 2022 to ZW\$46.495bn in 2023, which was partially off-set by a more than proportionate 230% rise in insurance related expenses from ZW\$9.404bn in 2022 to ZW\$31.045bn in 2023.

Meanwhile, operating costs increased by 315% from ZW\$46.170bn in 2022 to ZW\$191.725bn in 2023, largely reflecting the effects of inflation.

Profit from ordinary activities rose by 1190%, from ZW\$56.237bn in 2022 to ZW\$725.559bn in 2023.

The Group's performance was also enhanced by a 726% rise in share of associate companies' profit net of tax, from ZW\$2.409bn in 2022 to ZW\$19.883bn in 2023. During the review period, the Group continued to increase its shareholding in an associate. In addition, whereas the Group recorded a net monetary loss of ZW\$19.117bn in 2022, it recorded a net monetary gain of ZW\$4.745bn in 2023.

Profit After Tax (PAT) improved by 2179%, from ZW\$29.771bn achieved in 2022 to ZW\$678.458bn in 2023.

Meanwhile, the Group's total assets increased by 153% in real terms, from ZW\$1.003trn as at 31 December 2022 to ZW\$2.539trn as at 30 June 2023. The growth rate outperformed average inflation over the same period (110%).

Deposits and other related funding account balances grew by 152%, from ZW\$341.145bn as at 31 December 2022 to ZW\$858.623bn as at 30 June 2023.

Earning assets increased by 186% from ZW\$606.732bn as at 31 December 2022 to ZW\$1.732trn as at 30 June 2023 whilst constituting 68% of total assets (69% at 30 June 2023).

The Group maintained a comfortable liquidity margin of safety, with the ratio of liquid assets to customer deposits being above 55% throughout the year against a prescribed ratio of 30%.

The Group's total equity increased by 165%, from ZW\$463.470bn as at 31 December 2022 to ZW\$1 227.776bn as at 30 June 2023, underpinned by the positive performance outturn for the period.

Operations Review:

Banking Operations:

ZB Bank Limited posted a profit after tax of ZW\$373.986bn in 2023, as compared to ZW\$25.251bn in 2022. Its total assets stood at ZW\$1.679trn as at 30 June 2023, from ZW\$625.874bn as at 31 December 2022.

ZB Building Society posted a profit after tax of ZW\$64.752bn in 2023, as compared to ZW\$5.089bn in 2022. The Society's total assets stood at ZW\$132.002bn as at 30 June 2023, from ZW\$55.421bn as at 31 December 2022.

Insurance Operations:

ZB Reinsurance posted a profit after tax of ZW\$43.549bn in 2023 compared to ZW\$4.860bn in 2022. Its total assets increased in real terms from ZW\$85.609bn as at 30 June 2023 to close the year 2022 at ZW\$31.066bn.

ZB Life Assurance posted a profit of ZW\$66.609bn in 2023, compared to ZW\$6.302bn in 2022. Its total assets increased in real terms from ZW\$203.955bn as at 30 June 2023 to ZW\$87.759bn as at 31 December 2022.

Other Strategic Operations:

As the Group progresses its expansion strategy into the African region, reinsurance operations launched in Botswana in November 2022 contributed 15% to ZB Reinsurance Gross Written Premiums (GWP).

Internal Processes:

The Group continued with its organisational transformation program. A new customer-centric business model and organisational design has been adopted, underpinned by digital capacity building. In 2022, 25 bank branches were re-purposed into Group-wide customer service centres serving not just banking, but the whole bouquet of banking, insurance and investments services under the #OneZB concept. As at 30 June 2023, a further 10 customer service centres had been launched, with the remaining 10 being on course for finalisation in the second half of 2023. Dedicated Premium Service Centres have been established in Harare and Bulawayo, whilst all the other Service Centres across the country also have functionality to offer Premium Service at a limited scale.

In its medium-term plan for 2021-2025, the Group embedded long term sustainability of operations as a key theme underpinning its strategy. This entails striking a balance between the welfare of the People it serves, preservation and promotion of the Environment (Planet) in which it operates for current and future generations, and the quest for Profit and sustained growth. The Group is one of 14 financial institutions in Zimbabwe working on attaining certification under the Sustainability Standards Certification Initiative (SSCI) by the European Organisation for Sustainable Development (EOSD), under guidance from the RBZ.

The Group's 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" were structured with a view to ensuring that ZBFH avails resources towards supporting Government priorities, including the National Development Strategy 1 (NDS1), as well as Sustainable Development Goals (SDGs) being prioritised by Government in the country's Vision 2030 towards attaining upper middle income status.

During the half year to 30 June 2023, the Group entered into a Memorandum of Agreement with the Women Owned Business Trust (WOBT), a trust whose primary purpose is advancing women owned businesses through capacity building and providing access to markets. Under the Agreement, ZBFH is listed as one of the WOBT Supplier Diversity Inclusion Partners (SDI) with the target of ensuring that qualifying WOBT members are onboarded as part of the Group's suppliers' listing.

People & Culture:

Aligned to the organisational transformation, new business model and organisational design, the Group adopted a new Structure supportive of its Strategy going forward. As at 30 June 2023, the Group had finalised job evaluation and deployment of staff. As the new Group Structure settled, the Group adopted a Voluntary Disengagement Scheme (VDS) which was taken up by 58 staff members, mostly those who were nearing retirement.

The Group staff complement as at 30 June 2023 stood at 990.

Industrial relations remained cordial during the period under review.

Appreciation:

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

My deep appreciation goes to the Group's Staff and Management team for their hard work and dedication which produced these set of financial results for the half year to June 2023.

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

S. T. Fungura
Group Chief Executive

31 August, 2023

AUDITOR'S STATEMENT

These consolidated inflation adjusted interim financial results of ZB Financial Holdings Limited and its subsidiaries, incorporating the following inflation adjusted interim financial results for ZB Bank Limited, ZB Building Society, ZB Life Assurance Limited and ZB Reinsurance Limited for the half year financial period ended 30 June 2023, have been reviewed by Messrs KPMG Chartered Accountants (Zimbabwe). Adverse conclusions have been expressed for ZB Financial Holdings Limited, and ZB Life Assurance Limited because of the effect of non-adoption of IFRS 17-Insurance contracts and non-compliance with IAS 21- The effects of Changes in Foreign Exchange rates, and an adverse conclusion has also been expressed for ZB Reinsurance Limited because of the effect of non-adoption of IFRS 17-Insurance contracts. An unmodified conclusion has been expressed for ZB Bank Limited and ZB Building Society. A copy of the auditor's conclusion is available for inspection at the ZB Financial Holdings' registered office. The engagement partner for this review is Michael de Beer (PAAB Practising Certificate Number 0369).

CONSOLIDATED INFLATION ADJUSTED INTERIM STATEMENT OF FINANCIAL POSITION As at 30 June 2023

Notes	Inflation adjusted		Historical cost	
	Reviewed 30 Jun 2023 ZW\$	Audited 31 Dec 2022 ZW\$	Unreviewed 30 Jun 2023 ZW\$	Unaudited 31 Dec 2022 ZW\$
ASSETS				
Cash and cash equivalents	370 944 534 487	192 783 271 346	370 944 534 487	61 715 351 709
Treasury bills	105 818 678 421	52 363 403 140	105 818 678 421	16 762 999 294
Mortgages and other advances	807 572 677 049	202 636 678 640	807 572 677 049	64 869 704 742
Financial assets at fair value through profit or loss	127 801 877 409	49 961 324 286	127 801 877 409	15 994 026 238
Financial assets held at amortised cost	10 996 091 474	3 458 047 749	10 996 091 474	1 107 018 423
Trade and other receivables	118 770 791 449	35 315 054 742	118 770 791 449	11 183 791 416
Investments in associates	23 966 901 503	4 083 786 357	23 966 901 503	905 091 617
Inventories	6 077 282 953	958 202 709	6 077 282 953	299 332 399
Investment properties	5 682 669 879 352	294 228 321 683	5 682 669 879 352	94 190 767 843
Right of use assets	7 024 741 106	4 991 732 832	7 024 741 106	372 877 689
Property and equipment	7 271 616 850 265	154 122 804 737	7 271 616 850 265	49 166 748 392
Intangible assets	8 4 898 936 240	4 581 079 752	8 4 898 936 240	703 404 671
Deferred tax assets	493 423 385	3 126 469 274	493 423 385	972 458 574
Total assets	2 538 652 665 093	1 002 610 177 247	2 456 878 739 477	318 243 573 007
LIABILITIES				
Deposits and other accounts	9 858 623 084 803	341 145 454 913	858 623 084 803	109 210 262 835
Trade and other payables	192 261 076 815	94 045 695 377	192 261 076 815	29 981 905 063
Current tax liabilities	2 843 817 736	1 883 894 581	2 843 817 736	603 087 684
Long term borrowings	10 18 239 931	55 587 286	18 239 931	17 795 055
Offshore borrowings	11 114 795 922 000	20 974 306 797	114 795 922 000	6 714 466 000
Life assurance funds	91 430 812 237	47 247 167 892	91 430 812 237	15 125 148 371
Lease liabilities	12 5 365 024 511	2 568 141 146	5 365 024 511	822 134 270
Deferred tax liabilities	45 538 548 656	31 219 916 825	47 412 106 434	9 767 230 215
Total liabilities	1 310 876 526 689	539 140 164 817	1 312 750 084 467	172 242 029 499
EQUITY				
Share capital	1 255 010 164	1 255 010 164	1 751 906	1 751 906
Share premium	19 400 467 247	19 400 467 247	128 373 801	27 081 696
Other components of equity	226 398 815 019	129 370 310 640	162 377 370 155	36 140 121 639
Retained income	620 699 720 934	142 498 084 037	606 058 221 859	54 932 296 831
Functional currency translation reserve	-	-	101 292 105	101 292 105
Attributable to equity holders of parent	867 754 013 364	292 523 872 088	768 565 717 721	91 202 544 177
Non-controlling interests	360 022 125 040	170 946 140 342	375 562 937 289	54 798 999 331
Total equity	1 227 776 138 404	463 470 012 430	1 144 128 655 010	146 001 543 508
Total equity and liabilities	2 538 652 665 093	1 002 610 177 247	2 456 878 739 477	318 243 573 007

*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 financial information.

CONSOLIDATED INFLATION ADJUSTED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME For the half year ended 30 June 2023

Notes	Inflation adjusted		Historical cost	
	Reviewed 30 Jun 2023 ZW\$	Reviewed 30 Jun 2022 ZW\$	Unreviewed 30 Jun 2023 ZW\$	Unreviewed 30 Jun 2022 ZW\$
Interest income	14 63 978 558 213	26 573 232 299	29 024 018 544	3 208 865 054
Interest expense	15 (20 573 048 341)	(6 430 487 051)	(11 665 604 600)	(840 419 568)
Net interest income	43 405 509 872	20 142 745 248	17 358 413 944	2 368 445 486
Loan impairment charges, net recoveries	(11 131 764 536)	(11 232 466 153)	(8 437 742 314)	(1 761 022 549)
Net income from lending activities	32 273 745 336	8 910 279 095	8 920 671 630	607 422 937
Gross insurance premium income	46 494 906 823	14 385 972 003	23 738 722 180	2 074 850 965
Total insurance expenses	(31 045 179 460)	(9 403 954 741)	(21 833 977 240)	(1 466 627 967)
Net insurance income	15 449 727 363	4 982 017 262	1 904 744 940	608 222 998
Commissions and fees	68 100 895 736	19 056 864 552	39 416 743 334	2 602 603 435
Operating income	340 254 519 546	54 684 385 981	334 390 386 739	10 912 584 099
Fair value adjustments	461 205 156 933	14 773 290 615	707 543 934 293	10 993 811 216
Total income	917 284 044 914	102 406 837 505	1 092 176 480 936	25 724 644 685
Operating expenses	17 (191 724 795 608)	(46 169 636 818)	(104 452 661 151)	(6 374 190 040)
Profit from ordinary activities	725 559 249 306	56 237 200 687	987 723 819 785	19 350 454 040
Movement in life assurance funds	(44 183 644 345)	(307 152 004)	(76 305 663 860)	(3 823 162 823)
Share of associate companies profit net of tax	19 883 115 140	2 408 579 647	6 356 111 885	7 001 510 453
Effects of inflation adjustments	4 744 766 121	(19 116 831 779)	-	-
Profit before taxation	706 003 486 222	39 221 796 551	917 774 267 810	22 528 801 670
Income tax expense	18 (27 544 633 391)	(9 450 826 384)	(38 874 772 875)	(2 159 270 462)
Net profit for the period	678 458 852 831	29 770 970 167	878 899 494 935	20 369 531 208
Profit attributable to:				
Owners of the parent	470 633 366 693	21 867 744 184	540 025 028 205	15 848 461 733
Non-controlling interests	207 825 486 138	7 903 225 983	338 874 466 730	4 521 069 475
Profit for the period	678 458 852 831	29 770 970 167	878 899 494 935	20 369 531 208
Other comprehensive income: Items that will not be reclassified to profit or loss				
Gains on property and equipment revaluation	106 199 711 401	15 418 076 538	146 349 180 627	7 212 968 889
Fair value gains on financial assets at FVTOCI	(14 860 833 665)	822 548 374	(14 860 833 666)	167 691 271
Income tax relating to components of other comprehensive income	3 061 877 259	(348 195 871)	(3 977 222 867)	(409 249 684)
Other comprehensive income for the period net of tax	94 400 754 995	15 892 429 041	127 511 124 094	6 971 410 476
Total comprehensive income for the period	772 859 607 826	45 663 399 208	1 006 410 619 029	27 340 941 684
Total comprehensive income attributable to:				
Owners of the parent	564 084 221 917	37 689 711 388	666 374 482 651	22 774 213 277
Non-controlling interests	208 775 385 909	7 973 687 820	340 036 136 378	4 566 728 407
Total comprehensive income for the period	772 859 607 826	45 663 399 208	1 006 410 619 029	27 340 941 684
Earnings per share				
Basic and fully diluted earnings per share (ZW cents)	298 771	13 882	342 823	10 061

*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 financial information.

CONSOLIDATED INFLATION ADJUSTED INTERIM STATEMENT OF CHANGES IN EQUITY For the half year ended 30 June 2023

	Reviewed Inflation adjusted								Total ZW\$
	Share capital ZW\$	Share premium ZW\$	General reserve ZW\$	Property and equipment revaluation reserve ZW\$	Financial assets at FVTOCI ZW\$	Retained income ZW\$	Attributable to equity holders of parent ZW\$	Non controlling interests ZW\$	
June 2022									
Balance 1 January 2022	1 255 010 164	19 400 467 247	226 750 190	90 304 752 450	(18 810 247)	77 764 231 450	188 932 401 254	27 195 812 699	216 128 213 953
Changes in equity for 2022									
Profit or loss	-	-	-	-	-	21 867 744 184	21 867 744 184	7 903 225 983	29 770 970 167
Other comprehensive income, net of tax	-	-	-	15 202 752 792	-	-	-	-	15 273 214 629
Revaluation of property	-	-	-	-	619 214 417	-	619 214 417	-	619 214 417
Fair value gain on financial assets at FVTOCI	-	-	-	-	-	(2 910 467 048)	(2 910 467 048)	(17 160 052)	(2 927 627 100)
Transaction with owners of the parent	-	-	-	-	-	-	-	-	-
Dividends paid	-	-	-	-	-	-	-	-	-
Other movements	-	-	-	-	-	-	-	-	-
Effects of inflation adjustments	-	-	-	-	10 217 706	-	10 217 706	-	10 217 706
Balance at 30 June 2022	1 255 010 164	19 400 467 247	226 750 190	105 507 505 242	610 621 876	96 721 508 586	223 721 863 305	35 152 340 467	258 874 203 772
June 2023									
Balance at 1 January 2023	1 255 010 164	19 400 467 247	226 750 190	134 405 800 892	(5 262 240 444)	142 498 084 037	292 523 872 088	170 946 140 342	463 470 012 430
Changes in equity for 2023									
Profit or loss	-	-	-	-	-	470 633 366 693	470 633 366 693	207 825 486 138	678 458 852 831
Other comprehensive income, net of tax	-	-	-	104 638 090 808	-	-	-	-	105 587 990 579
Revaluation of property	-	-	-	-	(11 187 235 584)	-	(11 187 235 584)	-	(11 187 235 584)
Fair value gain on financial assets at FVTOCI	-	-	-	-	-	(4 996 412 184)	(4 996 412 184)	(405 626 555)	(5 402 038 739)
Transaction with owners of the parent	-	-	-	-	-	-	-	-	-
Dividends paid	-	-	-	-	-	-	-	-	-
Other movements	-	-	-	-	-	-	-	-	-
Effects of inflation adjustments	-	-	-	-	3 577 649 155	-	3 577 649 155	-	3 577 649 155
Arising from acquisition of NCI (note 13)	-	-	-	-	-	-	-	-	-
Balance at 30 June 2023	1 255 010 164	19 400 467 247	226 750 190	239 043 891 700	(12 871 826 873)	620 699 720 934	867 754 013 364	360 022 125 040	1 227 776 138 404

	Unreviewed Historical Cost								Total ZW\$
	Share capital ZW\$	Share premium ZW\$	Functional currency translation reserve ZW\$	General reserve ZW\$	Property and equipment revaluation reserve ZW\$	Financial assets at FVTOCI ZW\$	Retained income ZW\$	Attributable to equity holders of parent ZW\$	
June 2022									
Balance 1 January 2022	1 751 906	27 081 696	101 292 105	5 817 958	8 073 175 544	(1 751 716)	8 721 358 380	16 928 725 873	2 559 483 967
Changes in equity for 2022									
Profit or loss	-	-	-	-	-	-	15 848 461 733	15 848 461 733	4 521 069 475
Other comprehensive income, net of tax	-	-	-	-	-	-	-	-	20 369 531 208
Revaluation of property	-	-	-	-	6 799 513 556	-	6 799 513 556	45 658 932	6 845 172 488
Fair value gain on financial assets at FVTOCI	-	-	-	-	-	126 237 988	-	-	126 237 988
Transaction with owners of the parent	-	-	-	-	-	-	-	-	-
Dividends paid	-	-	-	-	-	-	(227 737 729)	(227 737 729)	(2 676 648)
Other movements	-	-	-	-	-	-	-	-	-
Effects of inflation adjustments	-	-	-	-	-	-	-	-	-
Arising from acquisition of NCI (note 13)	-	-	-	-	-	-	-	-	-
Balance at 30 June 2022	1 751 906	27 081 696	101 292 105	5 817 958	14 872 689 100	124 486 272	24 342 082 384	39 475 201 421	7 123 535 726
June 2023									
Balance at 1 January 2023	1 751 906	27 081							

Reviewed Condensed Consolidated Inflation Adjusted Interim Financial Results for the half year ended 30 June 2023

NOTES TO THE CONDENSED CONSOLIDATED INFLATION ADJUSTED INTERIM FINANCIAL RESULTS (Continued)

1.2 Statement of compliance (continued)

The Group's financial statements for the half year ended 30 June 2023 did not comply with International Financial Reporting Standards (IFRSs) 17: "Insurance Contracts". The Group did not apply IFRS 17 as the Group was not able to accurately compile IFRS 17 information. The Group applied the previously effective standard, IFRS 4. The non-compliance with IFRS 17 is considered material misstatement and pervasive as at the reporting date.

The preparation of the consolidated financial results, in conformity with IAS 29 "Financial Reporting in Hyperinflationary Economies" is required by International Financial Reporting Standards (IFRS). The consolidated inflation adjusted financial results are to be the principal financial results of the Company and its subsidiaries. The consolidated historical cost financial results have been provided as supplementary information and as a result the auditors have not expressed an opinion on them.

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 Hyperinflationary Economies. All entities reporting in Zimbabwe were now required to apply the requirements of IAS 29 with effect from 1 July 2019.

The Zimbabwe consumer price index (CPI) has been used by the Group as the general price index to generate inflation-adjusted financial statements since IAS 29 was introduced on 1 October 2018. However, Statutory Instrument (SI) 17 of 2023 dropped the publication of pure ZW\$ annual and monthly inflation rates in February of 2023 and operationalized blended inflation. IAS 29 dictates that the general price index must be for specific currency not for multi-currencies, but it allows for the estimation of the consumer price index when a general consumer price index is not easily accessible. Due to this change, The Total Consumption Poverty Line (TCPL) released by Zimbabwe Central Statistical Office (ZIMSTAT), was used to estimate and apply inflation rates for the period under review, in accordance with International Accounting Standard (IAS) - "Financial Reporting in Hyperinflationary Economies" in the preparation of its consolidated financial statements.

The conversion factors used to restate the consolidated and separate financial statements at 30 June 2023 are as follows:

	Index	Conversion factors
30 June 2023	42 710.73	1.0000
31 December 2022	13 672.91	3.1237
30 June 2022	8 707.35	4.9051

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.

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)
- Estimation of CPI used to generate inflation adjusted numbers (IAS 29) (note 1.3).

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

	Reviewed Inflation adjusted			
	Banking operations ZW\$	Insurance operations ZW\$	Other strategic investments ¹ ZW\$	Total ZW\$
30 June 2023				
External revenue				
Net earnings from lending activities	37 100 050 653	(2 091 811 641)	(2 734 493 676)	32 273 745 336
Net fees and commission income	66 524 038 352	15 483 075 910	1 543 508 837	83 550 623 099
Corporate Banking	49 443 317 400	-	-	49 443 317 400
Retail Banking	17 080 720 952	-	-	17 080 720 952
Insurance	-	15 483 075 910	1 543 508 837	17 026 584 747
Other revenue	281 495 487 935	55 994 965 111	2 764 066 500	340 254 519 546
Fair value adjustments	178 100 251 964	54 275 236 523	227 952 180 355	460 327 668 842
Total segment revenue	563 219 828 904	124 538 953 993	229 525 262 017	917 284 044 914
Inter-segmental Revenue	8 201 682 257	-	529 297 351 301	537 499 033 558
Total segment operating expenses	(181 216 908 631)	(17 926 888 987)	7 419 002 010	(191 724 795 608)
Material non-cash items:				
Expected credit losses	(8 855 066 424)	(2 117 659 876)	(159 038 236)	(11 131 764 536)
Depreciation	(12 512 820 418)	(186 642 035)	(324 173 789)	(13 023 636 242)
Amortisation of intangible assets	(105 982 132)	(576 069)	-	(106 558 201)
Profit from associates net of tax	-	-	19 883 115 140	19 883 115 140
Reportable segment profit before taxation	393 118 288 530	114 427 249 513	198 457 948 179	706 003 486 222
Income tax expense	7 311 976 252	4 272 555 908	15 960 101 231	27 544 633 391
Reportable segment assets as at 30 June 2023	1 902 918 473 532	291 057 009 121	344 677 182 440	2 538 652 665 093
Reportable segment liabilities as at 30 June 2023	1 167 740 040 125	128 239 014 555	14 897 472 009	1 310 876 526 689
Investment in associates as at 30 June 2023	-	-	23 966 901 503	23 966 901 503

NOTES TO THE CONDENSED CONSOLIDATED INFLATION ADJUSTED INTERIM FINANCIAL RESULTS (Continued)

	Reviewed Inflation adjusted			
	Banking operations ZW\$	Insurance operations ZW\$	Other strategic investments ¹ ZW\$	Total ZW\$
30 June 2022				
External revenue				
Net earnings from lending activities	9 122 400 832	(290 615 533)	78 493 796	8 910 279 095
Net fees and commission income	18 703 878 551	5 000 437 311	334 565 952	24 038 881 814
Corporate Banking	13 901 468 202	-	-	13 901 468 202
Retail Banking	4 802 410 349	-	-	4 802 410 349
Insurance	-	5 000 437 311	-	5 000 437 311
Other commissions	-	-	334 565 952	334 565 952
Other revenue	46 388 709 976	12 196 888 832	(3 901 212 827)	54 684 385 981
Fair value adjustments	185 594 305	5 523 864 309	9 063 832 001	14 773 290 615
Total segment revenue	74 400 583 664	22 430 574 919	5 575 678 922	102 406 837 505
Inter-segmental Revenue	4 206 518 117	-	60 283 192 487	64 489 710 604
Total segment operating expenses	(43 274 311 696)	(5 095 068 540)	2 199 743 418	(46 169 636 818)
Material non-cash items:				
Expected credit losses	(9 770 480 896)	(1 268 225 628)	(193 759 629)	(11 232 466 153)
Depreciation	(5 514 486 711)	(141 471 769)	(44 017 890)	(5 699 976 370)
Amortisation of intangible assets	(430 155 625)	(60 565 177)	(383 337)	(491 104 139)
Profit from associates net of tax	-	2 099 863 150	308 716 497	2 408 579 647
Reportable segment profit before taxation	25 384 046 942	14 098 406 238	(260 656 629)	39 221 796 551
Income tax expense	7 351 856 960	2 941 459 626	(842 490 202)	9 450 826 384
Reportable segment assets as at 31 December 2022	720 592 130 030	119 343 380 145	162 674 667 072	1 002 610 177 247
Reportable segment liabilities as at 31 December 2022	460 443 563 669	68 038 296 136	10 658 305 012	539 140 164 817
Investment in associates as at 31 December 2022	-	57 632 741 217	(53 548 954 860)	4 083 786 357

	Unreviewed Historical cost			
	Banking operations ZW\$	Insurance operations ZW\$	Other strategic investments ¹ ZW\$	Total ZW\$
30 June 2023				
External revenue				
Net earnings from lending activities	11 852 079 681	(1 889 226 504)	(1 042 181 547)	8 920 671 630
Net fees and commission income	38 488 048 621	1 916 487 262	916 952 390	41 321 488 273
Corporate Banking	28 605 852 128	-	-	28 605 852 128
Retail Banking	9 882 196 493	-	-	9 882 196 493
Insurance	-	1 916 487 262	-	1 916 487 262
Other commissions	-	-	916 952 390	916 952 390
Fair value adjustments	254 221 667 192	78 643 937 813	374 678 329 288	707 543 934 293
Other revenue	271 760 279 542	55 531 012 370	7 099 094 827	334 390 386 739
Total segment revenue	576 322 075 036	134 202 210 941	381 652 194 959	1 092 176 480 936
Inter-segmental Revenue	3 482 014 080	-	573 814 921 935	577 296 936 015
Total segment operating expenses	(97 481 243 068)	(10 386 931 420)	3 415 513 337	(104 452 661 151)
Material non-cash items:				
Expected credit losses	(6 478 516 738)	(1 854 749 690)	(104 475 886)	(8 437 742 314)
Depreciation	(5 833 969 563)	(78 513 491)	(110 349 536)	(6 022 832 590)
Amortisation of intangible assets	(15 451 064)	(226 224)	-	(15 677 288)
Profit from associates net of tax	-	-	6 356 111 885	6 356 111 885
Reportable segment profit before taxation	478 840 831 969	151 076 676 243	287 856 759 599	917 774 267 811
Income tax expense	6 481 489 626	9 133 817 535	23 259 465 714	38 874 772 875
Reportable segment assets as at 30 June 2023	1 844 836 865 332	287 604 175 353	324 437 698 792	2 456 878 739 477
Reportable segment liabilities as at 30 June 2023	1 167 918 984 765	127 545 885 342	17 285 214 360	1 312 750 084 467
Investment in associates as at 30 June 2023	-	-	7 261 203 503	7 261 203 503

	Unreviewed Historical cost			
	Banking operations ZW\$	Insurance operations ZW\$	Other strategic investments ¹ ZW\$	Total ZW\$
30 June 2022				
External revenue				
Net earnings from lending activities	656 320 718	(54 551 880)	5 654 099	607 422 937
Net fees and commission income	2 553 736 250	610 644 001	46 446 182	3 210 826 433
Corporate Banking	194 296 557	-	-	194 296 557
Retail Banking	2 359 439 693	-	-	2 359 439 693
Insurance	-	610 644 001	-	610 644 001
Other commissions	-	-	46 446 182	46 446 182
Fair value adjustments	6 609 215 845	3 998 350 099	386 245 272	10 993 811 216
Other revenue	9 164 115 898	1 915 823 697	(167 355 496)	10 912 584 099
Total segment revenue	18 983 388 711	6 470 265 917	317 436 239	25 724 644 685
Inter-segmental Revenue	54 646 481	-	7 178 557 225	7 233 203 706
Total segment operating expenses	(5 706 475 524)	(570 191 827)	(97 523 294)	(6 374 190 645)
Material non-cash items:				
Expected credit losses	(1 678 791 208)	(46 812 551)	(35 418 790)	(1 761 022 549)
Depreciation	(738 254 007)	(14 610 309)	(22 359 373)	(775 223 689)
Amortisation of intangible assets	(319 496)	(678 671)	(47 072)	(1 045 239)
Profit from associates net of tax	-	5 133 739 138	1 867 771 315	7 001 510 453
Reportable segment profit before taxation	13 276 913 187	7 210 650 407	2 041 238 076	22 528 801 670
Income tax expense	1 147 959 495	1 198 873 594	(187 562 627)	2 159 270 462
Reportable segment assets as at 31 December 2022	229 355 669 915	38 091 158 849	50 796 744 243	318 243 573 007
Reportable segment liabilities as at 31 December 2022	147 265 743 001	21 778 979 395	3 197 307 103	172 242 029 499
Investment in associates as at 31 December 2022	-	18 432 124 531	(17 527 032 914)	905 091 617

¹ Includes consolidation journals.

3. TREASURY BILLS

	Inflation adjusted		Historical cost	
	Reviewed 30 Jun 2023 ZW\$	Audited 31 Dec 2022 ZW\$	Unreviewed 30 Jun 2023 ZW\$	Unaudited 31 Dec 2022 ZW\$
Treasury bills include:				
Assets classified as at fair value through profit or loss¹ (FVTPL):				
Short term treasury bills ¹	10 336 943 982	21 004 740 784	10 336 943 982	6 724 208 776
Assets classified as 'at fair value through other comprehensive income' (FVTOCI):				
Medium term treasury bills ² acquired from the market	95 442 770 441	31 232 770 240	95 442 770 441	9 998 488 908
Assets classified as 'amortised cost' (AMCO):				
Treasury bills issued as substitution for debt instruments ³	20 724 068	64 746 103	20 724 068	20 727 050
Capitalisation treasury bills ⁴	18 239 930	61 146 013	18 239 930	19 574 560
	105 818 678 421	52 363 403 140	105 818 678 421	16 762 999 294
Maturity within 1 year	105 768 686 626	20 483 150 362	105 768 686 626	6 557 233 000
Maturity after 1 year	49 991 795	31 880 252 778	49 991 795	10 205 766 294
	105 818 678 421	52 363 403 140	105 818 678 421	16 762 999 294

NOTES TO THE CONDENSED CONSOLIDATED INFLATION ADJUSTED INTERIM FINANCIAL RESULTS (Continued)

3. TREASURY BILLS (continued)

- The Group 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 76% (December 2022: 8% to 92%).
- The Group purchased treasury bills from the secondary market. These treasury bills have coupon rates ranging from 0% to 5% (December 2022: 0% to 5%), with a maturity period of 14 months to 10 years (December 2022: 2 years to 10 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 2022: 5%), and maturity periods ranging from 4 years to 9 years (December 2022: 4 years 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 ZWL242m and US\$46.885 million were used as security for the Group to access fixed deposits (December 2022: \$665 078 million).

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 72%.

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 measured at amortised cost 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		Historical cost	
	Reviewed 30 Jun 2023 ZW\$	Audited 31 Dec 2022 ZW\$	Unreviewed 30 Jun 2023 ZW\$	Unaudited 31 Dec 2022 ZW\$
4.1 Gross loan book				
Mortgage advances	45 131 849 345	6 837 759 811	45 131 849 345	2 188 959 388
Other advances:				
Loans, overdraft and other accounts	742 245 554 106	193 839 491 031	742 245 554 106	62 053 477 361
Finance leases	13 951 431 010	8 481 089 050	13 951 431 010	2 715 035 335
Bills discounted	206 066 778	431 943 527	206 066 778	138 277 281
Insurance advances	23 719 950 727	6 617 849 652	23 719 950 727	2 118 559 956
Total other advances	780 123 002 621	209 370 373 260	780 123 002 621	67 025 349 933
Gross advances	825 254 851 966	216 208 133 071	825 254 851 966	69 214 309 321
Off balance sheet exposures				
In respect of Guarantees	27 222 040 587	9 789 130 200	27 222 040 587	3 133 776 126
In respect of Loan commitments	3 180 577 479	21 441 882 144	3 180 577 479	6 864 150 030
Gross credit exposure	855 657 470 032	247 439 145 415	855 657 470 032	79 212 235 477
Gross advances	825 254 851 966	216 208 133 071	825 254 851 966	69 214 309 321
Less: Allowance for loan impairments	(17 682 174 917)	(13 571 454 431)	(17 682 174 917)	(4 344 604 579)
Net advances	807 572 677 049	202 636 678 640	807 572 677 049	64 869 704 742
4.2 Maturity analysis				
On demand	3 488 431 955	10 355 041 745	3 488 431 955	3 314 940 341
Within 1 month	53 240 496 324	5 086 921 918	53 240 496 324	1 628 466 895
Between 1 and 6 months	212 835 322 225	44 490 510 806	212 835 322 225	14 242 664 848
Between 6 and 12 months	156 093 536 124	69 818 830 455	156 093 536 124	22 350 972 921
After 12 months	429 999 683 404	117 687 840 491	429 999 683 404	37 675 190 472
	855 657 470 032	247 439 145 415	855 657 470 032	79 212 235 477
4.3 Non-performing loans				
Included in the above are the following:	3 216 877 454	718 999 859	3 216 877 454	230 172 094
Non-performing loans				
Less: Allowance for loan impairments	(64 477 313)	(234 369 731)	(64 477 313)	(75 028 348)
Value to be received from security held	3 152 400 141	484 630 128	3 152 400 141	155 143 746

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\$41 422 130 875 as at 30 June 2023(2022: ZW\$51 966 321).

	Inflation adjusted				Unaudited Historical cost			
	30 Jun 2023 ZW\$	As a % of Total	31 Dec 2022 ZW\$	As a % of Total	30 Jun 2023 ZW\$	As a % of Total	31 Dec 2022 ZW\$	As a % of Total
4.4 Sectorial analysis								
Gross advances:								
Private	226 074 909 142	26%	62 323 038 523	25%	226 074 909 142	26%	19 951 358 928	25%
Agriculture	47 969 733 982	6%	9 703 180 511	4%	47 969 733 982	6%	3 106 261 211	4%
Mining	202 064 333 332	24%	35 760 288 164	14%	202 064 333 332	24%	11 447 874 838	14%
Manufacturing	34 819 761 942	4%	7 114 263 904	3%	34 819 761 942	4%	2 277 476 131	3%
Distribution	54 158 001 202	6%	19 680 730 176	8%	54 158 001 202	6%	6 300 355 711	8%
Construction	19 812 495 122	2%	799 388 000	0%	19 812 495 122	2%	255 906 600	0%
Transport	32 120 162 817	4%	11 613 926 762	5%	32 120 162 817	4%	3 717 944 871	5%
Services	171 673 702 052	20%	50 461 921 691	20%	171 673 702 052	20%	16 154 281 558	20%
Financial	33 215 280 133	4%	18 726 384 883	8%	33 215 280 133	4%	5 994 842 920	8%
Communication	3 346 472 242	0%	25 010 457	0%	3 346 472 242	0%	8 006 553	0%
Total gross advances	825 254 851 966	96%	216 208 133 071	87%	825 254 851 966	96%	69 214 309 321	87%
Guarantees:								
Private	3 700 757 763	0%	-	0%	3 700 757 763	0%	-	0%
Mining	136 715 756	0%	-	0%	136 715 756	0%	-	0%
Manufacturing	9 637 475 619	1%	9 514 777 484	4%	9 637 475 619	1%	3 045 948 099	4%
Distribution	1 808 188 539	0%	128 137 636	0%	1 808 188 539	0%	41 020 464	0%
Construction	19 982 288	0%	-	0%	19 982 288	0%	-	0%
Transport	3 751 146 318	0%	-	0%	3 751 146 318	0%	-	0%
Services	18 811 425	0%	146 215 080	0%	18 811 425	0%	46 807 563	0%
Communication	8 021 985 162	1%	-	0%	8 021 985 162	1%	-	0%
Financial Services	126 977 717	0%	-	0%	126 977 717	0%	-	0%
Total guarantees	27 222 040 587	3%	9 789 130 200	4%	27 222 040 587	3%	3 133 776 126	4%
Loan commitments:								
Private	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Agriculture	63 632 635	0.0%	3 700 757 764	1.5%	63 632 635	0.0%	1 184 716 731	1.5%
Mining	48 169 833	0.0%	136 715 757	0.1%	48 169 833	0.0%	43 766 562	0.1%
Manufacturing	664 026 363	0.1%	3 857 317 181	1.6%	664 026 363	0.1%	1 234 835 807	1.6%
Distribution	250 892 807	0.0%	1 808 188 539	0.7%	250 892 807	0.0%	578 852 049	0.7%
Construction	1 518 931	0.0%	19 982 288	0.0%	1 518 931	0.0%	6 396 893	0.0%
Transport	78 545 442	0.0%	3 751 146 317	1.5%	78 545 442	0.0%	1 200 847 525	1.5%
Communication	40 773 752	0.0%	126 977 716	0.1%	40 773 752	0.0%	40 649 141	0.1%
Financial Services	2 032 280 579	0.2%	8 021 985 163	3.2%	2 032 280 579	0.2%	2 568 063 257	3.2%
Communication	737 037	0.0%	18 811 419	0.0%	737 037	0.0%	6 022 065	0.0%
Total loan commitments	3 180 577 479	0.4%	21 441 882 144	8.7%	3 180 577 479	0.4%	8 664 150 030	8.7%
Total credit exposure	855 657 470 032	100%	247 439 145 415	100%	855 657 470 032	100%	79 212 235 477	100%

4.5 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		Historical cost	
	Reviewed 30 Jun 2023 ZW\$	Audited 31 Dec 2022 ZW\$	Unreviewed 30 Jun 2023 ZW\$	Unaudited 31 Dec 2022 ZW\$
Gross investment in finance leases:				
Maturing within 1 year	7 004 707 474	4 476 535 496	7 004 707 474	1 433 065 020
Maturing after 1 year	46 869 229 912	30 175 924 430	46 869 229 912	9 660 162 816
Gross investment in finance leases	53 873 937 386	34 652 459 926	53 873 937 386	11 093 227 836
Unearned finance charges	(39 922 506 376)	(26 171 370 876)	(39 922 506 376)	(8 378 192 501)
Net investment in finance leases	13 951 431 010	8 481 089 050	13 951 431 010	2 715 035 335
Maturing within 1 year	1 684 835 736	1 335 551 981	1 684 835 736	427 547 783
Maturing after 1 year	12 266 595 274	7 145 537 069	12 266 595 274	2 287 487 552
	13 951 431 010	8 481 089 050	13 951 431 010	2 715 035 335

NOTES TO THE CONDENSED CONSOLIDATED INFLATION ADJUSTED INTERIM FINANCIAL RESULTS (Continued)

5. INVESTMENT PROPERTIES

Made up as follows:
Land stock held for capital appreciation and completed properties available for lease:
Residential
Commercial
Industrial

	Inflation adjusted		Historical cost	
	Reviewed 30 Jun 2023 ZW\$	Audited 31 Dec 2022 ZW\$	Unreviewed 30 Jun 2023 ZW\$	Unaudited 31 Dec 2022 ZW\$
5.1	55 019 874 826	23 713 372 918	55 019 874 826	7 591 318 166
5.2	610 559 264 171	263 148 899 662	610 559 264 171	84 241 370 017
5.3	17 090 740 354	7 366 049 103	17 090 740 354	2 358 079 660
Reconciliation of carrying amount				
Balance at beginning of year	294 228 321 683	47 773 691 298	94 190 767 843	4 448 949 501
Additions	4 918 343 143	112 854 150	1 123 883 381	33 074 760
Transfer to owner occupied	(14 669 321 636)	(12 383 478 364)	(23 088 500 000)	(3 964 300 000)
Arising from acquisition of subsidiary	-	208 870 254 999	-	66 865 248 000
Fair value adjustment	398 192 536 162	49 854 999 600	610 443 728 128	26 807 795 582
Balance at end of period	682 669 879 352	294 228 321 683	682 669 879 352	94 190 767 843

6. RIGHT OF USE ASSETS

Balance at the beginning of year
Depreciation
*Lease modifications
Effects of inflation adjustment
Balance at end of period

4 991 732 832	2 376 946 684	372 877 689	102 568 596
(246 067 189)	(370 767 221)	(164 754 112)	(79 470 830)
1 403 202 012	1 984 310 346	704 039 035	349 779 923
875 873 451	1 001 243 023	-	-
7 024 741 106	4 991 732 832	912 162 612	372 877 689

*Lease modification relate to changes in lease rentals and incremental borrowing rates.

7. PROPERTY AND EQUIPMENT

	Reviewed Inflation adjusted						
	Freehold properties ZW\$	Leasehold improvements ZW\$	Equipment furniture & fittings ZW\$	Computer equipment ZW\$	Marine assets and motor vehicles ZW\$	Capital work in progress ZW\$	Total ZW\$
30 June 2023							
GROUP							
Cost or valuation							
Balance at 1 January 2023	83 889 660 980	25 924 171 257	41 397 082 806	67 505 063 892	14 853 481 180	1 573 633 980	235 143 094 095
Additions	-	-	1 332 681 169	1 680 633 491	2 924 590 099	3 976 105 936	9 914 010 695
Disposals	-	-	(243 900)	(4 061 003)	(588 831 786)	-	(593 136 689)
Transfer from investment properties	14 669 321 636	-	-	-	-	-	14 669 321 636
Surplus on revaluation	104 408 880 525	6 236 252 126	-	-	1 790 830 876	-	106 199 711 401
Balance at 30 June 2023	202 967 863 141	25 924 171 257	42 729 520 075	69 181 636 380	18 980 070 369	5 549 739 916	365 333 001 138
Accumulated depreciation and impairment							
Balance at 1 January 2023	9 460 879 175	20 456 703 837	25 357 015 348	17 710 805 568	7 097 624 048	937 261 382	81 020 289 358
Recognised in statement of							

NOTES TO THE CONDENSED CONSOLIDATED INFLATION ADJUSTED INTERIM FINANCIAL RESULTS (Continued)

8. INTANGIBLE ASSETS

	Inflation adjusted		Historical cost	
	Reviewed 30 Jun 2023 ZW\$	Audited 31 Dec 2022 ZW\$	Unreviewed 30 Jun 2023 ZW\$	Unaudited 31 Dec 2022 ZW\$
Computer software				
Carrying amount at beginning of year	4 581 079 752	2 173 992 904	703 404 671	22 206 622
Additions at cost	424 414 689	3 395 933 626	153 475 577	691 561 685
Reversal of cancelled projects	-	(321 129 753)	-	-
Amortisation	(106 558 201)	(667 717 025)	(15 677 288)	(8 171 322)
Impairment	-	-	-	(2 192 314)
Balance at end of period	4 898 936 240	4 581 079 752	841 202 960	703 404 671
9 DEPOSITS AND OTHER ACCOUNTS				
9.1 Summary of deposits by type				
Balances of banks	136 324 253 987	12 251 514 504	136 324 253 987	3 922 054 654
Current accounts	34 678 644 995	49 534 696 213	34 678 644 995	15 857 450 583
Savings and call accounts	680 958 359 985	251 278 148 608	680 958 359 985	80 441 208 461
Fixed deposits	6 661 825 836	28 081 095 588	6 661 825 836	8 989 549 137
	858 623 084 803	341 145 454 913	858 623 084 803	109 210 262 835
9.2 Maturity analysis				
On demand	130 654 775 496	305 990 244 307	130 654 775 496	97 956 090 355
Within 1 month	585 735 434 724	9 540 923 676	585 735 434 724	3 054 318 231
Between 1 and 6 months	133 942 799 005	25 092 248 766	133 942 799 005	8 032 735 138
Between 6 and 12 months	8 278 324 138	469 028 018	8 278 324 138	150 149 071
After 12 months	11 751 441	53 010 146	11 751 441	16 970 040
	858 623 084 803	341 145 454 913	858 623 084 803	109 210 262 835

	Inflation adjusted				Unaudited Historical cost			
	30 Jun 2023 ZW\$	Contribution %	31 Dec 2022 ZW\$	Contribution %	30 Jun 2023 ZW\$	Contribution %	31 Dec 2022 ZW\$	Contribution %
9.3 Deposit concentration								
Private individuals	121 234 550 851	14%	58 285 992 635	17%	121 234 550 851	14%	18 658 986 903	17%
Agriculture	13 198 369 991	2%	18 368 073 649	5%	13 198 369 991	2%	5 880 137 408	5%
Mining	43 169 183 300	5%	7 655 760 719	2%	43 169 183 300	5%	2 450 824 504	2%
Manufacturing	23 892 157 501	3%	18 466 366 399	5%	23 892 157 501	3%	5 911 603 684	5%
Distribution	17 935 148 783	2%	12 264 581 712	4%	17 935 148 783	2%	3 926 237 835	4%
Construction	48 846 799 337	6%	4 013 893 596	1%	48 846 799 337	6%	1 284 960 325	1%
Transport	4 415 663 754	1%	1 827 664 224	1%	4 415 663 754	1%	585 086 764	1%
Services	352 509 735 548	41%	151 311 563 644	44%	352 509 735 548	41%	48 439 090 709	44%
Financial	203 801 028 705	24%	41 700 096 394	12%	203 801 028 705	24%	13 349 374 649	12%
Communication	29 620 447 033	3%	27 251 461 941	8%	29 620 447 033	3%	8 723 960 054	8%
	858 623 084 803	100%	341 145 454 913	100%	858 623 084 803	100%	109 210 262 835	100%

	Inflation adjusted		Historical cost	
	Reviewed 30 Jun 2023 ZW\$	Audited 31 Dec 2022 ZW\$	Unreviewed 30 Jun 2023 ZW\$	Unaudited 31 Dec 2022 ZW\$
9.4 Secured and unsecured deposits analysis				
Secured deposits	-	-	-	-
Unsecured deposits	858 623 084 803	341 145 454 913	858 623 084 803	109 210 262 835
10 OFFSHORE BORROWINGS				
Balance at beginning of year	20 974 306 797	7 064 779 814	6 714 466 000	657 911 243
Additions	132 943 231 087	86 386 103 679	51 009 912 000	20 316 275 173
Interest expense	3 226 629 509	1 335 278 010	1 206 850 118	329 280 095
Repayments	(171 207 386 020)	(82 600 495 013)	(71 187 642 118)	(20 619 642 880)
Exchange rates movement	127 052 336 000	18 838 213 378	127 052 336 000	6 030 642 369
Effects of inflation adjustments	1 806 804 627	(10 049 573 071)	-	-
Balance at end of period	114 795 922 000	20 974 306 797	114 795 922 000	6 714 466 000
Within 1 year	70 546 598 891	21 061 907 710	70 546 598 891	6 742 509 518
Over 1 year	44 249 323 109	(87 600 913)	44 249 323 109	(28 043 518)
	114 795 922 000	20 974 306 797	114 795 922 000	6 714 466 000
11 LONG TERM BORROWINGS				
Comprising of:				
Face value of loan	20 000 000	62 474 981	20 000 000	20 000 000
Valuation discount	(1 760 069)	(6 887 695)	(1 760 069)	(2 204 945)
Balance at end of period	18 239 931	55 587 286	18 239 931	17 795 055
Valuation discount:				
Balance at beginning of the year	6 887 695	32 776 505	2 204 945	3 052 329
Amortisation during the year	(961 958)	(3 953 429)	(444 876)	(847 384)
Effects of inflation adjustment	(4 165 668)	(21 935 381)	-	-
Balance at end of period	1 760 069	6 887 695	1 760 069	2 204 945
12 LEASE LIABILITIES				
Balance at the beginning of year	2 568 141 146	1 285 228 253	822 134 270	119 687 540
Add finance cost posted to profit or loss	1 253 015 635	1 279 843 681	499 382 954	309 586 388
Exchange gains	(4 416 727 088)	(6 681 031 857)	4 746 064 236	690 680 746
Less lease liability payments during the year	(1 576 063 051)	(1 794 137 613)	(728 880 724)	(384 558 281)
Lease modifications	(1 252 924 112)	(13 263 375 147)	26 323 775	86 737 877
Effects of inflation adjustment	8 789 581 981	21 741 613 829	-	-
Balance at end of period	5 365 024 511	2 568 141 146	5 365 024 511	822 134 270
Maturing within 1 year	1 073 004 902	513 628 230	1 073 004 902	164 426 854
Maturing after 1 year	4 292 019 609	2 054 512 916	4 292 019 609	657 707 416
Total	5 365 024 511	2 568 141 146	5 365 024 511	822 134 270

13 ACQUISITION OF NON CONTROLLING INTEREST

In June 2023, the Group acquired an additional 4.49% interest in Mashonaland Holdings Limited (Mash), increasing its ownership from 50.59% to 55.08%. The carrying amount of Mash's net assets in the Group's consolidated financial statements on the date of the acquisition was ZW\$438 005 298 910.

	Inflation adjusted		Historical cost	
	Reviewed 30 Jun 2023 ZW\$	Audited 31 Dec 2022 ZW\$	Unreviewed 30 Jun 2023 ZW\$	Unaudited 31 Dec 2022 ZW\$
Carrying amount of NCI acquired	19 293 774 656	-	19 152 049 652	-
Consideration paid to NCI	6 729 092 267	-	6 726 080 052	-
An increase in equity attributable to owners of the company	12 564 682 389	-	12 425 969 600	-

The acquisition of NCI resulted in an increase of equity attributable to owners of the company through retained earnings of ZW\$12.56bn.

NOTES TO THE CONDENSED CONSOLIDATED INFLATION ADJUSTED INTERIM FINANCIAL RESULTS (Continued)

	Inflation adjusted		Historical cost	
	Reviewed 30 Jun 2023 ZW\$	Reviewed 30 Jun 2022 ZW\$	Unreviewed 30 Jun 2023 ZW\$	Unreviewed 30 Jun 2022 ZW\$
14 INTEREST AND RELATED INCOME				
Interest income comprises interest on:				
Advances	47 686 828 692	21 058 929 325	20 734 574 795	2 452 997 159
Mortgages	1 335 169 490	859 216 336	744 914 030	104 733 624
Overdraft accounts	4 727 734 968	1 953 676 116	2 143 217 723	271 221 731
Financial assets at amortised cost	56 780 052	238 238 248	18 400 114	46 395 416
Treasury bill at FVTPL	1 244 132 489	1 648 945 205	1 183 692 402	220 780 360
Treasury bills at FVTOCI	5 694 551 858	174 556 652	2 236 263 108	23 374 472
Cash and short-term funds	889 444 622	273 898 012	371 986 169	37 557 385
Loans to other banks	2 025 914 151	314 919 571	1 334 085 191	45 741 096
Other	318 001 891	50 852 834	256 885 012	6 063 811
Total interest income	63 978 558 213	26 573 232 299	29 024 018 544	3 208 865 054
15 INTEREST AND RELATED EXPENSE				
Interest expenses comprise interest on:				
Retail deposits	924 501 416	306 646 133	604 998 134	41 009 040
Fixed deposits	11 008 921 734	4 225 653 967	4 496 056 849	546 457 863
Finance cost on operating lease liabilities	1 253 015 635	802 422 035	499 382 954	33 867 455
Other interest payable categories	7 386 609 556	1 095 764 916	6 065 166 663	219 085 210
Total interest expenses	20 573 048 341	6 430 487 051	11 665 604 600	840 419 568
Net interest income	43 405 509 872	20 142 745 248	17 358 413 943	2 368 445 486
16 LOAN IMPAIRMENTS				
Loans and advances	(16 994 124 698)	(9 492 909 973)	(11 482 820 648)	(1 635 233 649)
Insurance debtors	(258 550 590)	(1 268 225 628)	(1 854 749 690)	(46 812 551)
Loans and other advances	(17 252 675 288)	(10 761 135 601)	(13 337 570 338)	(1 682 046 200)
Other financial assets	20 152 959	(193 759 629)	6 591 447	(35 418 790)
Guarantees	(913 075 181)	(159 942 787)	(642 190 063)	(75 922 356)
Loan commitments	(589 370 475)	(171 552 683)	(558 900 491)	(34 455 077)
Net recoveries against loans previously written off	7 603 203 449	53 924 547	6 094 327 130	66 819 874
	(11 131 764 536)	(11 232 466 153)	(8 437 742 314)	(1 761 022 549)
17 OPERATING EXPENSES				
Commission and fees	2 956 615 743	737 113 465	1 981 941 399	101 121 556
Staff expenses	107 849 241 736	23 867 638 704	67 990 599 033	3 379 009 291
Communication expenses	1 474 491 248	758 017 341	964 172 972	102 387 299
National Social Security Authority expenses	504 873 574	282 290 051	208 236 683	40 768 736
Pension fund expenses	1 380 217 363	766 789 715	1 478 390 505	103 600 083
Computers and information technology expenses	21 082 062 102	3 893 267 464	9 669 229 243	375 449 921
Occupation expenses	11 974 803 289	1 341 757 565	2 019 080 011	48 273 155
Travelling expenses	2 485 239 503	671 754 876	1 684 206 909	98 933 745
Depreciation of property and equipment	13 023 636 242	5 699 976 370	6 022 832 590	775 223 689
Amortisation of intangible assets	106 558 201	491 104 139	15 677 288	1 045 239
Depreciation of right of use asset	246 067 189	458 651 067	164 754 112	61 416 889
Impairment of intangible assets	-	4 883 440	-	-
Administration expenses	22 936 357 230	4 895 598 446	9 512 857 503	985 934 768
Amortisation of valuation discount on the long term borrowings	(961 958)	-	(444 876)	-
Directors fees	2 012 701 665	502 861 395	1 179 038 802	74 391 537
Auditors' remuneration	1 702 779 321	1 251 641 572	470 134 884	157 885 315
	191 724 795 608	46 169 636 818	104 452 661 151	6 374 190 645
18 INCOME TAX EXPENSE				
Current income tax	7 531 078 409	7 049 041 934	7 589 018 809	1 429 640 624
Deferred tax expense	20 013 554 982	2 401 784 450	31 285 754 066	729 629 838
	27 544 633 391	9 450 826 384	38 874 772 875	2 159 270 462
19 EARNINGS PER SHARE				
Basic earnings per share (ZW cents)				
The inflation adjusted calculation of basic earnings per share for the period ended June 2023 of ZW298 711 cents (2022: ZW13 882 cents) is based on the attributable profit after tax of ZW\$470 633 366 693 (2022: ZW\$21 867 744 184) and weighted average number of shares of 157 522 902 (2022:157 522 902).				
The unaudited historical cost calculation of basic earnings per share for the period ended 30 June 2023 of ZW342 823 cents (2022: ZW10 061 cents) is based on the attributable profit after tax of ZW\$540 025 028 205 (2022: ZW\$15 848 461 733) and weighted average number of shares of 157 522 902 (2022:157 522 902).				
There were no dilutive instruments for the period.				
20 RISK MANAGEMENT				
20.1 Capital risk management				
The primary objectives in managing capital at the Group are:				
- To guarantee the ability of entities within the Group to continue as going concerns whilst providing an equitable return to the Group's shareholders and benefit to customers and other stakeholders.				
- To maintain a strong fallback position which is commensurate with the level of risk undertaken by the entities within the Group in the normal course of their business.				
- To comply with the regulatory capital requirements as prescribed				

NOTES TO THE CONDENSED CONSOLIDATED INFLATION ADJUSTED INTERIM FINANCIAL RESULTS (Continued)

20 RISK MANAGEMENT

20.2 Financial risk management

The Group maintains active trading positions in a variety of non-derivative financial instruments in anticipation of customer demand. The Group manages its trading activities by the type of risk involved and on the basis of the categories of trading instruments held. Regular feedback on risk related matters is provided to the Board through the Board Governance, Risk and Compliance Committee.

20.2.1 Classification and measurement of financial assets and liabilities

30 June 2023	Reviewed Inflation adjusted							
	CARRYING AMOUNT			FAIR VALUE				
	Designated at FVPL ZW\$	Classified at AMCO ZW\$	Designated at FVTOCI ZW\$	Total ZW\$	Level 1 ZW\$	Level 2 ZW\$	Level 3 ZW\$	Total ZW\$
Financial assets measured at fair value:								
Listed equity securities	21 079 329 345	-	-	21 079 329 345	21 079 329 345	-	-	21 079 329 345
Unlisted equity investments	106 587 394 225	-	-	106 587 394 225	-	-	-	106 587 394 225
Treasury bills	10 336 943 982	-	95 442 770 441	105 779 714 423	-	10 336 943 982	95 442 770 441	105 779 714 423
Financial assets not measured at fair value:								
Trade and other receivables	-	118 770 791 449	-	118 770 791 449	-	-	-	118 770 791 449
Cash and cash equivalents	-	370 944 534 487	-	370 944 534 487	-	-	-	370 944 534 487
Treasury bills	-	38 963 998	-	38 963 998	-	-	-	38 963 998
Advances and other accounts	-	807 572 677 049	-	807 572 677 049	-	-	-	807 572 677 049
Total	138 003 667 552	1 297 326 966 983	95 442 770 441	1 530 773 404 976				
Financial liabilities								
Deposit and other accounts	-	(858 623 084 803)	-	(858 623 084 803)	-	-	-	(858 623 084 803)
Trade and other payables	-	(192 261 076 815)	-	(192 261 076 815)	-	-	-	(192 261 076 815)
Offshore borrowings	-	(114 795 922 000)	-	(114 795 922 000)	-	-	-	(114 795 922 000)
Long term borrowings	-	(18 239 931)	-	(18 239 931)	-	-	-	(18 239 931)
Total	(1 165 698 323 549)	(1 165 698 323 549)						

31 December 2022	Audited Inflation adjusted							
	CARRYING AMOUNT			FAIR VALUE				
	Designated at FVPL ZW\$	Classified at AMCO ZW\$	Designated at FVTOCI ZW\$	Total ZW\$	Level 1 ZW\$	Level 2 ZW\$	Level 3 ZW\$	Total ZW\$
Financial assets measured at fair value:								
Listed equity securities	5 512 154 943	-	-	5 512 154 943	5 512 154 943	-	-	5 512 154 943
Government public utility stock	-	-	-	-	-	-	-	-
Unit trusts	-	-	-	-	-	-	-	-
Unlisted equity investments	44 406 985 364	-	-	44 406 985 364	-	-	44 406 985 364	44 406 985 364
Treasury bills	21 004 740 784	-	31 232 770 240	52 237 511 024	-	21 004 740 784	31 232 770 240	52 237 511 024
Financial assets not measured at fair value:								
Trade and other receivables	-	35 315 054 742	-	35 315 054 742	-	-	-	35 315 054 742
Cash and cash equivalents	-	192 783 271 346	-	192 783 271 346	-	-	-	192 783 271 346
Treasury bills	-	125 892 116	-	125 892 116	-	-	-	125 892 116
Advances and other accounts	-	202 636 678 640	-	202 636 678 640	-	-	-	202 636 678 640
Total	70 923 881 091	430 860 896 844	31 232 770 240	533 017 548 175				
Financial liabilities								
Deposit and other accounts	-	(341 145 454 913)	-	(341 145 454 913)	-	-	-	(341 145 454 913)
Trade and other payables	-	(94 045 695 377)	-	(94 045 695 377)	-	-	-	(94 045 695 377)
Offshore borrowings	-	(20 974 306 797)	-	(20 974 306 797)	-	-	-	(20 974 306 797)
Long term borrowings	-	(55 587 286)	-	(55 587 286)	-	-	-	(55 587 286)
Total	(456 165 457 087)	(456 165 457 087)						

30 June 2023	Unreviewed Historical cost							
	CARRYING AMOUNT			FAIR VALUE				
	Designated at FVPL ZW\$	Classified at AMCO ZW\$	Designated at FVTOCI ZW\$	Total ZW\$	Level 1 ZW\$	Level 2 ZW\$	Level 3 ZW\$	Total ZW\$
Financial assets measured at fair value:								
Listed equity securities	21 079 329 345	-	-	21 079 329 345	21 079 329 345	-	-	21 079 329 345
Unlisted equity investments	106 587 394 225	-	-	106 587 394 225	-	-	-	106 587 394 225
Treasury bills	10 336 943 982	-	95 442 770 441	105 779 714 423	-	10 336 943 982	95 442 770 441	105 779 714 423
Financial assets not measured at fair value:								
Trade and other receivables	-	118 770 791 449	-	118 770 791 449	-	-	-	118 770 791 449
Cash and cash equivalents	-	370 944 534 487	-	370 944 534 487	-	-	-	370 944 534 487
Treasury bills	-	38 963 998	-	38 963 998	-	-	-	38 963 998
Advances and other accounts	-	807 572 677 049	-	807 572 677 049	-	-	-	807 572 677 049
Total	138 003 667 552	1 297 326 966 983	95 442 770 441	1 530 773 404 976				
Financial liabilities								
Deposit and other accounts	-	(858 623 084 803)	-	(858 623 084 803)	-	-	-	(858 623 084 803)
Trade and other payables	-	(192 261 076 815)	-	(192 261 076 815)	-	-	-	(192 261 076 815)
Offshore borrowings	-	(114 795 922 000)	-	(114 795 922 000)	-	-	-	(114 795 922 000)
Long term borrowings	-	(18 239 931)	-	(18 239 931)	-	-	-	(18 239 931)
Total	(1 165 698 323 549)	(1 165 698 323 549)						

31 December 2022	Unaudited Historical cost							
	CARRYING AMOUNT			FAIR VALUE				
	Designated at FVPL ZW\$	Classified at AMCO ZW\$	Designated at FVTOCI ZW\$	Total ZW\$	Level 1 ZW\$	Level 2 ZW\$	Level 3 ZW\$	Total ZW\$
Financial assets measured at fair value:								
Listed equity securities	1 764 595 956	-	-	1 764 595 956	1 764 595 956	-	-	1 764 595 956
Unlisted equity investments	14 215 926 003	-	-	14 215 926 003	-	-	14 215 926 003	14 215 926 003
Treasury bills	6 724 208 776	-	9 998 488 908	16 722 697 684	-	6 724 208 776	9 998 488 908	16 722 697 684
Financial assets not measured at fair value:								
Trade and other receivables	-	11 183 791 416	-	11 183 791 416	-	-	-	11 183 791 416
Cash and cash equivalents	-	61 715 351 709	-	61 715 351 709	-	-	-	61 715 351 709
Treasury bills	-	40 301 610	-	40 301 610	-	-	-	40 301 610
Advances and other accounts	-	64 869 704 742	-	64 869 704 742	-	-	-	64 869 704 742
Total	22 704 730 735	137 809 149 477	9 998 488 908	170 512 369 120				
Financial liabilities								
Deposit and other accounts	-	(109 210 262 835)	-	(109 210 262 835)	-	-	-	(109 210 262 835)
Trade and other payables	-	(29 981 905 063)	-	(29 981 905 063)	-	-	-	(29 981 905 063)
Offshore borrowings	-	(6 714 466 000)	-	(6 714 466 000)	-	-	-	(6 714 466 000)
Long term borrowings	-	(17 795 055)	-	(17 795 055)	-	-	-	(17 795 055)
Total	(145 924 428 953)	(145 924 428 953)						

20.2.1.1 Level 1 valuation

Listed equity investments are valued in relation to prices ruling at the stock market at which the stock is listed at the close of business on 30 June 2023.

20.2.1.2 Level 2 valuation

These investments are valued using inputs other than quoted prices which are observable for the asset. The unit trust investments are valued in relation to gold prices on the international market. Treasury bills are valued by discounting cash flows using the market rate for similar instruments as the discounting rate.

20.2.1.3 Level 3 valuation

Unlisted investments were valued at net asset value and price earnings multiple techniques. In applying these methods, judgement was used. The following factors are relevant in understanding the basis:

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between unobservable inputs and fair value measurement
Equity Security	Net Asset Value: The valuation model determines the fair value of investment securities (non-listed entities) with reference to the net asset value, which was determined by the directors as a proxy valuation method. NAV valuation method was used where investees are largely property holdings and investment entities.	The fair values of investment securities are based on net asset values which make use of the net movements in the assets and liabilities of investee entities. Net asset values have been verified by independent auditors, but are not observable from market data.	The estimated fair value would increase or decrease due to the following: - Increase or decrease in fair value or historical cost adjustments of underlying assets and liabilities held by investees. - Decrease as a result of economic obsolescence of underlying assets. - Financial performance of the investee.
	The market approach as prescribed by IFRS 13 – Fair valuation requires the identification of a similar or identical quoted assets with similar risk profiles.	Adjusted market price earnings multiple. - Discounting rate.	The estimated fair value would increase / decrease if the adjusted market price earnings multiple and discounting rates were higher or lower.

NOTES TO THE CONDENSED CONSOLIDATED INFLATION ADJUSTED INTERIM FINANCIAL RESULTS (Continued)

20 RISK MANAGEMENT (continued)

20.2.1.3 Level 3 valuation (continued)

Level 3 recurring fair values

A reconciliation from the opening balances to the closing balances for level 3 fair values is shown below:

	Inflation adjusted		Historical cost	
	Reviewed 30 Jun 2023 ZW\$	Audited 31 Dec 2022 ZW\$	Unreviewed 30 Jun 2023 ZW\$	Unaudited 31 Dec 2022 ZW\$
Balance at beginning of year	75 639 755 604	35 730 001 045	24 214 414 911	3 327 374 670
Fair value adjustments	123 595 381 272	36 750 480 031	169 197 160 664	19 951 828 292
Additions	3 466 435 800	7 362 665 066	8 835 113 812	2 060 160 886
Disposals	(671 408 010)	(4 203 390 538)	(216 524 721)	(1 124 948 937)
Balance at the end of period	202 030 164 666	75 639 755 604	202 030 164 666	24 214 414 911

The Group defines financial risk collectively to include liquidity risk, market risk and credit risk.

20.2.2 Liquidity risk

Definition

There are two types of liquidity risk, funding liquidity risk and market liquidity risk. Funding liquidity risk is the risk that the Group is unable to meet its payment obligations as they fall due. These payment obligations could emanate from depositor withdrawals, the inability to roll over maturing debt or meet contractual commitments to lend. Market liquidity risk is the risk that the Group will be unable to sell assets, without incurring an unacceptable loss, in order to generate cash required to meet payment obligations under a stress liquidity event.

Through the robust Liquidity Risk Management Framework, the Group manages the funding and market liquidity risk to ensure that the Group's operations continue uninterrupted under normal and stressed conditions. The key objectives that underpin the Liquidity Risk Management Framework include maintaining financial market confidence at all times, protecting key stakeholder interests and meeting regulatory requirements.

Identification techniques

This risk is identified through the analyses of contractual maturity mismatch between assets and liabilities and stress testing.

Measurement methods

Liquidity risk is measured using the gap analysis techniques and the term structure of assets and liabilities.

The Group uses liquidity management tools such as the liquidity ratio, maturity gap analysis (contractual and behavioural), daily cash flow summary & forecasting and stress testing to measure liquidity risk.

Liquidity gap analysis as at 30 June 2023

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

	Reviewed Inflation adjusted					
	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	271 924 794 718	37 460 301 305	61 559 438 464	-	370 944 534 487	370 944 534 487
Trade and other receivables	89 078 093 587	29 692 697 862	-	-	118 770 791 449	118 770 791 449
Treasury bills	-	10 935 738 503	-	95 490 279 691	106 426 018 194	105 818 678 421
Mortgages and other advances	204 899 572 311	89 741 372 733	449 151 811 542	786 030 114 269	1 529 822 870 855	807 572 677 049
Financial assets held at fair value through profit or loss	-	-	-	127 801 877 409	127 801 877 409	127 801 877 409
Financial assets held at amortised cost	-	-	-	10 996 091 474	10 996 091 474	10 996 091 474
Loan commitments	3 180 577 479	-	-	-	3 180 577 479	3 180 577 479
Total	569 083 038 095	167 830 110 403	510 711 250 006	1 020 318 362 843	2 267 942 761 347	1 545 085 227 768
FINANCIAL LIABILITIES BY TYPE:						
Deposits and other accounts	(157 370 391 324)	(8 279 041 590)	(166 573)	(851 078 482 376)	(1 016 728 081 863)	(858 623 084 803)
Trade and other payables	(160 481 013 976)	(20 501 899 312)	(11 278 163 527)	-	(192 261 076 815)	(192 261 076 815)
Long term loan	-	-	-	(20 000 000)	(20 000 000)	(18 239 931)
Offshore borrowings	-	(117 577 664 818)	-	-	(117 577 664 818)	(114 795 922 000)
Lease liabilities	(89 417 075)	(447 085 376)	(536 502 451)	(5 545 035 244)	(6 618 040 146)	(5 365 024 511)
Total	(317 940 822 375)	(146 805 691 096)	(11 814 832 551)	(856 643 517 620)	(1 333 204 863 642)	(1

NOTES TO THE CONDENSED CONSOLIDATED INFLATION ADJUSTED INTERIM FINANCIAL RESULTS (Continued)

20.2.2 Liquidity risk (continued)

Liquidity gap analysis as at 30 June 2023

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

	Unreviewed Historical cost					Carrying amount ZW\$
	Up to 1 month ZW\$	2 to 6 months ZW\$	7 to 12 months ZW\$	Above 12 months ZW\$	Total ZW\$	
FINANCIAL ASSETS BY TYPE:						
Cash and cash equivalents	271 924 794 718	37 460 301 305	61 559 438 464	-	370 944 534 487	370 944 534 487
Trade and other receivables	89 078 093 587	29 692 697 862	-	-	118 770 791 449	118 770 791 449
Treasury bills	-	10 935 738 503	-	95 490 279 691	106 426 018 194	105 818 678 421
Mortgages and other advances	204 899 572 311	89 741 372 733	449 151 811 542	786 030 114 269	1 529 822 870 855	807 572 677 049
Financial assets held at fair value through profit or loss	-	-	-	127 801 877 409	127 801 877 409	127 801 877 409
Financial assets held at amortised cost	-	-	-	10 996 091 474	10 996 091 474	10 996 091 474
Loan commitments	3 180 577 479	-	-	-	3 180 577 479	3 180 577 479
	569 083 038 095	167 830 110 403	510 711 250 006	1 020 318 362 843	2 267 942 761 347	1 545 085 227 768
FINANCIAL LIABILITIES BY TYPE:						
Deposits and other accounts	(157 370 391 324)	(8 279 041 590)	(166 573)	(851 078 482 376)	(1 016 728 081 863)	(858 623 084 803)
Trade and other payables	(160 481 013 976)	(20 501 899 312)	(11 278 163 527)	-	(192 261 076 815)	(192 261 076 815)
Long term loan	-	-	-	(20 000 000)	(20 000 000)	(18 239 931)
Offshore borrowings	-	(117 577 664 818)	-	-	(117 577 664 818)	(114 795 922 000)
Short term borrowings	-	-	-	-	-	-
Lease liabilities	(89 417 075)	(447 085 376)	(536 502 451)	(5 545 035 244)	(6 618 040 146)	(5 365 024 511)
	(317 940 822 375)	(146 805 691 096)	(1 181 814 832 551)	(856 643 517 620)	(1 333 204 863 642)	(1 171 063 348 060)
Period gap	251 142 215 720	21 024 419 307	498 896 417 455	163 674 845 223	934 737 897 705	374 021 879 708
Cumulative gap	251 142 215 720	272 166 635 027	771 063 052 482	934 737 897 705	-	-

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					Carrying amount ZW\$
	Up to 1 month ZW\$	2 to 6 months ZW\$	7 to 12 months ZW\$	Above 12 months ZW\$	Total 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	-	-	11 183 791 415	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	245 335 585 036	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)	94 769 268	-	(29 981 905 063)	(29 981 905 063)
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)	12 401 891	(109 102 897 948)	(153 164 592 621)	(146 746 563 223)
Period gap	43 540 007 883	11 470 163 598	51 570 009 867	(14 409 188 932)	92 170 992 416	31 750 478 629
Cumulative gap	43 540 007 883	55 010 171 481	106 580 181 348	92 170 992 416	-	-

	Inflation adjusted		Historical cost	
	Reviewed 30 Jun 2023 ZW\$	Audited 31 Dec 2022 ZW\$	Unreviewed 30 Jun 2023 ZW\$	Unaudited 31 Dec 2022 ZW\$
Liquidity ratios				
Total liquid assets	476 763 212 908	245 146 674 486	476 763 212 908	78 478 351 003
Total liabilities to the public	858 623 084 803	341 145 454 913	858 623 084 803	109 210 262 835
Liquidity ratio	56%	72%	56%	72%
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		Historical cost	
	Reviewed 30 Jun 2023 ZW\$	Audited 31 Dec 2022 ZW\$	Unreviewed 30 Jun 2023 ZW\$	Unaudited 31 Dec 2022 ZW\$
ZB Bank Limited	63%	63%	63%	63%
ZB Building Society	34%	129%	34%	129%

20.2.3 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.

20.2.3.1 Interest rate gap analysis

Interest rate gap analysis as at 30 June 2023

	Reviewed Inflation adjusted				
	Up to 1 month ZW\$	2 to 6 months ZW\$	7 to 12 months ZW\$	Above 12 months ZW\$	Carrying amount ZW\$
FINANCIAL ASSETS BY TYPE:					
Cash and cash equivalents	370 944 534 487	-	-	-	370 944 534 487
Treasury bills	-	10 336 943 982	-	95 481 734 439	105 818 678 421
Advances and other accounts	50 987 021 203	207 577 697 921	106 981 311 131	442 026 646 794	807 572 677 049
Financial assets held at fair value through profit or loss	-	7 199 249 017	-	120 602 628 392	127 801 877 409
Financial assets held at amortised cost	-	-	-	10 996 091 474	10 996 091 474
	421 931 555 690	225 113 890 920	106 981 311 131	669 107 101 099	1 423 133 858 840
FINANCIAL LIABILITIES BY TYPE:					
Deposits and other accounts	(722 141 796 387)	-	-	(136 481 288 416)	(858 623 084 803)
Long term loan	-	-	-	(18 239 931)	(18 239 931)
Offshore borrowings	-	(114 795 922 000)	-	-	(114 795 922 000)
Short term borrowings	-	-	-	-	-
	(722 141 796 387)	(114 795 922 000)	-	(136 499 528 347)	(973 437 246 734)
Period gap	(300 210 240 697)	110 317 968 920	106 981 311 131	532 607 572 752	449 696 612 106
Cumulative gap	(300 210 240 697)	(189 892 271 777)	(82 910 960 646)	449 696 612 106	-

NOTES TO THE CONDENSED CONSOLIDATED INFLATION ADJUSTED INTERIM FINANCIAL RESULTS (Continued)

20.2.3.1 Interest rate gap analysis (continued)

Interest rate gap analysis as at 31 December 2022

	Audited Inflation adjusted				
	Up to 1 month ZW\$	2 to 6 months ZW\$	7 to 12 months ZW\$	Above 12 months ZW\$	Carrying amount ZW\$
FINANCIAL ASSETS BY TYPE:					
Cash and cash equivalents	192 783 271 346	-	-	-	192 783 271 346
Treasury bills	-	21 004 740 787	-	31 358 662 353	52 363 403 140
Advances and other accounts	16 545 670 453	32 096 929 300	39 231 175 049	114 762 903 838	202 636 678 640
Financial assets held at fair value through profit or loss	-	-	-	49 961 324 286	49 961 324 286
Financial assets held at amortised cost	-	524 130 339	165 272 845	2 768 644 565	3 458 047 749
	209 328 941 799	53 625 800 426	39 396 447 894	198 851 535 042	501 202 725 161
FINANCIAL LIABILITIES BY TYPE:					
Deposits and other accounts	(334 146 555 545)	-	-	(6 998 899 368)	(341 145 454 913)
Long term loan	-	-	-	(55 587 286)	(55 587 286)
Offshore borrowings	-	(20 974 306 797)	-	-	(20 974 306 797)
Short term borrowings	-	-	-	-	-
	(334 146 555 545)	(20 974 306 797)	-	(7 054 486 654)	(362 175 348 996)
Period gap	(124 817 613 746)	32 651 493 629	39 396 447 894	191 797 048 388	139 027 376 165
Cumulative gap	(124 817 613 746)	(92 166 120 117)	(52 769 672 223)	139 027 376 165	-

Interest rate gap analysis as at 30 June 2023

	Unreviewed Historical cost				
	Up to 1 month ZW\$	2 to 6 months ZW\$	7 to 12 months ZW\$	Above 12 months ZW\$	Carrying amount ZW\$
FINANCIAL ASSETS BY TYPE:					
Cash and cash equivalents	370 944 534 487	-	-	-	370 944 534 487
Treasury bills	-	10 336 943 982	-	95 481 734 439	105 818 678 421
Advances and other accounts	50 987 021 203	207 577 697 921	106 981 311 131	442 026 646 794	807 572 677 049
Financial assets held at fair value through profit or loss	-	7 199 249 017	-	120 602 628 392	127 801 877 409
Financial assets held at amortised cost	-	-	-	10 996 091 474	10 996 091 474
	421 931 555 690	225 113 890 920	106 981 311 131	669 107 101 099	1 423 133 858 840
FINANCIAL LIABILITIES BY TYPE:					
Deposits and other accounts	(722 141 796 387)	-	-	(136 481 288 416)	(858 623 084 803)
Long term loan	-	-	-	(18 239 931)	(18 239 931)
Offshore borrowings	-	(114 795 922 000)	-	-	(114 795 922 000)
	(722 141 796 387)	(114 795 922 000)	-	(136 499 528 347)	(973 437 246 734)
Period gap	(300 210 240 697)	110 317 968 920	106 981 311 131	532 607 572 752	449 696 612 106
Cumulative gap	(300 210 240 697)	(189 892 271 777)	(82 910 960 646)	449 696 612 106	-

Interest rate gap analysis as at 31 December 2022

	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\$
FINANCIAL ASSETS BY TYPE:					
Cash and cash equivalents	61 715 351 709	-	-	-	61 715 351 709
Treasury bills	-	6 724 208 777	-	10 038 790 517	16 762 999 294
Advances and other accounts	5 296 734 847	10 275 130 548	12 559 003 430	36 738 835 917	64 869 704 742
Financial assets held at fair value through profit or loss	-	7 199 249 017	-	15 994 026 238	15 994 026 238
Financial assets held at amortised cost	-	-	52 908 490	886 321 058	1 107 018 423
	67 012 086 556	17 167 128 200	12 611 911 920	63 657 973 730	160 449 100 406
FINANCIAL LIABILITIES BY TYPE:					
Deposits and other accounts	(106 969 718 139)	-	-	(2 240 544 696)	(109 210 262 835)
Long term loan	-	-	-	(17 795 055)	(17 795 055)
Offshore borrowings	-	(6 714 466 000)	-	-	(6 714 466 000)
	(106 969 718 139)	(6 714 466 000)	-	(2 258 339 751)	(115 942 523 890)
Period gap	(39 957 631 583)	10 452 662 200	12 611 911 920	61 399 633 979	44 506 576 516
Cumulative gap	(39 957 631 583)	(29 504 969 383)	(16 893 057 463)	44 506 576 516	-

Sensitivity analysis

A 10% change in the interest rate sensitive assets would result in the reported profit / loss and equity increasing or decreasing by ZW\$177.48 billion (December 2022: ZW\$37.73 billion).

A 10% change in the interest rate sensitive liabilities would result in the reported profit / loss and equity increasing or decreasing by ZW\$1.7 billion (December 2022: ZW\$1.05 billion).

20.2.3.2 Foreign exchange risk

Foreign currency position

The carrying amount of the Group's foreign denominated monetary assets and liabilities as at 30 June 2023 were as follows:

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NOTES TO THE CONDENSED CONSOLIDATED INFLATION ADJUSTED INTERIM FINANCIAL RESULTS (Continued)

20.2.4 Internal rating grade

	Reviewed Inflation adjusted June 2023				Audited Inflation adjusted December 2022			
	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	790 026 555 390	9 791 186 769	1 717 159 080	801 534 901 239	203 423 584 752	5 433 412 586	733 286 080	209 590 283 419
Guarantees	27 222 040 587	-	-	27 222 040 587	9 789 130 200	-	-	9 789 130 200
Loan commitments	3 180 577 479	-	-	3 180 577 479	21 441 882 144	-	-	21 441 882 144
Treasury bills	105 818 678 421	-	-	105 818 678 421	52 363 403 140	-	-	52 363 403 140
Insurance debtors	21 705 977 614	-	2 013 973 113	23 719 950 727	6 120 475 636	-	497 374 017	6 617 849 653
Other financial assets	-	-	-	-	689 403 185	-	-	689 403 184
Total financial assets	947 953 829 491	9 791 186 769	3 731 132 193	961 476 148 453	293 827 879 057	5 433 412 586	1 230 660 097	300 491 951 740
Total loans and advances	789 936 897 096	34 639 802	33 636 942	790 005 173 840	203 381 483 809	85 262 830	13 070 273	203 479 816 912
Good (AAA to -BBB-)	89 658 294	9 756 546 967	3 812 779	9 850 018 040	42 100 943	5 348 149 756	1 215 948	5 391 466 647
Special Mention (BB+ to CCC-)	-	-	-	-	-	-	-	-
Non performing (CCTOD)	-	-	1 679 709 359	1 679 709 359	-	-	718 999 860	718 999 860
Total loans and advances	790 026 555 390	9 791 186 769	1 717 159 080	801 534 901 239	203 423 584 752	5 433 412 586	733 286 081	209 590 283 419
Corporate Lending	547 468 307 402	4 068 556 312	337 677 480	551 874 541 194	134 535 814 434	4 211 685 213	90 265 096	138 837 764 743
Good (AAA to -BBB-)	-	-	-	547 468 307 402	134 535 814 434	-	-	134 535 814 434
Special Mention (BB+ to CCC-)	-	4 068 556 312	-	4 068 556 312	-	4 211 685 213	-	4 211 685 213
Non performing (CCTOD)	-	-	337 677 480	337 677 480	-	-	90 265 096	90 265 096
Total corporate lending	547 468 307 402	4 068 556 312	337 677 480	551 874 541 194	134 535 814 434	4 211 685 213	90 265 096	138 837 764 743
Small business Lending	23 380 117 752	3 005 592 736	32 238 928	26 417 949 416	9 039 013 308	60 477 624	80 802 612	2 993 805 796
Good (AAA to -BBB-)	-	69	201 232	23 380 319 053	9 039 013 308	490 369	97 790	9 039 601 467
Special Mention (BB+ to CCC-)	-	3 005 592 667	-	3 005 592 667	-	59 987 255	7 694	59 994 949
Non performing (CCTOD)	-	-	32 037 696	32 037 696	-	-	252 301 600	252 301 600
Total small business Lending	23 380 117 752	3 005 592 736	32 238 928	26 417 949 416	9 039 013 308	60 477 624	80 802 612	2 993 805 796
Consumer Lending	176 746 117 087	34 639 733	33 434 740	176 814 191 560	53 287 154 483	84 772 461	12 970 390	53 384 897 334
Good (AAA to -BBB-)	89 658 294	657 170 461	3 812 779	750 641 534	42 100 943	790 166 111	1 208 254	833 475 308
Special Mention (BB+ to CCC-)	-	-	-	-	-	-	-	-
Non performing (CCTOD)	-	-	545 728 190	545 728 190	-	-	344 488 207	344 488 207
Total consumer lending	176 835 775 381	691 810 194	582 975 709	178 110 561 284	53 329 255 426	874 938 572	358 666 851	54 562 860 849
Mortgage Lending	42 342 354 855	2 025 227 527	764 266 963	45 131 849 345	6 519 501 584	286 311 177	31 947 050	6 837 759 811
Good (AAA to -BBB-)	-	-	970	42 342 355 825	6 519 501 584	-	2 093	6 519 503 677
Special Mention (BB+ to CCC-)	-	2 025 227 527	-	2 025 227 527	-	286 311 177	-	286 311 177
Non performing (CCTOD)	-	-	764 265 993	764 265 993	-	-	31 944 957	31 944 957
Total Mortgage Lending	42 342 354 855	2 025 227 527	764 266 963	45 131 849 345	6 519 501 584	286 311 177	31 947 050	6 837 759 811
Guarantees	27 222 040 587	-	-	27 222 040 587	9 789 130 200	-	-	9 789 130 200
Good (AAA to -BBB-)	-	-	-	27 222 040 587	9 789 130 200	-	-	9 789 130 200
Special Mention (BB+ to CCC-)	-	-	-	-	-	-	-	-
Non performing (CCTOD)	-	-	-	-	-	-	-	-
Total guarantees	27 222 040 587	-	-	27 222 040 587	9 789 130 200	-	-	9 789 130 200
Loan commitments	3 180 577 479	-	-	3 180 577 479	21 441 882 144	-	-	21 441 882 144
Good (AAA to -BBB-)	-	-	-	3 180 577 479	21 441 882 144	-	-	21 441 882 144
Special Mention (BB+ to CCC-)	-	-	-	-	-	-	-	-
Non performing (CCTOD)	-	-	-	-	-	-	-	-
Total loan commitments	3 180 577 479	-	-	3 180 577 479	21 441 882 144	-	-	21 441 882 144
Letters of Credit	-	-	-	-	-	-	-	-
Good (AAA to -BBB-)	-	-	-	-	-	-	-	-
Special Mention (BB+ to CCC-)	-	-	-	-	-	-	-	-
Non performing (CCTOD)	-	-	-	-	-	-	-	-
Total letters of credit	-	-	-	-	-	-	-	-
Other financial assets	-	-	-	-	689 403 185	-	-	689 403 185
Good (AAA to BBB0)	-	-	-	-	689 403 185	-	-	689 403 185
Total other financial assets	-	-	-	-	689 403 185	-	-	689 403 185

	Unreviewed Historical cost June 2023				Unaudited Historical cost December 2022			
	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	790 026 555 390	9 791 186 769	1 717 159 080	801 534 901 239	65 121 615 539	1 739 388 311	234 745 515	67 095 749 365
Guarantees	27 222 040 587	-	-	27 222 040 587	3 133 776 126	-	-	3 133 776 126
Loan commitments	3 180 577 479	-	-	3 180 577 479	6 864 150 030	-	-	6 864 150 030
Treasury bills	105 818 678 421	-	-	105 818 678 421	16 762 999 294	-	-	16 762 999 294
Insurance debtors	21 705 977 614	-	2 013 973 113	23 719 950 727	1 959 336 533	-	159 223 423	2 118 559 956
Other financial assets	-	-	-	-	220 697 365	-	-	220 697 365
Total financial assets	947 953 829 491	9 791 186 769	3 731 132 193	961 476 148 453	94 062 574 887	1 739 388 311	393 968 938	96 195 932 136
Total loans and advances	789 936 897 096	34 639 802	33 636 942	790 005 173 840	65 108 137 842	27 295 032	4 184 162	65 139 617 036
Good (AAA to -BBB-)	89 658 294	9 756 546 967	3 812 779	9 850 018 040	13 477 697	1 712 093 279	389 259	1 725 960 235
Special Mention (BB+ to CCC-)	-	-	-	-	-	-	230 172 094	230 172 094
Non performing (CCTOD)	-	-	1 679 709 359	1 679 709 359	-	-	-	-
Total loans and advances	790 026 555 390	9 791 186 769	1 717 159 080	801 534 901 239	65 121 615 539	1 739 388 311	234 745 515	67 095 749 365
Corporate Lending	547 468 307 402	4 068 556 312	337 677 480	551 874 541 194	43 068 701 176	1 348 278 989	28 896 398	44 445 876 563
Good (AAA to -BBB-)	-	-	-	547 468 307 402	43 068 701 176	-	-	43 068 701 176
Special Mention (BB+ to CCC-)	-	4 068 556 312	-	4 068 556 312	-	1 348 278 989	-	1 348 278 989
Non performing (CCTOD)	-	-	337 677 480	337 677 480	-	-	28 896 398	28 896 398
Total corporate lending	547 468 307 402	4 068 556 312	337 677 480	551 874 541 194	43 068 701 176	1 348 278 989	28 896 398	44 445 876 563
Small business Lending	23 380 117 752	3 005 592 736	32 238 928	26 417 949 416	2 893 642 594	19 360 590	80 802 612	2 993 805 796
Good (AAA to -BBB-)	-	69	201 232	23 380 319 053	2 893 642 594	156 981	31 305	2 893 830 880
Special Mention (BB+ to CCC-)	-	3 005 592 667	-	3 005 592 667	-	19 203 609	2 463	19 206 072
Non performing (CCTOD)	-	-	32 037 696	32 037 696	-	-	80 768 844	80 768 844
Total small business Lending	23 380 117 752	3 005 592 736	32 238 928	26 417 949 416	2 893 642 594	19 360 590	80 802 612	2 993 805 796
Consumer Lending	176 746 117 087	34 639 733	33 434 740	176 814 191 560	17 058 718 101	27 138 051	4 152 187	17 090 008 339
Good (AAA to -BBB-)	89 658 294	657 170 461	3 812 779	750 641 534	13 477 697	252 954 414	386 796	266 818 907
Special Mention (BB+ to CCC-)	-	-	-	-	-	-	-	-
Non performing (CCTOD)	-	-	545 728 190	545 728 190	-	-	110 280 372	110 280 372
Total consumer lending	176 835 775 381	691 810 194	582 975 709	178 110 561 284	17 072 195 798	280 092 465	114 819 355	17 467 107 618
Mortgage Lending	42 342 354 855	2 025 227 527	764 266 963	45 131 849 345	2 087 075 971	91 656 267	10 227 150	2 188 959 388
Good (AAA to -BBB-)	-	-	970	42 342 355 825	2 087 075 971	-	670	2 087 076 641
Special Mention (BB+ to CCC-)	-	2 025 227 527	-	2 025 227 527	-	91 656 267	-	91 656 267
Non performing (CCTOD)	-	-	764 265 993	764 265 993	-	-	10 226 480	10 226 480
Total Mortgage Lending	42 342 354 855	2 025 227 527	764 266 963	45 131 849 345	2 087 075 971	91 656 267	10 227 150	2 188 959 388
Guarantees	27 222 040 587	-	-	27 222 040 587	3 133 776 126	-	-	3 133 776 126
Good (AAA to -BBB-)	-	-	-	27 222 040 587	3 133 776 126	-	-	3 133 776 126
Special Mention (BB+ to CCC-)	-	-	-	-	-	-	-	-
Non performing (CCTOD)	-	-	-	-	-	-	-	-
Total guarantees	27 222 040 587	-	-	27 222 040 587				

NOTES TO THE CONDENSED CONSOLIDATED INFLATION ADJUSTED INTERIM FINANCIAL RESULTS (Continued)

20.2.4 Internal rating grade (continued)

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

	Reviewed Inflation adjusted June 2023				Audited Inflation adjusted December 2022			
	STAGE 1 ZW\$	STAGE 2 ZW\$	STAGE 3 ZW\$	TOTAL ZW\$	STAGE 1 ZW\$	STAGE 2 ZW\$	STAGE 3 ZW\$	TOTAL ZW\$
Total loans and advances	790 026 555 390	9 791 186 769	1 717 159 080	801 534 901 239	203 423 584 753	5 433 412 586	733 286 080	209 590 283 419
Guarantees	27 222 040 587	-	-	27 222 040 587	9 789 130 200	-	-	9 789 130 200
Loan commitments	3 180 577 479	-	-	3 180 577 479	21 441 882 144	-	-	21 441 882 144
Treasury bills	105 818 678 421	-	-	105 818 678 421	52 363 403 140	-	-	52 363 403 140
Insurance debtors	21 705 977 614	-	2 013 973 113	23 719 950 727	6 120 475 636	-	497 374 017	6 617 849 653
Other financial assets	-	-	-	-	689 403 184	-	-	689 403 184
Total financial assets	947 953 829 491	9 791 186 769	3 731 132 193	961 476 148 453	293 827 879 057	5 433 412 586	1 230 660 097	300 491 951 740
Opening balance	293 827 879 057	5 433 412 586	1 230 660 097	300 491 951 740	177 091 283 287	1 256 067 750	5 516 287 401	183 863 638 438
Effects of inflation adjustments	(159 765 304 170)	(3 694 024 275)	(836 691 159)	(204 296 019 604)	(125 575 299 298)	(890 676 723)	(3 911 595 356)	(130 377 571 377)
New assets	895 177 267 788	3 510 481 866	3 033 076 366	901 720 826 020	276 056 672 617	5 231 201 930	1 007 081 972	282 294 956 519
Repayments	(35 253 636 874)	(1 074 824 796)	(112 148 033)	(36 440 609 703)	(33 489 892 887)	(266 571 929)	(131 631 221)	(33 888 096 037)
Stage reassignments								
Stage 1	-	5 598 182 613	434 193 697	6 032 376 310	-	139 159 681	115 724 981	254 884 662
Stage 2	(5 598 182 613)	-	(17 958 775)	(5 616 141 388)	(139 159 681)	-	35 768 123	(103 391 558)
Stage 3	-	17 958 775	-	(416 234 922)	(115 724 981)	(35 768 123)	-	(151 493 104)
Write-offs	-	-	-	-	-	-	(1 400 975 803)	(1 400 975 803)
Closing balance	947 953 829 491	9 791 186 769	3 731 132 193	961 476 148 453	293 827 879 057	5 433 412 586	1 230 660 097	300 491 951 740

An analysis of changes in the ECLs are as follows:

	Reviewed Inflation adjusted June 2023				Audited Inflation adjusted December 2022			
	STAGE 1 ZW\$	STAGE 2 ZW\$	STAGE 3 ZW\$	TOTAL ZW\$	STAGE 1 ZW\$	STAGE 2 ZW\$	STAGE 3 ZW\$	TOTAL ZW\$
Total loans and advances	14 583 291 422	1 010 839 205	74 071 177	15 668 201 804	11 594 529 559	1 236 749 718	242 801 136	13 074 080 413
Insurance debtors	-	-	2 013 973 113	2 013 973 113	-	-	497 374 017	497 374 017
Other financial assets	-	-	-	-	-	-	-	-
Total Loans and other advances	14 583 291 422	1 010 839 205	2 088 044 290	17 682 174 917	11 594 529 559	1 236 749 718	740 175 153	13 571 454 430
In respect of guarantees	957 332 289	-	-	957 332 289	984 425 229	-	-	984 425 229
In respect of Loan commitments	585 035 373	-	-	585 035 373	81 638 813	-	-	81 638 813
In respect of other financial assets	-	-	-	-	20 590 026	-	-	20 590 026
Total impairment allowances	16 125 659 084	1 010 839 205	2 088 044 290	19 224 542 579	12 681 183 628	1 236 749 719	740 175 153	14 658 108 499
Opening balance	12 681 183 628	1 236 749 718	740 175 153	14 658 108 499	2 687 166 877	331 709 101	5 174 510 187	8 193 386 165
Effects of inflation adjustments	(8 621 579 793)	(840 831 320)	(503 224 252)	(9 965 635 365)	(1 905 468 066)	(235 214 680)	(3 669 241 382)	(5 809 924 128)
New assets	15 697 315 609	804 734 389	1 884 480 678	18 386 530 676	13 338 519 879	1 179 839 579	635 837 130	15 154 196 588
Repayments	(3 494 001 044)	(311 952 103)	(48 508 084)	(3 854 461 231)	(1 356 923 892)	(72 367 223)	(49 514 834)	(1 478 805 949)
Stage reassignments								
Stage 1	-	124 280 276	12 979 040	137 259 316	-	43 471 188	38 639 982	82 111 170
Stage 2	(124 280 276)	-	2 141 755	(122 138 521)	(43 471 188)	-	10 688 244	(32 782 944)
Stage 3	(12 979 040)	(2 141 755)	-	(15 120 795)	(38 639 982)	(10 688 247)	-	(49 328 229)
Write-offs	-	-	-	-	-	-	(1 400 744 174)	(1 400 744 174)
Closing balance	16 125 659 084	1 010 839 205	2 088 044 290	19 224 542 579	12 681 183 628	1 236 749 718	740 175 153	14 658 108 499

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

	Unreviewed Historical cost June 2023				Unaudited Historical cost December 2022			
	STAGE 1 ZW\$	STAGE 2 ZW\$	STAGE 3 ZW\$	TOTAL ZW\$	STAGE 1 ZW\$	STAGE 2 ZW\$	STAGE 3 ZW\$	TOTAL ZW\$
Total loans and advances	790 026 555 390	9 791 186 769	1 717 159 080	801 534 901 239	65 121 615 539	1 739 388 311	234 745 515	67 095 749 365
Guarantees	27 222 040 587	-	-	27 222 040 587	3 133 776 126	-	-	3 133 776 126
Loan commitments	3 180 577 479	-	-	3 180 577 479	6 864 150 030	-	-	6 864 150 030
Treasury bills	105 818 678 421	-	-	105 818 678 421	16 762 999 294	-	-	16 762 999 294
Insurance debtors	21 705 977 614	-	2 013 973 113	23 719 950 727	1 959 336 533	-	159 223 423	2 118 559 956
Other financial assets	-	-	-	-	220 697 365	-	-	220 697 365
Total financial assets	947 953 829 491	9 791 186 769	3 731 132 193	961 476 148 453	94 062 574 887	1 739 388 311	393 968 938	96 195 932 136
Opening balance	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
New assets	895 177 267 788	3 510 481 866	3 033 076 366	901 720 826 020	88 373 511 474	1 674 654 988	322 395 287	90 370 561 749
Repayments	(35 253 636 874)	(1 074 824 796)	(112 148 033)	(36 440 609 703)	(10 721 057 402)	(85 337 178)	(42 138 859)	(10 848 533 439)
Stage reassignments								
Stage 1	-	5 598 182 613	434 193 697	6 032 376 310	-	44 548 931	37 046 824	81 595 755
Stage 2	(5 598 182 613)	-	(17 958 775)	(5 616 141 388)	(44 548 931)	-	11 450 383	(33 098 548)
Stage 3	(434 193 697)	17 958 775	-	(416 234 922)	(37 046 824)	(11 450 383)	-	(48 497 207)
Write-offs	-	-	-	-	-	-	(448 491 790)	(448 491 790)
Closing balance	947 953 829 491	9 791 186 769	3 731 132 193	961 476 148 453	94 062 574 887	1 739 388 311	393 968 938	96 195 932 136

An analysis of changes in the ECLs are as follows:

	Unreviewed Historical cost June 2023				Unaudited Historical cost December 2022			
	STAGE 1 ZW\$	STAGE 2 ZW\$	STAGE 3 ZW\$	TOTAL ZW\$	STAGE 1 ZW\$	STAGE 2 ZW\$	STAGE 3 ZW\$	TOTAL ZW\$
Total loans and advances	14 583 291 422	1 010 839 205	74 071 177	15 668 201 804	3 711 735 280	395 918 398	77 727 478	4 185 381 156
Insurance debtors	-	-	2 013 973 113	2 013 973 113	-	-	159 223 424	159 223 424
Other financial assets	-	-	-	-	-	-	-	-
Total Loans and other advances	14 583 291 422	1 010 839 205	2 088 044 290	17 682 174 917	3 711 735 280	395 918 398	236 950 901	4 344 604 580
In respect of guarantees	957 332 289	-	-	957 332 289	315 142 226	-	-	315 142 226
In respect of Loan commitments	585 035 373	-	-	585 035 373	26 134 882	-	-	26 134 882
In respect of other financial assets	-	-	-	-	6 591 447	-	-	6 591 447
Total impairment allowances	16 125 659 084	1 010 839 205	2 088 044 290	19 224 542 579	4 059 603 835	395 918 398	236 950 901	4 692 473 134
Opening balance	4 059 603 835	395 918 398	236 950 901	4 692 473 134	250 243 793	30 890 580	481 878 915	763 013 288
New assets	15 697 315 609	804 734 389	1 884 480 678	18 386 530 676	4 270 035 672	377 699 860	203 549 363	4 851 284 895
Repayments	(3 494 001 044)	(311 952 103)	(48 508 084)	(3 854 461 231)	(434 389 533)	(23 166 785)	(15 851 092)	(473 407 410)
Stage reassignments								
Stage 1	-	124 280 276	12 979 040	137 259 316	-	13 916 351	12 369 746	26 286 097
Stage 2	(124 280 276)	-	2 141 755	(122 138 521)	(13 916 351)	-	3 421 608	(10 494 743)
Stage 3	(12 979 040)	(2 141 755)	-	(15 120 795)	(12 369 746)	(3 421 608)	-	(15 791 354)
Write-offs	-	-	-	-	-	-	(448 417 639)	(448 417 639)
Closing balance	16 125 659 084	1 010 839 205	2 088 044 290	19 224 542 579	4 059 603 835	395 918 398	236 950 901	4 692 473 134

An analysis of ECLs movements are as follows:

	Inflation adjusted		Historical cost	
	Reviewed 30 Jun 2023 ZW\$	Audited 31 Dec 2022 ZW\$	Unreviewed 30 Jun 2023 ZW\$	Unaudited 31 Dec 2022 ZW\$
ECL Movement				
Balance at beginning of period	13 571 454 431	7 624 463 971	4 344 604 579	710 032 117
Loans and advances	17 252 675 288	21 520 798 512	13 337 570 338	5 018 482 423
Write offs against provision	(7 603 203 449)	(863 034 049)	-	(1 383 909 961)
Effects of inflation adjustments	(5 538 751 353)	(14 710 774 003)	-	-
	17 682 174 917	13 571 454 431	17 682 174 917	4 344 604 579
Analysis of loans and advances				
Balance at beginning of period	13 074 080 414	7 486 326 799	4 185 381 156	697 168 022
ECL for current period	16 994 124 698	20 713 151 352	11 482 820 648	4 872 123 095
Write offs against provision	(7 603 203 449)	(863 034 049)	-	(1 383 909 961)
Effects of inflation adjustments	(6 796 799 859)	(14 262 363 688)	-	-
Balance at end of period	15 668 201 804	13 074 080 414	15 668 201 804	4 185 381 156
Analysis of insurance debtors				
Balance at beginning of period	497 374 017	138 137 172	159 223 423	12 864 095
ECL for current period	258 550 590	807 647 160	1 854 749 690	146 359 328
Effects of inflation adjustments	1 258 048 506	(448 410 315)	-	-
Balance at end of period	2 013 973 113	497 374 017	2 013 973 113	159 223 423
Analysis of guarantees and loan commitments				
Guarantees				
Balance at beginning of period	984 425 229	411 037 069	315 142 226	38 278 038
ECL for current period	913 075 181	1 091 545 653	642 190 063	276 864 188
Effects of inflation adjustments	(940 168 122)	(518 157 493)	-	-
Balance at end of period	957 332 289	984 425 229	957 332 289	315 142 226
Loan commitments				

NOTES TO THE CONDENSED CONSOLIDATED INFLATION ADJUSTED INTERIM FINANCIAL RESULTS (Continued)

21. COMPLIANCE WITH REGULATIONS

21.1 Regulatory capital requirements

Commercial banks and building societies in Zimbabwe were required to maintain a minimum capital level of ZW\$ equivalent of USD30 million and USD20 million respectively, using the spot rate as at the reporting date. ZB Bank Limited met this requirement as at 30 June 2023, whilst ZB Building Society was not in compliance with this minimum regulatory capital requirement as at 30 June 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.

21.2 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 of 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 as at 30 June 2023, closing the half year with ratio at 5.94% (Dec 2022: 6.01%). 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 30 June 2023 with a ratio of 10% (2022: 10%).

21.3 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.

22. SUBSEQUENT EVENTS

After the reporting date, in an attempt to stabilize the economy particularly the exchange rates and price volatility, the government through Reserve Bank of Zimbabwe introduced various monetary policies and measures. The ZW\$ has gained greatly versus the USD as a result of these initiatives. This ZW\$ appreciation against the USD might result in reversal of unrealized foreign exchange gains recorded in the statement of profit or loss at the reporting date.

23. 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 country's macroeconomic conditions have persisted in having a detrimental impact on the group operating environment. The negative factors, such as liquidity challenges, and price volatility will continue to affect how well the business performs. The Group have put in place strategies to avert the current economical challenges.

The Board has reviewed budgets for 2023 and beyond and the cash flow projections for the Group. The Board does not have any reason to conclude that the Group will not be a going concern for the foreseeable future. The going concern assumption has therefore been applied in the preparation of the inflation adjusted financial statements.

NOTES TO THE CONDENSED CONSOLIDATED INFLATION ADJUSTED INTERIM FINANCIAL RESULTS (Continued)

24. BOARD ATTENDANCE DURING THE PERIOD

ENTITY	ZBFH	ZBBL	ZBBS	ZBRE	ZBLA
TOTAL MEETINGS	5	2	2	2	2
P CHIROMO (MRS)	3	X	X	X	X
J MUTEVEDZI	3	X	X	X	X
T SIBANDA (MS)	5	X	X	X	X
A MAKAMURE (MRS)	5	X	X	X	X
S FUNGURA	5	2	X	2	X
E MUNGONI (MRS)	5	X	X	X	X
L ZEMBE	5	X	X	X	X
P M V WOOD	5	X	X	X	X
S DIMAIRHO	5	X	X	X	X
S A SIBANDA	X	2	X	X	X
P M MATUPIRE	X	2	X	X	X
C MANDIZVIDZA	X	2	X	X	X
G N MAHLANGU (MS)	X	2	X	X	X
F NYAMBIRI	X	2	X	X	X
P MURENA (MRS)	X	2	X	X	X
E CHIBVURI	X	2	X	X	X
E MASINIRE	X	2	X	X	X
O MANDIMIKA	X	X	2	X	X
S K CHIGANZE	X	X	2	X	X
T KAPUMHA	X	X	2	X	X
J KATSIDZIRA	X	X	2	X	X
F B CHIRIMUUTA	X	X	X	2	X
B SHUMBA	X	X	X	2	X
P MURAMBINDA (MRS)	X	X	X	2	X
A NYAKONDA	X	X	X	2	X
M SHONIWA (MRS)	X	X	X	2	X
C MASIMBE (MRS)	X	X	X	2	X
E T Z CHIDZONGA	X	X	X	X	2
L MAWIRE (MRS)	X	X	X	X	2
C MAKONI	X	X	X	X	2
A MANGORO	X	X	X	X	2
R DZIMBA-MABVURUNGE (MRS)	X	X	X	X	2
O PAZVAKAVAMBWA	X	X	X	X	2
*S F MANANGAZIRA	X	X	X	X	1
**E MASVAVIKE	X	X	X	X	1

*S F Manangazira was appointed on Board with effect from 17 March 2023.
 **E Masvavike was appointed on Board with effect from 17 March 2023.
 ***L Zembe was appointed as Acting Chairman with effect from 30 June 2023.
 ****P Chiromo retired from the Board with effect from 30 June 2023.
 *****J Mutevedzi retired from the Board with effect from 30 June 2023.

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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Reviewed Condensed Consolidated Inflation Adjusted Interim Financial Results for the half year ended 30 June 2023

REVIEWED CONDENSED INFLATION ADJUSTED INTERIM FINANCIAL RESULTS for the half year ended 30 June 2023

SEPARATE INFLATION ADJUSTED INTERIM STATEMENT OF FINANCIAL POSITION As at 30 June 2023

Notes	Inflation adjusted		Historical cost	
	Reviewed 30 Jun 2023 ZW\$	Audited 31 Dec 2022 ZW\$	Unreviewed 30 Jun 2023 ZW\$	Unaudited 31 Dec 2022 ZW\$
ASSETS				
Cash and cash equivalents	315 592 544 366	159 149 161 071	315 592 544 366	50 948 126 262
Treasury bills	105 818 678 422	52 363 403 140	105 818 678 422	16 762 999 295
Advances and other accounts	774 384 015 546	198 790 414 177	774 384 015 546	63 638 407 221
Inventories	5 920 422 526	887 345 176	1 933 702 258	277 343 553
Trade and other receivables	111 982 030 509	35 639 033 276	111 982 030 509	11 409 057 738
Financial assets at fair value through profit or loss	78 143 105 889	25 667 743 933	78 143 105 889	8 216 967 339
Financial assets held at amortised cost	3 691 986 086	2 038 525 132	3 691 986 086	652 589 276
Investment in subsidiary company	184 504 773 425	65 838 154 769	175 762 609 232	21 076 562 656
Right of use assets	15 047 911 417	6 821 002 056	9 936 844 305	1 108 645 780
Intangible assets	4 218 718 244	4 314 922 592	616 099 074	628 356 561
Property and equipment	79 341 430 444	74 364 404 584	29 937 628 972	23 806 139 153
Deferred tax asset	-	-	11 705 527 826	-
Total assets	1 678 645 616 874	625 874 109 906	1 619 504 772 485	198 525 194 834
LIABILITIES				
Deposits from customers	848 836 269 075	335 763 591 817	848 836 269 075	107 487 376 967
Offshore borrowings	114 795 922 000	20 974 306 797	114 795 922 000	6 714 466 000
Trade and other payables	155 579 375 546	67 660 945 627	155 579 375 546	21 660 173 247
Lease liabilities	17 023 120 156	18 473 987 684	17 023 120 156	5 914 043 472
Current tax liabilities	1 539 486 678	1 328 444 099	1 539 486 678	425 272 351
Deferred tax liabilities	2 561 684 809	5 745 744 680	-	1 704 172 100
Total liabilities	1 140 335 858 264	449 947 020 704	1 137 774 173 455	143 905 504 136
EQUITY AND RESERVES				
Share capital	1 296 914 283	1 296 914 283	1 810 402	1 810 402
Share premium	23 610 088 055	23 610 088 055	78 396 005	32 958 032
Functional currency translation reserve	-	-	-	45 437 973
Property revaluation reserves	77 603 650 985	74 200 619 952	22 577 008 327	17 806 687 631
Investment reserves	(12 871 826 874)	(5 262 240 445)	(12 871 826 874)	(1 684 591 291)
Retained income	448 670 932 161	82 081 707 357	471 945 211 170	38 417 387 951
Total equity	538 309 758 610	175 927 089 202	481 730 599 030	54 619 690 698
Total equity and liabilities	1 678 645 616 874	625 874 109 906	1 619 504 772 485	198 525 194 834

SEPARATE INFLATION ADJUSTED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME For the half year ended 30 June 2023

Notes	Inflation adjusted		Historical cost	
	Reviewed 30 Jun 2023 ZW\$	Reviewed 30 Jun 2022 ZW\$	Unreviewed 30 Jun 2023 ZW\$	Unreviewed 30 Jun 2022 ZW\$
Interest received	56 345 663 808	24 997 377 382	25 514 510 957	3 007 544 422
Interest paid	(20 862 941 551)	(6 434 365 337)	(11 926 216 209)	(848 684 396)
Net interest and related income received	35 482 722 257	18 563 012 045	13 588 294 748	2 158 860 026
Loan impairment charges, net of recoveries	(8 842 307 328)	(10 907 849 549)	(6 465 757 642)	(1 696 160 653)
Net income from lending activities	26 640 414 929	7 655 162 496	7 122 537 106	462 699 373
Commission and fee income	61 771 916 844	17 855 116 267	36 508 256 161	2 443 725 091
Operating income	259 640 433 470	38 428 121 753	253 964 853 243	7 626 015 310
Fair value adjustments	159 483 729 512	4 414 879 562	215 511 698 480	7 328 819 334
Total income	507 536 494 755	68 353 280 078	513 107 344 990	17 861 259 108
Operating expenses	(147 173 454 757)	(33 700 025 147)	(80 282 637 578)	(4 122 537 642)
Operating profit before taxation	360 363 039 998	34 653 254 931	432 824 707 412	13 738 721 466
Income tax credit / (expense)	(6 328 351 714)	(5 754 687 496)	3 942 376 742	(765 320 232)
Net monetary loss	19 951 168 967	(3 647 288 486)	-	-
Profit for the period	373 985 857 251	25 251 278 949	436 767 084 154	12 973 401 234
Other comprehensive income				
Items that will not be reclassified to profit or loss				
Gain on revaluation-property, plant and equipment	3 582 137 930	442 815 117	4 994 516 000	273 920 000
Items that may be reclassified to profit or loss				
Fair value gains on FVTOCI financial assets	(14 860 833 666)	822 548 374	(14 860 833 666)	167 691 271
Related tax	3 494 491 186	(312 797 855)	3 449 402 782	(51 112 268)
Other comprehensive income net of tax	(7 784 204 550)	952 565 636	(6 416 914 884)	390 499 003
Total comprehensive income for the year	366 201 652 701	26 203 844 585	430 350 169 270	13 363 900 237
Earnings per share (ZW cents)	2 065.76	139.48	2 412.54	71.66

SEPARATE INFLATION ADJUSTED INTERIM STATEMENT OF CHANGES IN EQUITY For the half year ended 30 June 2023

Notes	Reviewed Inflation adjusted					
	Share capital ZW\$	Share premium ZW\$	Property and equipment revaluation reserve ZW\$	Financial assets at FVTOCI reserve ZW\$	Retained income ZW\$	Total ZW\$
Balance at 1 January 2023	1 296 914 283	23 610 088 055	74 200 619 952	(5 262 240 445)	82 081 707 357	175 927 089 202
Changes in equity for 2023						
Profit or loss	-	-	-	-	373 985 857 251	373 985 857 251
Other comprehensive income, net of tax	-	-	3 403 031 033	-	(3 403 031 033)	-
Revaluation of property	-	-	-	(11 187 235 584)	-	(11 187 235 584)
Fair value gains on financial assets at FVTOCI	-	-	-	-	(7 396 632 447)	(7 396 632 447)
Distributions	-	-	-	-	-	-
Dividend to shareholders	-	-	-	-	-	-
Other movements	-	-	-	-	3 577 649 155	3 577 649 155
Effects of inflation adjustments	-	-	-	3 577 649 155	-	3 577 649 155
Balance 30 June 2023	1 296 914 283	23 610 088 055	77 603 650 985	(12 871 826 874)	448 670 932 161	538 309 758 610
Changes in equity for 2022						
Balance at 1 January 2022	1 296 914 283	23 610 088 055	58 561 408 505	(18 810 250)	40 089 030 120	123 538 630 713
Profit or loss	-	-	-	-	25 251 278 949	25 251 278 949
Other comprehensive income, net of tax	-	-	-	-	-	-
Revaluation of property	-	-	333 351 220	-	-	333 351 220
Fair value gains on financial assets at FVTOCI	-	-	-	619 214 416	-	619 214 416
Distributions	-	-	-	-	-	-
Dividend to shareholders	-	-	-	-	(3 461 279 930)	(3 461 279 930)
Other movements	-	-	-	-	-	-
Effects of inflation adjustments	-	-	-	10 217 855	-	10 217 855
Balance as at 30 June 2022	1 296 914 283	23 610 088 055	58 894 759 725	610 622 021	61 879 029 139	146 291 413 223

SEPARATE INFLATION ADJUSTED INTERIM STATEMENT OF CHANGES IN EQUITY (Continued) For the half year ended 30 June 2023

Notes	Unreviewed historical cost						
	Share capital ZW\$	Share premium ZW\$	Functional currency translation reserve ZW\$	Property and equipment revaluation reserve ZW\$	Financial assets at FVTOCI reserve ZW\$	Retained income ZW\$	Total ZW\$
Balance at 1 January 2023	1 810 402	32 958 032	45 437 973	17 806 687 627	(1 684 591 290)	34 417 387 951	54 619 690 695
Changes in equity for 2023							
Profit or loss	-	-	-	-	-	436 767 084 154	436 767 084 154
Other comprehensive income, net of tax	-	-	-	4 770 320 700	-	-	4 770 320 700
Revaluation of property	-	-	-	-	(11 187 235 584)	-	(11 187 235 584)
Fair value gains on financial assets at FVTOCI	-	-	-	-	-	(3 239 260 935)	(3 239 260 935)
Distributions	-	-	-	-	-	-	-
Dividend to shareholders	-	-	-	-	-	-	-
Other movements	-	45 437 973	(45 437 973)	-	-	-	-
Transfer to share premium	-	-	-	-	-	-	-
Balance as at 30 June 2023	1 810 402	78 396 005	-	22 577 008 327	(12 871 826 874)	471 945 211 170	481 730 599 030
Balance at 1 January 2022	1 810 402	32 958 032	45 437 973	4 551 678 847	(1 751 715)	6 628 648 023	11 258 781 562
Changes in equity for 2022							
Profit or loss	-	-	-	-	-	12 973 401 234	12 973 401 234
Other comprehensive income, net of tax	-	-	-	-	-	-	-
Revaluation of property	-	-	-	264 261 014	-	-	264 261 014
Fair value gains on financial assets at FVTOCI	-	-	-	-	126 237 989	-	126 237 989
Distributions	-	-	-	-	-	(539 902 807)	(539 902 807)
Dividend to shareholders	-	-	-	-	-	-	-
Balance as at 30 June 2022	1 810 402	32 958 032	45 437 973	4 815 939 861	124 486 274	19 062 146 450	24 082 778 992

SEPARATE INFLATION ADJUSTED INTERIM STATEMENT OF CASH FLOWS For the half year ended 30 June 2023

Notes	Inflation adjusted		Historical cost	
	Reviewed 30 Jun 2023 ZW\$	Reviewed 30 Jun 2022 ZW\$	Unreviewed 30 Jun 2023 ZW\$	Unreviewed 30 Jun 2022 ZW\$
Cash (used in) / generated from operating activities	(42 229 962 365)	10 101 838 058	42 806 209 944	12 167 065 683
Interest received	56 345 663 808	24 997 377 382	25 514 510 957	3 007 544 422
Interest paid	(20 862 941 551)	(6 434 365 337)	(11 926 216 209)	(848 684 396)
Interest paid lease liability	(3 906 423 170)	(537 927 879)	(3 530 384 271)	(80 231 865)
Interest paid offshore borrowings	(3 226 629 509)	(462 176 520)	(1 206 850 118)	(61 888 974)
Income taxes paid	(5 806 877 822)	(2 134 532 862)	(4 903 706 073)	(385 064 767)
Net cash (used in) / generated from operating activities	(19 687 170 609)	25 530 212 842	46 753 564 230	13 798 740 103
Investing activities				
Dividends received	752 014 336	403 053 980	271 666 723	48 564 935
Proceeds on disposal of property and equipment	1 037 566 168	11 954 751	988 253 461	2 437 191
Purchase of financial assets at fair value through profit or loss	(4 566 864 140)	-	(2 009 099 687)	-
Purchase of financial assets at amortised cost	-	(3 556 847 225)	-	(772 249 473)
Purchase of property and equipment	(9 139 024 788)	(3 435 700 323)	(4 855 263 351)	(481 666 874)
Purchase of intangible assets	(9 777 784)	(2 050 498 743)	(3 193 577)	(279 980 994)
Net cash used in investing activities	(11 926 086 208)	(8 628 037 560)	(5 607 636 431)	(1 482 895 215)
Cash flows from financing activities				
Offshore loan received	132 943 231 087	35 414 647 737	51 009 912 000	5 716 634 848
Lease liability payments	(17 989 774 542)	(2 099 795 461)	(3 874 490 639)	(281 178 687)
Dividend paid	(171 207 386 020)	(39 862 535 034)	(3 239 260 935)	(539 902 807)
Offshore repayments	(7 396 632 447)	(3 461 279 905)	(71 187 642 118)	(5 337 898 604)
Net cash used in financing activities	(63 650 561 922)	(10 008 962 663)	(27 291 481 692)	(442 345 250)
Net increase in cash and cash equivalents	(95 263 818 739)	6 893 212 619	13 854 446 107	11 873 499 637
Cash and cash equivalents at the beginning of the year	160 498 283 019	94 527 376 264	51 380 018 173	8 802 910 388
Effect of exchange rate fluctuations on cash and cash equivalents held	250 358 080 086	28 098 555 292	25	

NOTES TO THE CONDENSED INFLATION ADJUSTED INTERIM FINANCIAL RESULTS (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 76% (December 2022: 8% to 92%).
- The Bank purchased treasury bills from the secondary market. These treasury bills have coupon rates ranging from 0% to 5% (December 2022: 0% to 5%), with a maturity period of 14 months to 10 years (December 2022: 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 2022: 5%), and maturity periods ranging from 4 years to 9 years (December 2022: 4 years 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 ZWL242m and US\$46.885 million were used as security for the Bank to access fixed deposits (December 2022: \$665 078 million).

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		Historical cost	
	Reviewed 30 Jun 2023 ZW\$	Audited 31 Dec 2022 ZW\$	Unreviewed 30 Jun 2023 ZW\$	Unaudited 31 Dec 2022 ZW\$

3. ADVANCES AND OTHER ACCOUNTS

3.1. Loans, overdrafts and other accounts at amortised cost

Mortgage loans	736 886 470 596	195 834 177 389	736 886 470 596	62 692 032 611
*Finance leases	13 951 431 010	8 481 089 050	13 951 431 010	2 715 035 335
Bills discounted	206 066 778	431 943 530	206 066 778	138 277 282
Gross advances	789 832 585 820	211 544 633 473	789 832 585 820	67 721 391 829

Off balance sheet exposures

In respect of guarantees	27 222 040 587	9 789 130 200	27 222 040 587	3 133 776 126
In respect of loan commitments	3 180 577 476	21 441 882 147	3 180 577 476	6 684 150 031
	30 402 618 063	31 231 012 347	30 402 618 063	9 997 926 157

Gross credit exposure

	820 235 203 883	242 775 645 820	820 235 203 883	77 719 317 986
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Gross advances

	789 832 585 820	211 544 633 473	789 832 585 820	67 721 391 829
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Less: Allowance for loan Impairment

	(15 448 570 274)	(12 754 219 296)	(15 448 570 274)	(4 082 984 608)
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Net advances

	774 384 015 546	198 790 414 177	774 384 015 546	63 638 407 221
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3.2 Maturity analysis

- On demand

- Within 1 month

- Between 1 and 6 months

- Between 6 and 12 months

- After 12 months

NOTES TO THE CONDENSED INFLATION ADJUSTED INTERIM FINANCIAL RESULTS (Continued)

3.9 Non-performing debt

	Inflation adjusted		Historical cost	
	Reviewed 30 Jun 2023 ZW\$	Audited 31 Dec 2022 ZW\$	Unreviewed 30 Jun 2023 ZW\$	Unaudited 31 Dec 2022 ZW\$
Non-performing loans and advances	1 643 446 138	697 745 400	1 643 446 138	223 367 943
Less: Allowance for loan impairment	(64 477 313)	(234 369 731)	(64 477 313)	(75 028 348)
Value to be received from security held	1 578 968 824	463 375 669	1 578 968 824	148 339 595

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 Bank 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 security held in respect of the non-performing book amounted to ZW\$41 422 130 875 as at 30 June 2023 (2022: ZW\$51 966 321).

3.10 Loan impairment movement

	Inflation adjusted		Historical cost	
	Reviewed 30 Jun 2023 ZW\$	Audited 31 Dec 2022 ZW\$	Unreviewed 30 Jun 2023 ZW\$	Unaudited 31 Dec 2022 ZW\$
Balance at beginning of the year	12 754 219 296	4 313 949 238	4 082 984 608	676 329 756
Write offs charged to provision	(12 268 867 102)	1 734 658 126	-	(1 386 754 759)
Charge to statement of profit or loss (note 18)	14 963 218 080	13 507 822 879	11 365 585 666	4 793 409 611
Write offs charged to provision	-	(6 802 210 947)	-	-
Balance at end of the year	15 448 570 274	12 754 219 296	15 448 570 274	4 082 984 608

3.11 Internal rating grade:

Loans and advances are carried at amortised cost using the effective interest rate.

	Inflation adjusted						
	STAGE 1 ZW\$	STAGE 2 ZW\$	STAGE 3 ZW\$	2023 TOTAL ZW\$	STAGE 1 ZW\$	STAGE 2 ZW\$	STAGE 3 ZW\$

3.11.1 Total loans and advances

Good (AAA - A-)	780 651 963 715	-	-	780 651 963 715	205 500 273 972	-	-	205 500 273 972
Special mention (BBB+ - CCC-)	-	7 537 175 965	-	7 537 175 965	-	5 346 614 104	-	5 346 614 104
Non performing (CC - D)	-	-	1 643 446 140	1 643 446 140	-	-	697 745 397	697 745 397
Total	780 651 963 715	7 537 175 965	1 643 446 140	789 832 585 820	205 500 273 972	5 346 614 104	697 745 397	211 544 633 473

Corporate lending

Good (AAA - A-)	547 468 307 403	-	-	547 468 307 403	141 649 598 955	-	-	141 649 598 955
Special mention (BBB+ - CCC-)	-	4 068 556 309	-	4 068 556 309	-	4 211 685 210	-	4 211 685 210
Non performing (CC - D)	-	-	337 677 482	337 677 482	-	-	90 265 096	90 265 096
	547 468 307 403	4 068 556 309	337 677 482	551 874 541 194	141 649 598 955	4 211 685 210	90 265 096	145 951 549 261

Small business lending

Good (AAA - A-)	36 075 090 621	-	-	36 075 090 621	8 250 301 114	-	-	8 250 301 114
Special mention (BBB+ - CCC-)	-	786 239 536	-	786 239 536	-	59 955 332	-	59 955 332
Non performing (CC - D)	-	-	30 833 875	30 833 875	-	-	250 840 100	250 840 100
	36 075 090 621	786 239 536	30 833 875	36 892 164 032	8 250 301 114	59 955 332	250 840 100	8 561 096 546

Consumer lending

Good (AAA - A-)	161 109 441 624	-	-	161 109 441 624	49 121 183 086	-	-	49 121 183 086
Special mention (BBB+ - CCC-)	-	657 152 593	-	657 152 593	-	788 662 384	-	788 662 384
Non performing (CC - D)	-	-	510 668 941	510 668 941	-	-	324 718 692	324 718 692
	161 109 441 624	657 152 593	510 668 941	162 277 263 158	49 121 183 086	788 662 384	324 718 692	50 234 564 162

Mortgage lending

Good (AAA - A-)	35 999 124 067	-	-	35 999 124 067	6 479 190 817	-	-	6 479 190 817
Special mention (BBB+ - CCC-)	-	2 025 227 527	-	2 025 227 527	-	286 311 178	-	286 311 178
Non performing (CC - D)	-	-	764 265 842	764 265 842	-	-	31 921 509	31 921 509
	35 999 124 067	2 025 227 527	764 265 842	38 788 617 436	6 479 190 817	286 311 178	31 921 509	6 797 423 504

	Unaudited Historical cost						
	STAGE 1 ZW\$	STAGE 2 ZW\$	STAGE 3 ZW\$	2023 TOTAL ZW\$	STAGE 1 ZW\$	STAGE 2 ZW\$	STAGE 3 ZW\$

3.11.1 Total loans and advances

Good (AAA - A-)	780 651 963 715	-	-	780 651 963 715	65 786 422 211	-	-	65 786 422 211
Special mention (BBB+ - CCC-)	-	7 537 175 965	-	7 537 175 965	-	1 711 601 675	-	1 711 601 675
Non performing (CC - D)	-	-	1 643 446 140	1 643 446 140	-	-	223 367 943	223 367 943
Total	780 651 963 715	7 537 175 965	1 643 446 140	789 832 585 820	65 786 422 211	1 711 601 675	223 367 943	67 721 391 829

Corporate lending

Good (AAA - A-)	547 468 307 403	-	-	547 468 307 403	45 346 023 842	-	-	45 346 023 842
Special mention (BBB+ - CCC-)	-	4 068 556 309	-	4 068 556 309	-	1 348 278 989	-	1 348 278 989
Non performing (CC - D)	-	-	337 677 482	337 677 482	-	-	28 896 398	28 896 398
	547 468 307 403	4 068 556 309	337 677 482	551 874 541 194	45 346 023 842	1 348 278 989	28 896 398	46 723 199 229

Small business lending

Good (AAA - A-)	36 075 090 621	-	-	36 075 090 621	2 641 153 618	-	-	2 641 153 618
Special mention (BBB+ - CCC-)	-	786 239 536	-	786 239 536	-	19 193 390	-	19 193 390
Non performing (CC - D)	-	-	30 833 875	30 833 875	-	-	80 300 977	80 300 977
	36 075 090 621	786 239 536	30 833 875	36 892 164 032	2 641 153 618	19 193 390	80 300 977	2 740 647 985

Consumer lending

NOTES TO THE CONDENSED INFLATION ADJUSTED INTERIM FINANCIAL RESULTS (Continued)

3.12 Impairment allowance for loans and advances

	Inflation adjusted							
	ECL STAGE CLASSIFICATION							
	STAGE 1 ZW\$	STAGE 2 ZW\$	STAGE 3 ZW\$	2023 TOTAL ZW\$	STAGE 1 ZW\$	STAGE 2 ZW\$	STAGE 3 ZW\$	2022 TOTAL ZW\$
3.12.1 Total loans and advances								
Good (AAA to A-)	15 182 479 296	-	-	15 182 479 296	11 309 349 226	-	-	11 309 349 226
Special Mention (BBB+ to B-)	-	201 613 665	-	201 613 665	-	1 210 500 339	-	1 210 500 339
Non performing (CC TO D)	-	-	64 477 313	64 477 313	-	-	234 369 728	234 369 728
TOTAL	15 182 479 296	201 613 665	64 477 313	15 448 570 274	11 309 349 226	1 210 500 339	234 369 728	12 754 219 293
Corporate Lending								
Good (AAA to A-)	13 135 239 516	-	-	13 135 239 516	8 902 170 225	-	-	8 902 170 225
Special Mention (BBB+ to B-)	-	76 055 353	-	76 055 353	-	926 638 563	-	926 638 563
Non performing (CC TO D)	-	-	32 999 205	32 999 205	-	-	27 911 849	27 911 849
TOTAL	13 135 239 516	76 055 353	32 999 205	13 244 294 074	8 902 170 225	926 638 563	27 911 849	9 856 720 637
Small business Lending								
Good (AAA to A-)	579 513 502	-	-	579 513 502	487 805 321	-	-	487 805 321
Special Mention (BBB+ to B-)	-	119 789 050	-	119 789 050	-	2 428 958	-	2 428 958
Non performing (CC TO D)	-	-	693 107	693 107	-	-	92 009 314	92 009 314
TOTAL	579 513 502	119 789 050	693 107	699 995 659	487 805 321	2 428 958	92 009 314	582 243 593
Consumer Lending								
Good (AAA to A-)	1 358 059 559	-	-	1 358 059 559	1 746 413 074	-	-	1 746 413 074
Special Mention (BBB+ to B-)	-	5 769 262	-	5 769 262	-	195 842 532	-	195 842 532
Non performing (CC TO D)	-	-	30 785 001	30 785 001	-	-	111 010 668	111 010 668
TOTAL	1 358 059 559	5 769 262	30 785 001	1 394 613 822	1 746 413 074	195 842 532	111 010 668	2 053 266 274
Mortgage Lending								
Good (AAA to A-)	109 666 719	-	-	109 666 719	172 960 606	-	-	172 960 606
Special Mention (BBB+ to B-)	-	-	-	-	-	85 590 286	-	85 590 286
Non performing (CC TO D)	-	-	-	-	-	-	3 437 897	3 437 897
TOTAL	109 666 719	-	-	109 666 719	172 960 606	85 590 286	3 437 897	261 988 789

	Unaudited Historical cost							
	ECL STAGE CLASSIFICATION							
	STAGE 1 ZW\$	STAGE 2 ZW\$	STAGE 3 ZW\$	2022 TOTAL ZW\$	STAGE 1 ZW\$	STAGE 2 ZW\$	STAGE 3 ZW\$	2021 TOTAL ZW\$
3.12.1 Total loans and advances								
Good (AAA to A-)	15 182 479 296	-	-	15 182 479 296	3 620 441 028	-	-	3 620 441 028
Special Mention (BBB+ to B-)	-	201 613 665	-	201 613 665	-	387 515 232	-	387 515 232
Non performing (CC TO D)	-	-	64 477 313	64 477 313	-	-	75 028 348	75 028 348
TOTAL	15 182 479 296	201 613 665	64 477 313	15 448 570 274	3 620 441 028	387 515 232	75 028 348	4 082 984 608
Corporate Lending								
Good (AAA to A-)	13 135 239 516	-	-	13 135 239 516	2 849 835 271	-	-	2 849 835 271
Special Mention (BBB+ to B-)	-	76 055 353	-	76 055 353	-	296 643 087	-	296 643 087
Non performing (CC TO D)	-	-	32 999 205	32 999 205	-	-	8 935 369	8 935 369
TOTAL	13 135 239 516	76 055 353	32 999 205	13 244 294 074	2 849 835 271	296 643 087	8 935 369	3 155 413 727
Small business Lending								
Good (AAA to A-)	579 513 502	-	-	579 513 502	156 160 214	-	-	156 160 214
Special Mention (BBB+ to B-)	-	119 789 050	-	119 789 050	-	777 578	-	777 578
Non performing (CC TO D)	-	-	693 107	693 107	-	-	29 454 771	29 454 771
TOTAL	579 513 502	119 789 050	693 107	699 995 659	156 160 214	777 578	29 454 771	186 392 563
Consumer Lending								
Good (AAA to A-)	1 358 059 559	-	-	1 358 059 559	559 075 984	-	-	559 075 984
Special Mention (BBB+ to B-)	-	5 769 262	-	5 769 262	-	62 694 707	-	62 694 707
Non performing (CC TO D)	-	-	30 785 001	30 785 001	-	-	35 537 640	35 537 640
TOTAL	1 358 059 559	5 769 262	30 785 001	1 394 613 822	559 075 984	62 694 707	35 537 640	657 308 331
Mortgage Lending								
Good (AAA to A-)	109 666 719	-	-	109 666 719	55 369 559	-	-	55 369 559
Special Mention (BBB+ to B-)	-	-	-	-	-	27 399 860	-	27 399 860
Non performing (CC TO D)	-	-	-	-	-	-	1 100 568	1 100 568
TOTAL	109 666 719	-	-	109 666 719	55 369 559	27 399 860	1 100 568	83 869 987

	Inflation adjusted							
	ECL STAGE CLASSIFICATION							
	STAGE 1 ZW\$	STAGE 2 ZW\$	STAGE 3 ZW\$	2023 TOTAL ZW\$	STAGE 1 ZW\$	STAGE 2 ZW\$	STAGE 3 ZW\$	2022 TOTAL ZW\$
3.12.2 Financial guarantees and loan commitments								
Guarantees								
Good (AAA to A-)	1 028 813 078	-	-	1 028 813 078	984 425 226	-	-	984 425 226
TOTAL	1 028 813 078	-	-	1 028 813 078	984 425 226	-	-	984 425 226
Loan commitments								
Good (AAA to A-)	585 035 374	-	-	585 035 374	81 638 814	-	-	81 638 814
TOTAL	585 035 374	-	-	585 035 374	81 638 814	-	-	81 638 814

	Unaudited Historical cost							
	ECL STAGE CLASSIFICATION							
	STAGE 1 ZW\$	STAGE 2 ZW\$	STAGE 3 ZW\$	2022 TOTAL ZW\$	STAGE 1 ZW\$	STAGE 2 ZW\$	STAGE 3 ZW\$	2021 TOTAL ZW\$
Guarantees								
Good (AAA to A-)	1 028 813 078	-	-	1 028 813 078	315 142 225	-	-	315 142 225
TOTAL	1 028 813 078	-	-	1 028 813 078	315 142 225	-	-	315 142 225
Loan commitments								
Good (AAA to A-)	3 180 577 476	-	-	3 180 577 476	26 134 882	-	-	26 134 882
TOTAL	3 180 577 476	-	-	3 180 577 476	26 134 882	-	-	26 134 882

	Inflation adjusted							
	ECL STAGE CLASSIFICATION							
	STAGE 1 ZW\$	STAGE 2 ZW\$	STAGE 3 ZW\$	2023 TOTAL ZW\$	STAGE 1 ZW\$	STAGE 2 ZW\$	STAGE 3 ZW\$	2022 TOTAL ZW\$
3.12.3 Other financial assets								
Bonds								
Good (AAA+ - A-)	-	-	-	-	20 590 025	-	-	20 590 025
TOTAL	-	-	-	-	20 590 025	-	-	20 590 025

	Unaudited Historical cost							
	ECL STAGE CLASSIFICATION							
	STAGE 1 ZW\$	STAGE 2 ZW\$	STAGE 3 ZW\$	2022 TOTAL ZW\$	STAGE 1 ZW\$	STAGE 2 ZW\$	STAGE 3 ZW\$	2021 TOTAL ZW\$
Bonds								
Good (AAA+ - A-)	-	-	-	-	6 591 447	-	-	6 591 447
TOTAL	-	-	-	-	6 591 447	-	-	6 591 447

	Inflation adjusted		Historical cost	
	Reviewed 30 Jun 2023 ZW\$	Audited 31 Dec 2022 ZW\$	Unreviewed 30 Jun 2023 ZW\$	Unaudited 31 Dec 2022 ZW\$

4. INVENTORIES				
Point of sale machines	923 838 900	26 120 959	301 740 181	8 164 218
Stationery	4 892 401 790	826 836 499	1 597 934 992	258 431 306
Fuel	95 668 125	30 880 985	31 246 701	9 651 985
PPE materials	8 268 107	3 251 124	2 700 493	1 016 153
ATM spares	226 148	236 322	73 863	73 863
Computer consumables	18 456	19 287	6 028	6 028
TOTAL	5 920 422 526	887 345 176	1 933 702 258	277 343 553
Current	5 920 422 526	887 345 176	1 933 702 258	277 343 553

5. TRADE AND OTHER RECEIVABLES				
Accrued interest	1 733 244 580	5 219 656	1 733 244 580	1 670 959
Remittances in transit	5 816 895 297	-	5 816 895 297	-
Advance payments and sundry assets	102 504 431 028	32 875 082 320	102 504 431 028	10 524 239 236
Amounts clearing from other Banks	1 927 459 604	2 758 731 300	1 927 459 604	883 147 543
TOTAL	111 982 030 509	35 639 033 276	111 982 030 509	11 409 057 738

NOTES TO THE CONDENSED INFLATION ADJUSTED INTERIM FINANCIAL RESULTS (Continued)

	Inflation adjusted		Historical cost	
	Reviewed 30 Jun 2023 ZW\$	Audited 31 Dec 2022 ZW\$	Unreviewed 30 Jun 2023 ZW\$	Unaudited 31 Dec 2022 ZW\$
6. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS				
6.1 Carrying amounts				
Unlisted equities	64 379 231 007	23 569 113 187	64 379 231 007	7 545 136 564
Listed equity investments	6 564 625 865	2 098 630 746	6 564 625 865	671 830 775
Virtual gold tokens purchased	7 199 249 017	-	7 199 249 017	-
TOTAL	78 143 105 889	25 667 743 933	78 143 105 889	8 216 967 339
6.2 Movement of financial assets at fair value through profit or loss				
Balance at beginning of the year	25 667 743 933	22 579 665 809	8 216 967 339	2 102 742 957
Movement during the year				
- On virtual gold tokens purchased	4 566 864 140	-	2 009 099 687	-
TOTAL	30 234 608 073	22 579 665 809	10 226 067 026	2 102 742 957
Fair value adjustments				
- On listed equity investments	(1 013 749 217)	(890 410 005)	55 096 685 559	(8 592 292)
- On unlisted equity investments	39 072 708 937	1 627 534 170	413 050 754	5 370 210 136
- On virtual gold tokens purchased	2 632 384 876	-	5 190 149 330	-
TOTAL	70 925 952 669	23 316 789 974	70 925 952 669	7 464 360 801
Exchange gains				
- On listed equity investments	5 479 744 336	1 771 200 200	1 737 408 884	567 011 040
- On unlisted equity investments	1 737 408 884	579 753 759	5 479 744 336	185 595 498
Balance at end of period	78 143 105 889	25 667 743 933	78 143 105 889	8 216 967 339
7. FINANCIAL ASSETS HELD AT AMORTISED COST				
7.1 Carrying amounts				
Bonds	-	689 403 185	-</	

NOTES TO THE CONDENSED INFLATION ADJUSTED INTERIM FINANCIAL RESULTS (Continued)

	Unreviewed Historical cost		
	Computer software ZWS	Capital work in progress ZWS	Total ZWS
10. INTANGIBLE ASSETS (Continued)			
Unreviewed June 2023			
Cost or valuation			
Balance at 1 January 2023	173 062 734	483 965 397	657 028 131
Additions	3 193 577	-	3 193 577
Balance at 30 June 2023	176 256 311	483 965 397	660 221 708
Accumulated amortisation			
Balance at 1 January 2023	28 671 570	-	28 671 570
Charge to income statement (Note 22)	15 451 064	-	15 451 064
Balance at 30 June 2023	44 122 634	-	44 122 634
Carrying value at 30 June 2023	132 133 677	483 965 397	616 099 074
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

	Inflation adjusted						
	Freehold properties ZWS	Leasehold improvements ZWS	Equipment, furniture & fittings ZWS	Computer equipment ZWS	Motor vehicles ZWS	Capital work in progress ZWS	Total ZWS
11. PROPERTY AND EQUIPMENT							
Reviewed June 2023							
Cost or valuation							
Balance at 1 January 2023	2 254 730 247	25 262 258 223	34 438 715 937	63 755 200 066	10 851 378 440	1 519 680 278	138 081 963 191
Additions	-	-	1 321 394 723	1 437 071 263	2 404 452 866	3 976 105 936	9 139 024 788
Gains on revaluation	3 582 137 930	-	-	-	-	-	3 582 137 930
Disposals	-	-	(276 718 242)	(858 600)	-	-	(277 576 842)
Balance at 30 June 2023	5 836 868 177	25 262 258 223	35 483 392 418	65 191 412 729	13 255 831 306	5 495 786 214	150 525 549 067
Accumulated depreciation							
Balance at 1 January 2023	177 312 177	20 166 605 692	22 241 085 642	14 993 945 316	5 201 348 575	937 261 205	63 717 558 607
Charge to statement of profit or loss (Note 22)	-	185 097 815	828 291 880	5 403 647 376	1 109 140 083	-	7 526 177 154
Disposals	-	-	(160 988)	(59 456 150)	-	-	(59 617 139)
Balance at 30 June 2023	177 312 177	20 351 703 507	23 069 377 522	20 397 431 704	6 251 032 507	937 261 205	71 184 118 623
Net book value at 30 June 2023	5 659 556 001	4 910 554 716	12 414 014 895	44 793 981 025	7 004 798 799	4 558 525 009	79 341 430 444
Audited December 2022							
Cost or valuation							
Balance at 1 January 2022	1 835 611 770	20 182 386 490	31 707 396 431	42 437 997 731	7 690 107 903	623 592 313	104 477 092 638
Additions	-	49 365 383	2 291 854 487	1 809 866 564	2 340 786 427	6 752 737 616	13 244 610 477
Gains on revaluation	419 118 477	-	-	19 525 055 860	839 102 810	-	20 783 277 147
Disposals	-	-	(90 530 442)	(17 720 089)	(18 618 700)	-	(126 869 231)
Transfer between categories	-	5 030 506 350	529 995 461	-	-	(5 560 501 811)	-
Other movements	-	-	-	-	(296 147 840)	(296 147 840)	-
Balance at 31 December 2022	2 254 730 247	25 262 258 223	34 438 715 937	63 755 200 066	10 851 378 440	1 519 680 278	138 081 963 191
Accumulated depreciation							
Balance at 1 January 2022	177 312 177	18 958 296 431	9 185 060 460	10 697 809 802	4 747 034 819	580 916 475	44 346 430 164
Charge to statement of profit or loss (Note 22)	-	198 121 939	917 834 222	4 300 122 203	458 153 863	-	5 874 232 227
Disposals	-	-	(6 682 719)	(3 986 689)	(3 840 107)	-	(14 509 515)
Impairment	-	1 010 187 322	12 144 873 679	-	-	356 344 730	13 511 405 731
Balance at 31 December 2022	177 312 177	20 166 605 692	22 241 085 642	14 993 945 316	5 201 348 575	937 261 205	63 717 558 607
Net book value at 31 December 2022	2 077 418 070	5 095 652 531	12 197 630 295	48 761 254 750	5 650 029 865	582 419 073	74 364 404 584

	Historical cost						
	Freehold properties ZWS	Leasehold improvements ZWS	Equipment, furniture & fittings ZWS	Computer equipment ZWS	Motor vehicles ZWS	Capital work in progress ZWS	Total ZWS
Unreviewed June 2023							
Cost or valuation							
Balance at 1 January 2023	665 040 000	1 705 280 487	4 142 701 228	16 798 297 908	1 961 267 087	186 448 739	25 459 035 449
Additions	-	-	892 543 342	596 045 287	1 530 625 489	1 836 049 233	4 855 263 351
Gains on revaluation	4 994 516 000	-	-	-	-	-	4 994 516 000
Disposals	-	-	-	(858 600)	(236 805 300)	-	(237 663 900)
Balance at 30 June 2023	5 659 556 000	1 705 280 487	5 035 244 570	17 393 484 595	3 255 087 276	2 022 497 972	35 071 150 900
Accumulated depreciation							
Balance at 1 January 2023	-	74 018 680	237 896 424	1 188 447 707	152 533 485	-	1 652 896 296
Charge to statement of profit or loss (Note 22)	-	85 602 051	383 059 538	2 499 181 830	560 425 469	-	3 528 268 888
Disposals	-	-	-	(160 988)	(47 482 268)	-	(47 643 256)
Balance at 30 June 2023	-	159 620 731	620 955 962	3 687 468 549	665 476 686	-	5 133 521 928
Net book value at 30 June 2023	5 659 556 000	1 545 659 756	4 414 288 608	13 706 016 046	2 589 610 590	2 022 497 972	29 937 628 972
Unaudited December 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	5 978 699 745
Additions	-	14 134 137	616 027 230	404 831 338	589 889 342	1 944 683 667	3 569 565 714
Gains on revaluation	510 610 000	-	1 251 964 180	13 180 992 162	1 050 643 625	-	15 994 209 967
Disposals	-	-	(28 280 656)	(4 899 644)	(5 960 370)	-	(39 140 670)
Transfer between categories	-	1 547 392 301	167 021 842	-	-	(1 714 414 143)	-
Other movements	-	-	-	-	(44 299 307)	(44 299 307)	-
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	25 459 035 449
Accumulated depreciation							
Balance at 1 January 2022	-	29 760 038	38 564 543	261 552 773	52 619 298	-	382 496 652
Charge to statement of profit or loss (Note 27)	-	44 258 642	201 423 091	928 108 733	101 143 513	-	1 274 933 979
Disposals	-	-	(2 091 210)	(1 213 799)	(1 229 326)	-	(4 534 335)
Balance at 31 December 2022	-	74 018 680	237 896 424	1 188 447 707	152 533 485	-	1 652 896 296
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	23 806 139 153

NOTES TO THE CONDENSED INFLATION ADJUSTED INTERIM FINANCIAL RESULTS (Continued)

	Inflation adjusted		Historical cost	
	Reviewed 30 Jun 2023 ZWS	Audited 31 Dec 2022 ZWS	Unreviewed 30 Jun 2023 ZWS	Unaudited 31 Dec 2022 ZWS
12. DEPOSITS FROM CUSTOMERS				
Current accounts	31 364 234 860	12 251 514 503	31 364 234 860	13 943 608 911
Savings and call accounts	671 430 283 789	43 556 335 106	671 430 283 789	79 528 569 914
Term deposits	9 717 496 439	248 427 294 813	9 717 496 439	10 093 143 488
Bank deposits	136 324 253 987	31 528 447 395	136 324 253 987	3 922 054 654
	848 836 269 075	335 763 591 817	848 836 269 075	107 487 376 967
Maturity analysis of deposits				
On demand	117 395 843 524	296 889 132 947	117 395 843 524	95 042 568 426
Within 1 month	586 148 478 621	9 814 094 365	586 148 478 621	3 141 767 858
Between 1 and 6 months	137 013 783 402	28 591 800 178	137 013 783 402	9 153 040 052
Between 6 and 12 months	8 278 163 528	468 564 327	8 278 163 528	150 000 631
	848 836 269 075	335 763 591 817	848 836 269 075	107 487 376 967
Secured and unsecured deposits analysis				
Secured deposits	149 698 518 717	19 827 443 072	149 698 518 717	6 347 322 639
Unsecured deposits	699 137 750 358	315 936 148 745	699 137 750 358	101 140 054 328
	848 836 269 075	335 763 591 817	848 836 269 075	107 487 376 967

	Inflation adjusted				Unaudited Historical cost			
	Reviewed 30 Jun 2023 ZWS	% Contribution	Audited 31 Dec 2022 ZWS	% Contribution	Unreviewed 30 Jun 2023 ZWS	% Contribution	Unaudited 31 Dec 2022 ZWS	% Contribution
Sectoral analysis of deposits								
Private	106 137 557 301	12.50%	51 376 718 147	13.02%	106 137 557 301	12.50%	16 447 133 654	15.30%
Agriculture	12 874 184 367	1.52%	18 055 135 489	5.38%	12 874 184 367	1.52%	5 779 957 094	5.38%
Mining	43 169 183 300	5.09%	7 655 760 719	2.28%	43 169 183 300	5.09%	2 450 824 504	2.28%
Manufacturing	23 817 926 180	2.81%	18 362 098 083	5.47%	23 817 926 180	2.81%	5 878 224 461	5.47%
Distribution	17 237 028 660	2.03%	11 942 191 675	3.56%	17 237 028 660	2.03%	3 823 031 709	3.56%
Construction	46 907 371 036	5.53%	1 760 595 114	0.52%	46 907 371 036	5.53%	563 616 054	0.52%
Transport	4 415 663 754	0.52%	1 827 664 223	0.54%	4 415 663 754	0.52%	585 086 764	0.54%
Services	352 290 173 200	41.50%	151 011 892 444	44.98%	352 290 173 200	41.50%	48 343 157 523	44.98%
Financial	212 672 682 977	25.05%	45 267 206 080	13.48%	212 672 682 977	25.05%	14 491 306 868	13.48%
Communication	29 314 498 300	3.45%	28 504 329 843	8.49%	29 314 498 300	3.45%	9 125 038 336	8.49%
	848 836 269 075	100%	335 763 591 817	100%	848 836 269 075	100%	107 487 376 967	100%

	Inflation adjusted		Historical cost	
	Reviewed 30 Jun 2023 ZWS	Audited 31 Dec 2022 ZWS	Unreviewed 30 Jun 2023 ZWS	Unaudited 31 Dec 2022 ZWS
13. OFFSHORE BORROWINGS				
Balance at beginning of year	20 974 306 797	7 064 779 819	6 714 466 000	657 911 243
New loans	132 943 231 087	86 386 103 679	51 009 912 000	20 316 275 173
Interest expense	3 226 629 509	1 335 278 009	1 206 850 118	329 280 095
Repayments	(171 207 386 020)	(82 600 495 013)	(71 187 642 118)	(20 619 642 880)
Exchange movements	127 052 336 000	18 838 213 377	127 052 336 000	6 030 642 369
Effects of inflation adjustment	1 806 804 627	(10 049 573 074)	-	-
Balance at end of period	114 795 922 000	20 974 306 797	114 795 922 000	6 714 466 000

	Inflation adjusted		Historical cost	
	Reviewed 30 Jun 2023 ZWS	Audited 31 Dec 2022 ZWS	Unreviewed 30 Jun 2023 ZWS	Unaudited 31 Dec 2022 ZWS
14. TRADE AND OTHER PAYABLES				
Items in transit	53 880 484 425	13 875 035		

NOTES TO THE CONDENSED INFLATION ADJUSTED INTERIM FINANCIAL RESULTS (Continued)

	Inflation adjusted		Historical cost	
	Reviewed 30 Jun 2023 ZW\$	Reviewed 30 Jun 2022 ZW\$	Unreviewed 30 Jun 2023 ZW\$	Unreviewed 30 Jun 2022 ZW\$
17. NET INTEREST AND RELATED INCOME				
17.1 Interest received				
Interest received comprises interest on:				
-Advances	37 812 866 264	13 441 514 217	15 451 246 596	2 191 292 695
-Overdrafts	4 705 200 113	2 039 297 163	2 120 682 869	268 892 764
Establishment fees	4 645 376 933	7 027 395 818	3 051 246 941	180 975 564
Placements with other banks	2 025 914 151	314 919 570	1 334 085 191	45 741 096
Financial assets at amortised cost	56 780 052	302 633 677	18 400 114	46 395 416
Treasury bills at FVTPL	1 244 132 489	1 784 791 302	1 183 692 402	220 780 360
Treasury bills at FVTOCI	5 694 551 858	38 710 555	2 236 263 108	23 374 472
Other interest receivable categories	160 841 948	48 115 080	118 893 736	30 092 055
Total interest received	56 345 663 808	24 997 377 382	25 514 510 957	3 007 544 422
17.2 Interest paid				
Interest paid comprise interest on:				
Customer deposits	9 580 712 896	4 622 000 100	4 206 471 033	603 832 557
Placements from other banks	3 586 741 257	405 746 308	1 871 618 859	49 072 425
Other interest expense categories	7 695 487 398	1 406 618 929	5 848 126 317	195 779 414
Total interest paid	20 862 941 551	6 434 365 337	11 926 216 209	848 684 396
Net interest received	35 482 722 257	18 563 012 045	13 588 294 748	2 158 860 026
18. ANALYSIS OF LOAN IMPAIRMENT CHARGES / (RECOVERIES) TO STATEMENT OF PROFIT OR LOSS				
Impairment charges on loans and overdrafts (Note 3.10)	14 963 218 080	10 436 518 996	11 365 585 666	1 617 184 304
Impairment charges on other financial assets (Note 7.3)	(20 152 959)	193 759 629	(6 591 448)	35 418 790
Impairment charges on guarantees (Note 24.2)	913 075 181	159 942 786	642 190 063	75 922 356
Impairment charges on undrawn facilities (Note 24.3)	589 370 475	171 552 683	558 900 492	34 455 077
Recoveries during the period	(7 603 203 449)	(53 924 545)	(6 094 327 130)	(66 819 874)
	8 842 307 328	10 907 849 549	6 465 757 642	1 696 160 653
19. COMMISSION AND FEE INCOME COMPRISES INCOME FROM:				
Digital channels	13 856 208 535	5 491 454 682	6 408 070 606	735 347 821
Management and service fees	36 032 532 212	10 311 531 505	24 604 581 814	1 380 793 007
Other commissions	11 883 176 097	2 052 130 080	5 495 603 741	327 584 263
	61 771 916 844	17 855 116 267	36 508 256 161	2 443 725 091
20. OPERATING INCOME				
Exchange income	257 487 422 996	37 207 502 435	252 585 211 305	7 461 568 037
Dividends from other investments	752 014 336	403 053 980	271 666 723	48 564 935
Rentals and recoveries	206 987 838	691 067 873	85 035 388	106 070 686
Profit on sale of equipment	819 606 463	8 354 685	798 232 816	1 972 999
Sundry	374 401 837	118 142 780	224 707 011	7 838 653
	259 640 433 470	38 428 121 753	253 964 853 243	7 626 015 310
21. FAIR VALUE ADJUSTMENTS				
Arising from fair value through profit or loss instruments				
Investment securities at fair value through profit or loss (Note 6.2)	38 058 959 720	(10 124 121 510)	55 509 736 313	89 520 347
Investment in subsidiary company (Note 8.1)	118 666 618 656	15 353 060 035	154 686 046 576	7 405 259 539
Treasury bills at fair value through profit or loss	125 766 260	(814 058 963)	125 766 261	(165 960 552)
Virtual Gold tokens purchased	2 632 384 876	-	5 190 149 330	-
	159 483 729 512	4 414 879 562	215 511 698 480	7 328 819 334
22. OPERATING EXPENSES				
Staff expenses	77 444 740 665	15 059 318 023	52 603 199 611	2 101 472 643
Communication expenses	1 294 661 330	687 440 158	873 689 493	93 391 766
Computer and information technology	17 854 416 090	3 368 855 133	8 811 450 358	458 287 233
Occupation expenses	8 521 985 108	1 142 581 326	1 603 547 347	99 252 864
Transport expenses	1 155 612 484	344 883 678	602 484 070	46 664 904
Travelling expenses	1 239 707 423	264 501 681	849 284 200	39 270 675
Administration expenses	39 662 331 657	12 832 445 148	14 938 982 499	1 284 197 557
	147 173 454 757	33 700 025 147	80 282 637 578	4 122 537 642
Included in administration expenses are the following:				
Depreciation charges on property and equipment (Note 11)	7 526 177 154	5 874 232 227	3 528 268 888	594 356 596
Amortisation of intangible assets (Note 10)	105 982 132	656 674 532	15 451 064	319 496
Depreciation charges on right of use Asset (Note 9)	1 321 739 292	1 366 611 916	720 450 128	229 986 169
Auditor's remuneration	865 615 694	33 713 911	287 460 156	71 759 071
23. INCOME TAX EXPENSE				
Current income tax expense	6 017 920 401	5 534 674 231	6 017 920 401	1 128 342 825
Deferred taxation (credit) / charge	310 431 313	220 013 265	(9 960 297 143)	(363 022 593)
	6 328 351 714	5 754 687 496	(3 942 376 742)	765 320 232

	Inflation adjusted		Historical cost	
	Reviewed 30 Jun 2023 ZW\$	Audited 31 Dec 2022 ZW\$	Unreviewed 30 Jun 2023 ZW\$	Unaudited 31 Dec 2022 ZW\$
24. CONTINGENT LIABILITIES				
24.1 In respect of guarantees				
In respect of undrawn loan commitments	27 222 040 587	9 789 130 200	27 222 040 587	3 133 776 126
	3 180 577 476	21 441 882 147	3 180 577 476	6 864 150 031
	30 402 618 063	31 231 012 347	30 402 618 063	9 997 926 157
24.2 Impairment movement on guarantees				
Opening balance	984 425 230	411 037 059	315 142 225	38 278 037
Charge to profit or loss (note 18)	913 075 181	820 587 163	642 190 063	276 864 188
Effects of inflation adjustment	(940 168 124)	(247 198 992)	-	-
	957 332 287	984 425 230	957 332 288	315 142 224
24.3 Impairment movement on undrawn commitments				
Opening balance	81 638 814	17 051 600	26 134 882	1 587 939
Charge to profit or loss (note 18)	589 370 475	150 094 201	558 900 492	24 546 943
Effects of inflation adjustment	(85 973 915)	(85 506 987)	-	-
	585 035 374	81 638 814	585 035 374	26 134 883

NOTES TO THE CONDENSED INFLATION ADJUSTED INTERIM FINANCIAL RESULTS (Continued)

25. RISK MANAGEMENT

25.1 Fair values and risk management - accounting classification and fair values

Notes	Inflation adjusted							
	CARRYING AMOUNT			FAIR VALUE				
	Designated as "FVTPL" ZW\$	Classified as "AMCO" ZW\$	Designated as "FVTOCI" ZW\$	Total ZW\$	Level 1 ZW\$	Level 2 ZW\$	Level 3 ZW\$	Total ZW\$
30 June 2023								
Financial assets measured at fair value								
Equity securities	70 943 856 872	-	-	70 943 856 872	6 564 625 865	-	64 379 231 007	70 943 856 872
Treasury bills	10 336 943 982	-	95 442 770 441	105 779 714 423	-	10 336 943 982	95 442 770 441	105 779 714 423
Virtual Gold Tokens Purchased	7 199 249 017	-	-	7 199 249 017	-	-	-	7 199 249 017
Investment in subsidiary	184 504 773 425	-	-	184 504 773 425	-	-	-	184 504 773 425
Total	272 984 823 296	-	95 442 770 441	368 427 593 737	13 763 874 882	10 336 943 982	344 326 774 873	368 427 593 737
Financial assets not measured at fair value								
Cash and cash equivalents	-	315 592 544 366	-	315 592 544 366	-	-	-	315 592 544 366
Treasury Bills	-	38 963 999	-	38 963 999	-	-	-	38 963 999
Advances and other accounts	-	774 384 015 546	-	774 384 015 546	-	-	-	774 384 015 546
Trade and other receivables	-	110 054 570 905	-	110 054 570 905	-	-	-	110 054 570 905
Financial assets at amortised cost	-	3 691 986 086	-	3 691 986 086	-	-	-	3 691 986 086
Amounts clearing from other banks	-	1 927 459 604	-	1 927 459 604	-	-	-	1 927 459 604
Total	-	1 205 689 540 505	-	1 205 689 540 505	-	-	-	1 205 689 540 505
Financial liabilities								
Deposits and other accounts	-	(848 836 269 075)	-	(848 836 269 075)	-	-	-	(848 836 269 075)
Offshore borrowings	-	(114 795 922 000)	-	(114 795 922 000)	-	-	-	(114 795 922 000)
Trade and other payables	-	(155 579 375 546)	-	(155 579 375 546)	-	-	-	(155 579 375 546)
Total	-	(1 119 211 566 621)	-	(1 119 211 566 621)	-	-	-	(1 119 211 566 621)

Notes	Inflation adjusted							
	CARRYING AMOUNT			FAIR VALUE				
	Designated as "FVTPL" ZW\$	Classified as "AMCO" ZW\$	Designated as "FVTOCI" ZW\$	Total ZW\$	Level 1 ZW\$	Level 2 ZW\$	Level 3 ZW\$	Total ZW\$
31 December 2022								
Financial assets measured at fair value								
Equity securities	25 667 743 933	-	-	25 667 743 933	2 098 630 746	-	23 569 113 187	25 667 743 933
Treasury bills	21 004 740 783	-	31 232 770 239	52 237 511 022	-	21 004 740 783	31 232 770 239	52 237 511 022
Investment in subsidiary	65 838 154 769	-	-	65 838 154 769	-	-	-	65 838 154 769
Total	112 510 639 485	-	31 232 770 239	143 743 409 724	2 098 630 746	21 004 740 783	120 640 038 195	143 743 409 724
Financial assets not measured at fair value								
Cash and cash equivalents	-	159 149 161 071	-	159 149 161 071	-	-	-	159 149 161 071
Treasury Bills	-	125 892 118	-	125 892 118	-	-	-	125 892 118
Advances and other accounts	-	198 790 414 177	-	198 790 414 177	-	-	-	198 790 414 177
Trade and other receivables	-	35 639 033 276	-	35 639 033 276	-	-	-	35 639 033 276
Financial assets at amortised cost	-	2 038 525 132	-	2 038 525 132	-	-	-	2 038 525 132
Total	-	395 743 025 774	-	395 743 025 774	-	-	-	395 743 025 774
Financial liabilities								
Deposits and other accounts	-	(335 763 591 817)	-	(335 763 591 817)	-	-	-	(335 763 591 817)
Offshore borrowings	-	(20 974 306 797)	-	(20 974 306 797)	-	-	-	(20 974 306 797)
Trade and other payables	-	(67 660 945 627)	-	(67 660 945 627)	-	-	-	(67 660 945 627)
Total	-	(424 398 844 241)	-	(424 398 844 241)	-	-	-	(424 398 844 241)

Notes	Historical Cost							
	CARRYING AMOUNT			FAIR VALUE				
	Designated as "FVTPL" ZW\$	Classified as "AMCO" ZW\$	Designated as "FVTOCI" ZW\$	Total ZW\$	Level 1 ZW\$	Level 2 ZW\$	Level 3 ZW\$	Total ZW\$
30 June 2023								
Financial assets measured at fair value								
Equity securities	70 943 856 872	-	-	70 943 856 872	6 564 625 865	-	64 379 231 007	70 943 856 872
Treasury bills	10 336 943 982	-	95 442 770 441	105 779 714 423	-	10 336 943 982	95 442 770 441	105 779 714 423
Virtual Gold Tokens Purchased	7 199 249 017	-	-	7 199 249 017	-	-	-	7 199 249 017
Investment in subsidiary								

NOTES TO THE CONDENSED INFLATION ADJUSTED INTERIM FINANCIAL RESULTS (Continued)

26.2 Liquidity risk (continued)

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

Liquidity gap analysis	Unaudited Historical Cost					Carrying amount ZWS
	Up to 1 month ZWS	2 to 6 months ZWS	7 to 12 months ZWS	Above 12 months ZWS	Total ZWS	
As at 30 June 2023						
Financial Assets by type						
Cash and cash equivalents	271 924 794 718	37 460 301 305	6 207 448 343	-	315 592 544 366	315 592 544 366
Treasury bills	-	10 935 738 503	-	95 490 279 691	106 426 018 194	105 818 678 422
Advances and other accounts	50 763 057 848	204 502 338 885	85 150 294 289	438 503 300 221	778 918 991 243	774 384 015 546
Financial assets at fair value through profit or loss	-	7 199 249 017	-	70 943 856 872	78 143 105 889	78 143 105 889
Financial assets held at amortised cost	142 510 958	379 316 037	848 676 844	1 810 073 637	3 691 986 086	3 691 986 086
Gross loan commitments	322 830 363 524	260 476 943 747	92 206 419 476	610 439 496 507	1 285 953 223 254	1 280 810 907 785
Financial liabilities by type						
Deposits and other accounts	704 018 968 450	138 768 913 458	8 278 163 527	-	851 066 045 435	848 836 269 075
Offshore borrowing	-	117 577 664 818	-	-	117 577 664 818	114 795 922 000
Trade and other payables	70 251 719 971	20 501 899 312	32 225 515 430	27 588 721 654	150 567 856 367	155 579 375 546
Lease Liability	-	-	7 092 966 732	9 930 153 424	17 023 120 156	17 023 120 156
	774 270 688 421	276 884 477 588	47 596 645 689	37 518 875 078	1 136 234 686 776	1 136 234 686 776
Period gap	(451 440 324 897)	(16 371 533 841)	44 609 773 787	572 920 621 429	149 718 536 478	144 576 221 008
Cumulative gap	(451 440 324 897)	(467 811 858 738)	(423 202 084 951)	149 718 536 478	-	-
As at 31 December 2022						
Financial asset by type						
Cash and cash equivalents	48 104 372 434	870 891 791	1 972 862 037	-	50 948 126 262	50 948 126 262
Treasury bills	-	7 154 283 826	-	10 048 178 578	17 202 462 404	16 762 999 295
Advances and other accounts	4 058 324 360	10 275 262 426	14 393 795 825	37 867 692 787	66 595 075 398	63 638 407 221
Financial assets at fair value through profit or loss	-	-	-	8 216 967 339	8 216 967 339	8 216 967 339
Financial assets held at amortised cost	53 721 098	167 788 875	52 908 490	431 891 911	652 589 276	652 589 276
Gross loan commitments	52 216 417 892	20 942 644 557	17 242 768 891	60 077 539 370	150 479 370 710	147 083 239 424
Financial liabilities by type						
Deposits from customers	104 077 558 915	3 727 335 366	192 622 304	-	107 997 516 585	107 487 376 967
Offshore borrowing	-	6 742 509 518	-	-	6 742 509 518	6 714 466 000
Trade and other payables	9 419 355 801	9 077 558 665	1 747 136	2 605 860 685	21 104 522 287	21 660 173 247
Lease liability	-	-	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
Period gap	(61 280 496 824)	1 395 241 008	14 584 214 671	54 021 819 993	8 720 778 848	5 307 179 738
Cumulative gap	(61 280 496 824)	(59 885 255 816)	(45 301 041 145)	8 720 778 848	-	-

Liquidity ratios	Inflation adjusted		Historical cost	
	Reviewed 30 Jun 2023 ZWS	Audited 31 Dec 2022 ZWS	Unreviewed 30 Jun 2023 ZWS	Unaudited 31 Dec 2022 ZWS
Cash and short term funds	315 592 544 366	159 149 161 071	315 592 544 366	50 948 126 262
Treasury Bills	105 818 678 422	52 363 403 140	105 818 678 422	16 762 999 295
Parastatal Bond	-	411 157 428	-	167 788 875
Corporate Bond	-	16 997 084	-	52 908 490
Total liquid assets	421 411 222 788	211 940 718 723	421 411 222 788	67 931 822 922
Total liabilities to the public	848 836 269 075	335 763 591 817	848 836 269 075	107 487 376 967
At 30 June	50%	63%	50%	63%
Average for the period	50%	63%	50%	63%
Maximum for the period	57%	85%	57%	85%
Minimum for the period	46%	47%	46%	47%
Minimum statutory liquidity ratio	30%	30%	30%	30%

NOTES TO THE CONDENSED INFLATION ADJUSTED INTERIM FINANCIAL RESULTS (Continued)

26.3 Interest rate risk

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
As at 30 June 2023					
Assets					
Cash and short term funds	55 269 711 685	-	-	-	55 269 711 685
Treasury bills	-	10 336 943 982	-	95 481 734 440	105 818 678 422
Advances and other accounts	50 625 899 907	203 783 418 215	84 225 263 321	435 749 434 103	774 384 015 546
Financial assets at fair value through profit or loss	-	7 199 249 017	-	70 943 856 872	78 143 105 889
Financial assets held at amortised cost	-	-	-	3 691 986 086	3 691 986 086
	105 895 611 592	221 319 611 214	84 225 263 321	605 867 011 506	1 017 307 497 628
Liabilities					
Deposits from customers	703 544 322 145	137 013 783 402	8 278 163 528	-	848 836 269 075
Offshore borrowings	-	114 795 922 000	-	-	114 795 922 000
Lease liability	-	-	7 092 966 732	9 930 153 424	17 023 120 156
	703 544 322 145	251 809 705 402	15 371 130 260	9 930 153 424	980 655 311 231
Period gap	(597 648 710 553)	(30 490 094 188)	68 854 133 061	595 936 858 077	36 652 186 397
Cumulative gap	(597 648 710 553)	(628 138 804 741)	(559 284 671 680)	36 652 186 397	-
As at 31 December 2022					
Financial asset by type					
Cash and short term funds	46 389 764 833	-	-	-	46 389 764 833
Treasury bills	-	21 004 740 786	-	31 358 662 356	52 363 403 142
Advances and other accounts	12 676 500 786	32 057 579 830	44 928 455 866	109 127 877 695	198 790 414 177
Financial assets at fair value through profit or loss	-	-	-	25 667 743 929	25 667 743 929
Financial assets held at amortised cost	-	524 130 339	165 272 846	-	689 403 185
	59 066 265 619	53 586 450 955	45 093 728 712	166 154 283 980	323 900 729 266
Financial liabilities by type					
Deposits from customers	324 007 583 371	11 287 444 118	468 564 328	-	335 763 591 817
Offshore borrowings	-	20 974 306 797	-	-	20 974 306 797
Lease liability	-	-	7 697 494 868	10 776 492 816	18 473 987 684
	324 007 583 371	32 261 750 915	8 166 059 196	10 776 492 816	375 211 886 298
Period gap	(264 941 317 752)	21 324 700 040	36 927 669 516	155 377 191 164	(51 311 157 032)
Cumulative gap	(264 941 317 752)	(243 616 617 712)	(206 688 948 196)	(51 311 157 032)	-

Interest rate gap analysis	Unaudited Historical Cost				
	Up to 1 month ZWS	2 to 6 months ZWS	7 to 12 months ZWS	Above 12 months ZWS	Carrying amount ZWS
As at 30 June 2023					
Assets					
Cash and cash equivalents	55 269 711 685	-	-	-	55 269 711 685
Treasury bills	-	10 336 943 982	-	95 481 734 440	105 818 678 422
Advances and other accounts	50 625 899 907	203 783 418 215	84 225 263 321	435 749 434 103	774 384 015 546
Financial assets at fair value through profit or loss	-	7 199 249 017	-	70 943 856 872	78 143 105 889
Financial assets held at amortised cost	-	-	-	3 691 986 086	3 691 986 086
	105 895 611 592	221 319 611 214	84 225 263 321	605 867 011 506	1 017 307 497 628
Liabilities					
Deposits from customers	703 544 322 145	137 013 783 402	8 278 163 528	-	848 836 269 075
Offshore borrowings	-	114 795 922 000	-	-	114 795 922 000
Lease liability	-	-	7 092 966 732	9 930 153 424	17 023 120 156
	703 544 322 145	251 809 705 402	15 371 130 260	9 930 153 424	980 655 311 231
Period gap	(597 648 710 553)	(30 490 094 188)	68 854 133 061	595 936 858 077	36 652 186 397
Cumulative gap	(597 648 710 553)	(628 138 804 741)	(559 284 671 680)	36 652 186 397	-
As at 31 December 2022					
Financial asset by type					
Cash and cash equivalents	14 850 669 523	-	-	-	14 850 669 523
Treasury bills	-	6 724 208 777	-	10 038 790 518	16 762 999 295
Advances and other accounts	4 058 104 725	10 262 533 675	14 382 863 389	34 934 905 432	63 638 407 221
Financial assets at fair value through profit or loss	-	-	-	8 216 967 339	8 216 967 339
Financial assets held at amortised cost	-	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
Financial liability by type					
Deposits and other accounts	103 723 947 750	3 613 428 586	150 000 631	-	107 487 376 967
Offshore borrowings	-	6 714 466 000	-	-	6 714 466 000
Lease liability	-	-	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
Period gap	(84 815 173 502)	6 826 636 741	11 821 586 468	49 740 804 597	(16 426 145 696)
Cumulative gap	(84 815 173 502)	(77 988 536 761)	(66 166 950 293)	(16 426 145 696)	-

27. BASIS OF PREPARATION

The accounting policies, methods of computation, significant assumptions and estimates adopted for the preparation of ZB Bank Limited financial results as at the reporting date, are consistent with those applied by ZB Financial Holdings Limited as disclosed in note 1 of the ZB Financial Holdings Limited condensed consolidated inflation adjusted interim financial results.

28. COMPLIANCE WITH REGULATIONS

Commercial Banks in Zimbabwe are required to maintain a minimum capital level of US\$30 million. ZB Bank met this requirement as at 30 June 2023.

29. SUBSEQUENT EVENTS

After the reporting date, in an attempt to stabilize the economy particularly the exchange rates and price volatility, the government through Reserve Bank of Zimbabwe introduced various monetary policies and measures. The ZWS has gained greatly versus the USD as a result of these initiatives. This ZWS appreciation against the USD might result in reversal of unrealized foreign exchange gains recorded in the statement of profit or loss at the reporting date.

30. GOING CONCERN

The Board has reviewed budgets for 2023 and beyond and the cash flow projections for the Bank. The Board does not have any reason to conclude that the Bank will not be a going concern for the foreseeable future. The going concern assumption has therefore been applied in the preparation of the inflation adjusted financial statements.

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SEPARATE INFLATION ADJUSTED INTERIM STATEMENT OF FINANCIAL POSITION As at 30 June 2023

Notes	Inflation adjusted		Historical cost	
	Reviewed 30 Jun 2023 ZW\$	Audited 31 Dec 2022 ZW\$	Unreviewed 30 Jun 2023 ZW\$	Unaudited 31 Dec 2022 ZW\$
ASSETS				
Cash and cash equivalents	12 345 697 144	7 047 981 757	12 345 697 144	2 256 257 350
Money market investments	1 500 000 000	5 935 123 197	1 500 000 000	1 900 000 000
Loans and other advances	18 692 818 216	4 925 421 988	18 692 818 216	1 576 766 221
Trade and other receivables	3 787 912 622	1 492 026 114	3 787 912 622	477 639 557
Inventories	53 560 318	54 858 198	17 146 166	17 146 166
Financial assets at FVTPL	7 799 475 473	2 850 076 703	7 799 475 473	912 389 778
Right of use assets	116 715 901	326 181 857	116 715 901	104 419 994
Property and equipment	839 762 803	905 349 381	259 105 740	289 827 821
Investment properties	55 274 555 000	20 695 946 395	55 274 555 000	6 625 355 000
Investments in subsidiaries	31 591 236 186	11 188 100 299	30 033 588 218	3 581 624 075
Total assets	132 001 733 663	55 421 065 889	129 827 014 481	17 741 425 962
LIABILITIES				
Deposits from customers	18 610 253 664	10 212 011 817	18 610 253 664	3 269 152 435
Trade and other payables	8 616 168 945	7 404 510 405	8 616 168 945	2 370 392 206
Lease liabilities	865 807 031	375 736 878	865 807 031	120 283 951
Deferred tax liabilities	2 763 727 750	1 034 797 320	2 763 727 750	331 267 750
Total liabilities	30 855 957 390	19 027 056 420	30 855 957 390	6 091 096 342
EQUITY				
Share capital	683 998 441	683 998 441	954 814	954 814
Share premium	6 373 494 682	6 373 494 682	26 958 516	8 896 953
Reserves	94 088 283 150	29 336 516 346	98 943 143 761	11 640 477 853
Total equity	101 145 776 273	36 394 009 469	98 971 057 091	11 650 329 620
Total equity and liabilities	132 001 733 663	55 421 065 889	129 827 014 481	17 741 425 962

SEPARATE INFLATION ADJUSTED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME For the half year ended 30 June 2023

Notes	Inflation adjusted		Historical cost	
	Reviewed 30 Jun 2023 ZW\$	Reviewed 30 Jun 2022 ZW\$	Unreviewed 30 Jun 2023 ZW\$	Unreviewed 30 Jun 2022 ZW\$
ASSETS				
Interest income	3 208 772 392	1 003 219 269	1 387 471 211	130 479 248
Interest expense	(52 007 352)	(18 005 365)	(35 345 213)	(2 390 949)
Net interest income	3 156 765 040	985 213 904	1 352 125 998	128 088 299
Net recoveries / (allowance for loan impairment)	(12 759 096)	9 525 138	(12 759 096)	1 941 871
Net income from lending activities	3 144 005 944	994 739 042	1 339 366 902	130 030 170
Commissions, fees and operating income	13 421 076 817	1 815 021 029	9 788 854 732	274 118 747
Fair value adjustments	59 931 143 262	5 166 223 768	81 988 249 838	3 419 172 681
Total income	76 496 226 023	7 975 983 839	93 116 471 472	3 823 321 598
Total operating expenses	(6 363 408 479)	(1 209 434 516)	(3 363 284 001)	(257 271 293)
Operating profit	70 132 817 544	6 766 549 323	89 753 187 471	3 566 050 305
Effects inflation adjustments	(3 652 120 310)	(1 462 775 503)	-	-
Profit before taxation	66 480 697 234	5 303 773 820	89 753 187 471	3 566 050 305
Income tax expense	(1 728 930 430)	(215 040 863)	(2 432 460 000)	(275 239 750)
Profit for the period	64 751 766 804	5 088 732 957	87 320 727 471	3 290 810 555
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	64 751 766 804	5 088 732 957	87 320 727 471	3 290 810 555
Earnings per share				
Basic and fully diluted earnings per share (ZW cents)	67 816	5 330	91 453	3 447

SEPARATE INFLATION ADJUSTED INTERIM STATEMENT OF CHANGES IN EQUITY For the half year ended 30 June 2023

	Inflation adjusted				Total ZW\$
	Share capital ZW\$	Share premium ZW\$	Property and equipment revaluation reserve ZW\$	Retained income ZW\$	
Reviewed 30 June 2023					
Balance at 1 January 2023	683 998 441	6 373 494 682	575 914 199	28 760 602 147	36 394 009 469
Changes in equity for 2023					
Profit or loss	-	-	-	64 751 766 804	64 751 766 804
Profit for the period	-	-	-	64 751 766 804	64 751 766 804
Balance at 30 June 2023	683 998 441	6 373 494 682	575 914 199	93 512 368 951	101 145 776 273
Reviewed 30 June 2022					
Balance at 1 January 2022	683 998 441	6 373 494 682	1 799 011 432	89 840 903 669	98 697 408 224
Changes in equity for 2022					
Profit or loss	-	-	-	5 088 732 957	5 088 732 957
Profit for the period	-	-	-	5 088 732 957	5 088 732 957
Balance at 30 June 2022	683 998 441	6 373 494 682	1 799 011 432	94 929 636 626	103 786 141 181

SEPARATE INFLATION ADJUSTED INTERIM STATEMENT OF CHANGES IN EQUITY (continued) For the half year ended 30 June 2023

	Historical cost					
	Share capital ZW\$	Share premium ZW\$	Functional currency translation reserve ZW\$	Property and equipment revaluation reserve ZW\$	Retained income ZW\$	Total ZW\$
Unreviewed 30 June 2023						
Balance at 1 January 2023	954 814	8 896 953	18 061 563	151 755 926	11 470 660 364	11 650 329 620
Transfer to share premium	-	18 061 563	(18 061 563)	-	-	-
Changes in equity for 2023						
Profit or loss	-	-	-	-	87 320 727 471	87 320 727 471
Profit for the period	-	-	-	-	87 320 727 471	87 320 727 471
Balance at 30 June 2023	954 814	26 958 516	-	151 755 926	98 791 387 835	98 971 057 091
Unreviewed 30 June 2022						
Balance at 1 January 2022	954 814	8 896 953	18 061 563	13 867 705	142 985 649	184 766 684
Changes in equity for 2022						
Profit or loss	-	-	-	-	3 290 810 555	3 290 810 555
Profit for the period	-	-	-	-	3 290 810 555	3 290 810 555
Balance at 30 June 2022	954 814	8 896 953	18 061 563	13 867 705	3 433 796 204	3 475 577 239

SEPARATE INFLATION ADJUSTED INTERIM STATEMENT OF CASH FLOWS For the half year ended 30 June 2023

Notes	Inflation adjusted		Historical cost	
	Reviewed 30 Jun 2023 ZW\$	Reviewed 30 Jun 2022 ZW\$	Unreviewed 30 Jun 2023 ZW\$	Unreviewed 30 Jun 2022 ZW\$
Cash flows generated from operating activities				
Interest received	4 911 771 947	1 879 395 905	10 104 592 201	334 541 784
Interest paid	(3 208 772 392)	(1 003 219 269)	(1 387 471 211)	(130 479 248)
	(52 007 352)	(18 005 365)	(35 345 213)	(2 390 949)
Net cash generated from operating activities	8 068 536 987	2 864 609 809	11 456 718 199	462 630 083
Cash flows from investing activities				
Purchase of property and equipment	(2 823 920)	-	(915 673)	-
Dividends received	57 181 812	49 344 861	31 822 382	5 856 645
Net cash generated from investing activities	54 357 892	49 344 861	30 906 709	5 856 645
Cash flows from financing activities				
Lease commitments paid during the period	(245 301 237)	(4 980 690)	(52 830 975)	(666 952)
Net cash used in financing activities	(245 301 237)	(4 980 690)	(52 830 975)	(666 952)
Net increase in cash and cash equivalents	7 877 593 642	2 908 973 980	11 434 793 933	467 819 776
Cash and cash equivalents at beginning of period	4 468 103 502	1 559 129 522	910 903 211	443 083 435
Cash and cash equivalents at end of period	12 345 697 144	4 468 103 502	12 345 697 144	910 903 211
Cash and cash equivalents comprise:				
Cash on hand	775 926 536	367 690 229	775 926 536	74 960 263
Local bank accounts	10 023 663 342	3 907 778 900	10 023 663 342	796 670 969
Balances at the RBZ	1 546 107 266	192 634 373	1 546 107 266	39 271 979
	12 345 697 144	4 468 103 502	12 345 697 144	910 903 211

NOTES TO THE CONDENSED INFLATION ADJUSTED INTERIM FINANCIAL RESULTS For the half year ended 30 June 2023

	Inflation adjusted		Historical cost	
	Reviewed 30 Jun 2023 ZW\$	Audited 31 Dec 2022 ZW\$	Unreviewed 30 Jun 2023 ZW\$	Unaudited 31 Dec 2022 ZW\$
1. CASH AND CASH EQUIVALENTS				
Cash on hand	775 926 536	658 684 211	775 926 536	210 863 357
Local bank accounts	10 023 663 342	5 459 443 247	10 023 663 342	1 747 721 458
Balances at the RBZ	1 546 107 266	929 854 299	1 546 107 266	297 672 535
	12 345 697 144	7 047 981 757	12 345 697 144	2 256 257 350
Current	12 345 697 144	7 047 981 757	12 345 697 144	2 256 257 350
2. MONEY MARKET INVESTMENTS				
Fixed deposits	1 500 000 000	5 935 123 197	1 500 000 000	1 900 000 000

Fixed deposits are investments in money market instruments on an unsecured basis. Fixed deposits on average run for 30 days on an average interest rate of 75.0% per annum (2022: 45.0%).

These money market investments are short term in nature and the carrying amount approximates the fair value, thus these have been classified as level 2 financial instruments in the fair value hierarchy.

	Inflation adjusted		Historical cost	
	Reviewed 30 Jun 2023 ZW\$	Audited 31 Dec 2022 ZW\$	Unreviewed 30 Jun 2023 ZW\$	Unaudited 31 Dec 2022 ZW\$
3. LOANS AND ADVANCES				
3.1 Categories of loans and advances				
Mortgage loans				
Residential properties	9 641 462	40 336 306	9 641 462	12 912 787
Other loans and overdrafts				
Consumer loans	18 770 849 831	5 119 098 160	18 770 849 831	1 638 767 416
Gross loans and advances	18 780 491 293	5 159 434 466	18 780 491 293	1 651 680 203
Less: Allowance for loan impairment	(87 673 077)	(234 012 478)	(87 673 077)	(74 913 982)
Loans and advances	18 692 818 216	4 925 421 988	18 692 818 216	1 576 766 221
3.2 Maturity analysis				
Within 1 month	968 580 780	424 353 423	968 580 780	135 847 475
Between 2 – 6 months	3 794 279 706	369 669 763	3 794 279 706	118 341 697
Between 7 – 12 months	8 748 265 934	2 313 855 299	8 748 265 934	740 730 213
After 12 months	5 269 364 873	2 051 555 981	5 269 364 873	656 760 818
	18 780 491 293	5 159 434 466	18 780 491 293	1 651 680 203
3.3 Loans and advances to customers by business line				
Mortgage lending	9 641 463	40 336 306	9 641 463	12 912 787
Consumer lending	15 833 298 126	4 328 296 688	15 833 298 126	1 385 609 605
Small business lending	2 937 551 704	790 801 472	2 937 551 704	253 157 811
	18 780 491 293	5 159 434 466	18 780 491 293	1 651 680 203
3.4 Mortgage loans spread				
Residential high density	84 509	377 804	84 509	120 946
Residential medium density	2 628 612	12 363 262	2 628 612	3 957 828
Residential low density	6 928 341	27 595 240	6 928 341	8 834 013
	9 641 462	40 336 306	9 641 462	12 912 787
3.5 Non-performing debt				
Non-performing loans and advances	36 263 221	21 254 461	36 263 221	6 804 151
Less: Allowance for loan impairment	(1 466 557)	(11 945 143)	(1 466 557)	(3 823 976)
Value to be received from security held	34 796 664	9 309 318	34 796 664	2 980 175

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 Society 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 security held in respect of the non-performing book amounted to ZW\$43 359 070 as at 30 June 2023 (2022: ZW\$1 994 635).

NOTES TO THE CONDENSED INFLATION ADJUSTED INTERIM FINANCIAL RESULTS (Continued)

	Inflation adjusted			
	30 Jun 2023 ZWS	Percentage Contribution	31 Dec 2022 ZWS	Percentage Contribution
3.6 Sectoral analysis				
Private	15 842 939 590	84%	4 368 632 993	85%
Manufacturing	2 219 672 295	12%	773 203 408	15%
Distribution	2 040 502	0%	1 417 078	0%
Construction	1 377 981	0%	-	0%
Services	714 460 926	4%	16 180 987	0%
Total	18 780 491 294	100%	5 159 434 466	100%
	Historical cost			
	30 Jun 2023 ZWS	Percentage Contribution	31 Dec 2022 ZWS	Percentage Contribution
Private	15 842 939 590	84%	1 398 522 393	85%
Manufacturing	2 219 672 295	12%	247 524 175	15%
Distribution	2 040 502	0%	453 646	0%
Construction	1 377 981	0%	-	0%
Services	714 460 926	4%	5 179 989	0%
Total	18 780 491 294	100%	1 651 680 203	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 30 Jun 2023				Inflation adjusted 31 Dec 2022			
	STAGE 1 ZWS	STAGE 2 ZWS	STAGE 3 ZWS	TOTAL ZWS	STAGE 1 ZWS	STAGE 2 ZWS	STAGE 3 ZWS	TOTAL ZWS
Total loans and advances	16 363 109 257	34 639 802	33 636 942	16 431 386 001	4 994 994 365	85 262 830	13 070 272	5 093 327 467
Good (AAA to BBB-)	89 658 294	2 219 370 999	3 812 779	2 312 842 072	42 100 943	1 535 648	1 215 948	44 852 539
Special mention (BB+ to CCC-)	-	-	36 263 221	36 263 221	-	-	21 254 460	21 254 460
Non-performing (CC+ to D)	-	-	-	-	-	-	-	-
Total	16 452 767 551	2 254 010 801	73 712 942	18 780 491 294	5 037 095 308	86 798 478	35 540 680	5 159 434 466
Mortgage lending	9 640 343	-	970	9 641 313	40 310 766	-	2 093	40 312 859
Good (AAA to BBB-)	-	-	-	-	-	-	-	-
Special mention (BB+ to CCC-)	-	-	-	-	-	-	-	-
Non-performing (CC+ to D)	-	-	150	150	-	-	23 447	23 447
Total	9 640 343	-	1 120	9 641 463	40 310 766	-	25 540	40 336 306
Consumer lending	15 636 675 463	34 639 733	33 434 740	15 704 749 936	4 165 971 400	84 772 461	12 970 390	4 263 714 251
Good (AAA to BBB-)	89 658 294	17 868	3 812 779	93 488 941	42 100 943	1 503 726	1 208 254	44 812 923
Special mention (BB+ to CCC-)	-	-	35 059 250	35 059 250	-	-	19 769 514	19 769 514
Non-performing (CC+ to D)	-	-	-	-	-	-	-	-
Total	15 726 333 757	34 657 601	72 306 769	15 833 298 127	4 208 072 343	86 276 187	33 948 158	4 328 296 688
Small business lending	716 793 451	69	201 232	716 994 752	788 712 199	490 369	97 789	789 300 357
Good (AAA to BBB-)	-	2 219 353 131	-	2 219 353 131	31 922	7 694	-	39 616
Special mention (BB+ to CCC-)	-	-	1 203 821	1 203 821	-	-	1 461 499	1 461 499
Non-performing (CC+ to D)	-	-	-	-	-	-	-	-
Total	716 793 451	2 219 353 200	1 405 053	2 937 551 704	788 712 199	522 291	1 566 982	790 801 472

	Historical cost 30 Jun 2023				Historical cost 31 Dec 2022			
	STAGE 1 ZWS	STAGE 2 ZWS	STAGE 3 ZWS	TOTAL ZWS	STAGE 1 ZWS	STAGE 2 ZWS	STAGE 3 ZWS	TOTAL ZWS
Total loans and advances	16 363 109 257	34 639 802	33 636 942	16 431 386 001	1 599 038 298	27 295 032	4 184 162	1 630 517 492
Good (AAA to BBB-)	89 658 294	2 219 370 999	3 812 779	2 312 842 072	13 477 697	491 604	389 259	14 358 560
Special mention (BB+ to CCC-)	-	-	36 263 221	36 263 221	-	-	6 804 151	6 804 151
Non-performing (CC+ to D)	-	-	-	-	-	-	-	-
Total	16 452 767 551	2 254 010 801	73 712 942	18 780 491 294	1 612 515 995	27 786 636	11 377 572	1 651 680 203
Mortgage lending	9 640 343	-	970	9 641 313	12 904 611	-	670	12 905 281
Good (AAA to BBB-)	-	-	-	-	-	-	-	-
Special mention (BB+ to CCC-)	-	-	-	-	-	-	-	-
Non-performing (CC+ to D)	-	-	150	150	-	-	7 506	7 506
Total	9 640 343	-	1 120	9 641 463	12 904 611	-	8 176	12 912 787
Consumer lending	15 636 675 463	34 639 733	33 434 740	15 704 749 936	1 333 644 711	27 138 051	4 152 187	1 364 934 949
Good (AAA to BBB-)	89 658 294	17 868	3 812 779	93 488 941	13 477 697	481 385	386 796	14 345 878
Special mention (BB+ to CCC-)	-	-	35 059 250	35 059 250	-	-	6 328 778	6 328 778
Non-performing (CC+ to D)	-	-	-	-	-	-	-	-
Total	15 726 333 757	34 657 601	72 306 769	15 833 298 127	1 347 122 408	27 619 436	10 867 761	1 385 609 605
Small business lending	716 793 451	69	201 232	716 994 752	252 488 976	156 981	31 305	252 677 262
Good (AAA to BBB-)	-	2 219 353 131	-	2 219 353 131	10 219	2 463	-	12 682
Special mention (BB+ to CCC-)	-	-	1 203 821	1 203 821	-	-	467 867	467 867
Non-performing (CC+ to D)	-	-	-	-	-	-	-	-
Total	716 793 451	2 219 353 200	1 405 053	2 937 551 704	167 200	501 635	253 157 811	

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

	Inflation adjusted 30 Jun 2023				Inflation adjusted 31 Dec 2022			
	STAGE 1 ZWS	STAGE 2 ZWS	STAGE 3 ZWS	TOTAL ZWS	STAGE 1 ZWS	STAGE 2 ZWS	STAGE 3 ZWS	TOTAL ZWS
Total ECL for loans and advances	82 421 878	116 875	3 165 098	85 703 851	197 824 565	25 987 221	4 851 926	228 663 712
Good (AAA to BBB-)	338 208	36 617	127 844	502 669	1 507 125	262 161	537 341	2 306 627
Special mention (BB+ to CCC-)	-	-	1 466 557	1 466 557	-	-	3 042 139	3 042 139
Non-performing (CC+ to D)	-	-	-	-	-	-	-	-
Total	82 760 086	153 492	4 759 499	87 673 077	199 331 690	26 249 382	8 431 406	234 012 478
ECL for mortgage lending	-	-	142	142	819 369	-	44	819 413
Good (AAA to BBB-)	-	-	-	-	-	-	-	-
Special mention (BB+ to CCC-)	-	-	-	-	-	-	-	-
Non-performing (CC+ to D)	-	-	142	142	-	-	10 340	10 340
Total	-	-	142	142	819 369	-	10 384	829 753
ECL for consumer lending	73 060 223	116 822	3 057 162	76 234 207	195 346 298	25 786 498	4 808 459	225 941 255
Good (AAA to BBB-)	338 208	7 051	127 844	473 103	1 507 125	247 929	537 341	2 292 395
Special mention (BB+ to CCC-)	-	-	1 192 319	1 192 319	-	-	2 651 982	2 651 982
Non-performing (CC+ to D)	-	-	-	-	-	-	-	-
Total	73 398 431	123 873	4 377 325	77 899 629	196 853 423	26 034 427	7 997 782	230 885 632
ECL for small business lending	9 361 655	53	107 794	9 469 502	1 658 898	200 723	43 423	1 903 044
Good (AAA to BBB-)	-	29 566	-	29 566	-	14 232	-	14 232
Special mention (BB+ to CCC-)	-	-	274 238	274 238	-	-	379 817	379 817
Non-performing (CC+ to D)	-	-	-	-	-	-	-	-
Total	9 361 655	29 619	382 032	9 773 306	1 658 898	214 955	423 240	2 297 093

	Historical cost 30 Jun 2023				Historical cost 31 Dec 2022			
	STAGE 1 ZWS	STAGE 2 ZWS	STAGE 3 ZWS	TOTAL ZWS	STAGE 1 ZWS	STAGE 2 ZWS	STAGE 3 ZWS	TOTAL ZWS
Total ECL for loans and advances	82 421 878	116 875	3 165 098	85 703 851	63 329 213	8 319 241	1 553 238	73 201 692
Good (AAA to BBB-)	338 208	36 617	127 844	502 669	482 473	83 925	172 018	738 416
Special mention (BB+ to CCC-)	-	-	1 466 557	1 466 557	-	-	973 874	973 874
Non-performing (CC+ to D)	-	-	-	-	-	-	-	-
Total	82 760 086	153 492	4 759 499	87 673 077	63 811 686	8 403 166	2 699 130	74 913 982
ECL for mortgage lending	-	-	142	142	262 303	-	14	262 317
Good (AAA to BBB-)	-	-	-	-	-	-	-	-
Special mention (BB+ to CCC-)	-	-	-	-	-	-	3 310	3 310
Non-performing (CC+ to D)	-	-	142	142	-	-	3 324	265 627
Total	-	-	142	142	262 303	-	3 324	265 627
ECL for consumer lending	73 060 223	116 822	3 057 162	76 234 207	62 535 850	8 254 984	1 539 323	72 330 157
Good (AAA to BBB-)	338 208	7 051	127 844	473 103	482 473	79 369	172 018	733 860
Special mention (BB+ to CCC-)	-	-	1 192 319	1 192 319	-	-	848 974	848 974
Non-performing (CC+ to D)	-	-	-	-	-	-	-	-
Total	73 398 431	123 873	4 377 325	77 899 629	63 018 323	8 334 353	2 560 315	73 912 991
ECL for small business lending	9 361 655	53	107 794	9 469 502	531 060	64 257	13 901	609 218
Good (AAA to BBB-)	-	29 566	-	29 566	-	4 556	-	4 556
Special mention (BB+ to CCC-)	-	-	274 238	274 238	-	-	-	-
Non-performing (CC+ to D)	-	-	-	-	-	-	-	-
Total	9 361 655	29 619	382 032	9 773 306	531 060	68 813	135 491	735 364

	Inflation adjusted		Historical cost	
	Reviewed 30 Jun 2023 ZWS	Audited 31 Dec 2022 ZWS	Unreviewed 30 Jun 2023 ZWS	Unaudited 31 Dec 2022 ZWS
4 TRADE AND OTHER RECEIVABLES				
Sundry debtors and other accounts	3 787 744 932	1 491 496 101	3 787 744 932	477 469 885
Intercompany balances	9 226	35 011	9 226	11 208
Prepayments	158 464	495 002	158 464	158 464
Total	3 787 912 622	1 492 026 114	3 787 912 622	477 639 557
Current	3 787 912 622	1 492 026 114	3 787 912 622	477 639 557
Sundry debtors and other accounts comprises of:				
VAT claimable	523 066	947 986	523 066	303 477
Trade debtors	3 554 617 323	1 469 400 658	3 554 617 323	475 164 594

NOTES TO THE CONDENSED INFLATION ADJUSTED INTERIM FINANCIAL RESULTS (Continued)

	Inflation adjusted		Historical cost	
	Reviewed 30 Jun 2023 ZW\$	Audited 31 Dec 2022 ZW\$	Unreviewed 30 Jun 2023 ZW\$	Unaudited 31 Dec 2022 ZW\$
10 INVESTMENT IN SUBSIDIARIES				
10.1 Assets at fair value through profit or loss				
Balance at beginning of period	11 188 100 299	6 726 823 137	3 581 624 075	626 434 674
Fair value gain	20 403 135 887	4 461 277 162	26 451 964 143	2 955 189 401
Balance at end of period	31 591 236 186	11 188 100 299	30 033 588 218	3 581 624 075
Non-current	31 591 236 186	11 188 100 299	30 033 588 218	3 581 624 075

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	
	Reviewed 30 Jun 2023 ZW\$	Audited 31 Dec 2022 ZW\$	Unreviewed 30 Jun 2023 ZW\$	Unaudited 31 Dec 2022 ZW\$
11 DEPOSITS FROM CUSTOMERS				
11.1 Deposit by type				
Demand accounts	18 590 682 979	10 154 360 535	18 590 682 979	3 250 696 637
Savings accounts	3 389 520	3 498 828	3 389 520	1 120 073
Fixed deposits	16 181 165	54 152 454	16 181 165	17 335 725
	18 610 253 664	10 212 011 817	18 610 253 664	3 269 152 435
11.2 Maturity analysis				
On demand	18 596 749 022	10 154 790 126	18 596 749 022	3 250 834 161
Within 1 month	725 220	1 795 007	725 220	574 632
1 month to 6 months	867 370	1 952 849	867 370	625 162
6 months to 12 months	160 611	463 689	160 611	148 440
More than 1 year	11 751 441	53 010 146	11 751 441	16 970 040
	18 610 253 664	10 212 011 817	18 610 253 664	3 269 152 435

	Inflation adjusted				Historical cost			
	30 Jun 2023 ZW\$	% Contribution	31 Dec 2022 ZW\$	% Contribution	30 Jun 2023 ZW\$	% Contribution	31 Dec 2022 ZW\$	% Contribution
11.3 Sectorial analysis								
Private individuals	15 096 993 549	82%	6 909 274 484	68%	15 096 993 549	82%	2 211 853 247	68%
Financial institutions	61 291 012	0%	2 336 064	0%	61 291 012	0%	747 840	0%
Communication	196 124 074	1%	7 106 969	0%	196 124 074	1%	2 275 141	0%
Manufacturing	74 231 321	0%	104 268 316	1%	74 231 321	0%	33 379 223	1%
Distribution	698 120 123	4%	322 390 038	3%	698 120 123	4%	103 206 126	3%
Construction	1 939 745 613	10%	2 254 026 586	22%	1 939 745 613	10%	721 577 358	22%
Agriculture	324 185 624	2%	312 938 160	3%	324 185 624	2%	100 180 314	3%
Services	219 562 348	1%	299 671 200	3%	219 562 348	1%	95 933 186	3%
	18 610 253 664	100%	10 212 011 817	100%	18 610 253 664	100%	3 269 152 435	100%

	Inflation adjusted		Historical cost	
	Reviewed 30 Jun 2023 ZW\$	Audited 31 Dec 2022 ZW\$	Unreviewed 30 Jun 2023 ZW\$	Unaudited 31 Dec 2022 ZW\$
12 TRADE AND OTHER PAYABLES				
Leave pay accrual	10 178 029	31 838 942	10 178 029	10 192 541
Creditors and other accounts	7 081 957 551	5 708 117 582	7 081 957 551	1 827 329 113
Deferred income	369 893 254	99 533 753	369 893 254	31 863 556
Intercompany balances	1 154 140 111	1 565 020 128	1 154 140 111	501 006 996
	8 616 168 945	7 404 510 405	8 616 168 945	2 370 392 206
Current	8 246 275 691	7 404 510 405	8 246 275 691	2 370 392 206

13 LEASE LIABILITIES

	Inflation adjusted	Historical cost
Balance at beginning of year	375 736 878	7 842 611
Lease reassessments	28 969 607	345 768 122
Accrued interest expense posted to profit or loss	18 812 653	23 315 067
Lease commitments paid during the period	(245 301 237)	(12 252 589)
Gain on lease modification	(14 684 066)	(339 028 673)
Exchange loss on lease modification	765 255 861	362 121 131
Effects of inflation adjustment	(62 982 665)	(12 028 791)
Balance at end of year	865 807 031	375 736 878

14 DEFERRED TAX LIABILITIES

	Inflation adjusted		
	Balance at 1 January ZW\$	Recognised in profit or loss ZW\$	Balance at 31 December ZW\$
2023			
Investment properties	1 034 797 320	1 728 930 430	2 763 727 750
2022			
Investment properties	601 639 640	433 157 680	1 034 797 320
	Historical cost		
	Balance at 1 January ZW\$	Recognised in profit or loss ZW\$	Balance at 31 December ZW\$
2023			
Investment properties	331 267 750	2 432 460 000	2 763 727 750
2022			
Investment properties	56 028 000	275 239 750	331 267 750

NOTES TO THE CONDENSED INFLATION ADJUSTED INTERIM FINANCIAL RESULTS (Continued)

	Inflation adjusted		Historical cost	
	Reviewed 30 Jun 2023 ZW\$	Audited 31 Dec 2022 ZW\$	Unreviewed 30 Jun 2023 ZW\$	Unaudited 31 Dec 2022 ZW\$
15 EQUITY AND RESERVES				
15.1 Share capital				
Authorised 100 000 000 ordinary shares of ZW\$0.01 each	1 000 000	1 000 000	1 000 000	1 000 000
Issued and fully paid 95 481 425 ordinary shares of ZW\$0.01 each	683 998 441	683 998 441	954 814	954 814
Share premium	6 373 494 682	6 373 494 682	26 958 516	8 896 953
15.2 Reserves				
Functional currency translation reserve	-	-	-	18 061 563
Revaluation reserves	575 914 199	575 914 199	151 755 926	151 755 926
Retained income	93 512 368 951	28 760 602 147	98 791 387 835	11 470 660 364
Total reserves	94 088 283 150	29 336 516 346	98 943 143 761	11 640 477 853
15.3 Capital adequacy				
Share capital	683 998 441	683 998 441	954 814	954 814
Share premium	6 373 494 682	6 373 494 682	26 958 516	8 896 953
Retained income	93 512 368 951	28 760 602 147	98 791 387 835	11 470 660 364
Tier 1 Capital	100 569 862 074	35 818 095 270	98 819 301 165	11 480 512 131
Functional currency translation reserve	-	-	-	18 061 563
Revaluation reserves	575 914 199	575 914 199	151 755 926	151 755 926
Tier 2 Capital	575 914 199	575 914 199	151 755 926	169 817 489
Total capital base	101 145 776 273	36 394 009 469	98 971 057 091	11 650 329 620
Credit risk weighted assets	41 456 183 448	20 992 973 988	41 456 183 448	6 720 441 893
Operational risk equivalent assets	14 603 737 657	9 554 582 662	14 603 737 657	3 058 690 857
Total risk weighted assets	56 059 921 105	30 547 556 650	56 059 921 105	9 779 132 750
Tier 1 ratio	179.4%	117.3%	176.2%	117.4%
Tier 2 ratio	1.0%	1.8%	0.3%	1.7%
Capital adequacy ratio	180.4%	119.1%	176.5%	119.1%

	Inflation adjusted		Historical cost	
	Reviewed 30 Jun 2023 ZW\$	Reviewed 30 Jun 2022 ZW\$	Unreviewed 30 Jun 2023 ZW\$	Unreviewed 30 Jun 2022 ZW\$
16 NET INTEREST INCOME				
16.1 Interest income				
Mortgage advances	8 042 237	25 070 469	3 072 712	3 294 989
Consumer loans	2 220 465 200	767 670 691	990 430 986	97 770 997
Short term funds and securities	823 832 099	204 502 893	330 723 099	28 640 588
Other	156 432 856	5 975 216	63 244 414	772 674
	3 208 772 392	1 003 219 269	1 387 471 211	130 479 248

	Inflation adjusted		Historical cost	
	Reviewed 30 Jun 2023 ZW\$	Reviewed 30 Jun 2022 ZW\$	Unreviewed 30 Jun 2023 ZW\$	Unreviewed 30 Jun 2022 ZW\$
16.2 Interest expense				
Fixed deposits	948 970	4 428 875	372 081	561 712
Savings accounts	32 245 729	13 276 049	16 160 478	1 767 988
Other	18 812 653	300 441	18 812 654	61 249
	52 007 352	18 005 365	35 345 213	2 390 949
Net interest income	3 156 765 040	985 213 904	1 352 125 998	128 088 299

17 LOAN IMPAIRMENT MOVEMENT

	Inflation adjusted	Historical cost
Balance at beginning of period	234 012 479	196 025 246
Effect of inflation adjustments	(159 098 498)	(139 001 360)
Charge / (recoveries) to statement of profit or loss	12 759 096	(9 525 138)
Balance at end of period	87 673 077	47 498 748

18 COMMISSIONS, FEES AND OPERATING INCOME

	Inflation adjusted	Historical cost
Account service fees	1 553 429 240	214 037 542
Transaction fees	50 913 894	13 238 627
Other commissions and fees	3 195 593 548	643 287 106
Operating lease rental income	1 355 001 916	388 957 607
Exchange gains	7 138 653 949	503 477 811
Dividend income	57 181 812	49 344 861
Other	70 302 459	2 677 475
	13 421 076 817	1 815 021 029

19 FAIR VALUE ADJUSTMENT

	Inflation adjusted	Historical cost
Arising from fair value through profit or loss instruments:		
• Financial assets at FVTPL (note 6)	4 949 398 770	(1 345 354 703)
• Investment properties (note 9)	34 578 608 605	4 300 817 266
• Investments in subsidiaries (note 10)	20 403 135 887	2 210 761 205
	59 931 143 262	5 166 223 768

20 OPERATING EXPENSES

	Inflation adjusted	Historical cost
Operating expenses comprise the following:		
Staff costs	355 582 309	167 623 157
Communication expenses	8 156 807	2 725 399
Computer and information technology expenses	1 444 035 290	210 802 035
Occupation expenses	157 856 639	49 548 664
Transport costs	16 069 695	2 445 803
Security	32 670 789	21 517 920
Administration expenses	4 349 036 950	754 771 538
	6 363 408 479	1 209 434 516
Included in administration expenses are the following:		
Audit fees	77 989 014	100 207 039
Directors fees	60 395 677	31 783 409
Depreciation of property and equipment	68 410 498	5 131 290
Depreciation right of use assets	16 673 700	4 388 996
Impairment of assets	221 761 863	3 416 672
Lease liabilities finance cost	18 812 653	300 440

21 INCOME TAX EXPENSE

	Inflation adjusted	Historical cost
Deferred tax expense	1 728 930 430	215 040 863
Total tax expense recognised in statement of profit or loss	1 728 930 430	215 040 863

NOTES TO THE CONDENSED INFLATION ADJUSTED INTERIM FINANCIAL RESULTS (Continued)

22. RISK MANAGEMENT

22.1 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 ZW\$	Amortised cost ZW\$	Designated at FVOCI ZW\$	Total ZW\$	Level 1 ZW\$	Level 2 ZW\$	Level 3 ZW\$	Total ZW\$
As at 30 June 2023								
Financial assets measured at fair value								
Financial assets at FVTPL	7 799 475 473	-	-	7 799 475 473	-	-	7 799 475 473	7 799 475 473
Investments in subsidiaries	31 591 236 186	-	-	31 591 236 186	-	-	31 591 236 186	31 591 236 186
	39 390 711 659			39 390 711 659			39 390 711 659	39 390 711 659
Financial assets not measured at fair value								
Trade and other receivables	-	3 787 754 158	-	3 787 754 158				
Loans and advances	-	18 692 818 216	-	18 692 818 216				
Money market investments	-	1 500 000 000	-	1 500 000 000				
Cash and cash equivalents	-	12 345 697 144	-	12 345 697 144				
		36 326 269 518		36 326 269 518				
Financial liabilities not measured at fair value								
Trade and other payables	-	(8 616 168 945)	-	(8 616 168 945)				
Deposits from customers	-	(18 610 253 664)	-	(18 610 253 664)				
		(27 226 422 609)		(27 226 422 609)				
As at 31 December 2022								
Financial assets measured at fair value								
Financial assets at FVTPL	2 850 076 703	-	-	2 850 076 703	-	-	2 850 076 703	2 850 076 703
Investments in subsidiaries	11 188 100 299	-	-	11 188 100 299	-	-	11 188 100 299	11 188 100 299
	14 038 177 002			14 038 177 002			14 038 177 002	14 038 177 002
Financial assets not measured at fair value								
Trade and other receivables	-	1 491 531 112	-	1 491 531 112				
Loans and advances	-	4 925 421 988	-	4 925 421 988				
Money market investments	-	5 935 123 197	-	5 935 123 197				
Cash and cash equivalents	-	7 047 981 757	-	7 047 981 757				
		19 400 058 054		19 400 058 054				
Financial liabilities not measured at fair value								
Trade and other payables	-	(7 404 510 405)	-	(7 404 510 405)				
Deposits from customers	-	(10 212 011 817)	-	(10 212 011 817)				
		(17 616 522 222)		(17 616 522 222)				

	Historical cost							
	CARRYING AMOUNT				FAIR VALUE			
	Designated at FVTPL ZW\$	Amortised cost ZW\$	Designated at FVOCI ZW\$	Total ZW\$	Level 1 ZW\$	Level 2 ZW\$	Level 3 ZW\$	Total ZW\$
As at 30 June 2023								
Financial assets measured at fair value								
Financial assets at FVTPL	7 799 475 473	-	-	7 799 475 473	-	-	7 799 475 473	7 799 475 473
Investments in subsidiaries	30 033 588 218	-	-	30 033 588 218	-	-	30 033 588 218	30 033 588 218
	37 833 063 691			37 833 063 691			37 833 063 691	37 833 063 691
Financial assets not measured at fair value								
Trade and other receivables	-	3 787 754 158	-	3 787 754 158				
Loans and advances	-	18 692 818 216	-	18 692 818 216				
Money market investments	-	1 500 000 000	-	1 500 000 000				
Cash and cash equivalents	-	12 345 697 144	-	12 345 697 144				
		36 326 269 518		36 326 269 518				
Financial liabilities not measured at fair value								
Trade and other payables	-	(8 738 079 967)	-	(8 738 079 967)				
Deposits from customers	-	(8 616 168 945)	-	(8 616 168 945)				
		(27 226 422 609)		(27 226 422 609)				
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				
Loans and advances	-	1 576 766 221	-	1 576 766 221				
Money market investments	-	1 900 000 000	-	1 900 000 000				
Cash and cash equivalents	-	2 256 257 350	-	2 256 257 350				
		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)				
Deposits from customers	-	(3 269 152 435)	-	(3 269 152 435)				
		(5 639 544 641)		(5 639 544 641)				

22.2 Interest rate risk

22.2.1 Interest rate gap analysis

	Inflation adjusted				
	Up to 1 month ZW\$	2 to 6 months ZW\$	7 to 12 months ZW\$	Above 12 months ZW\$	Carrying amount ZW\$
As at 30 June 2023					
Financial assets by type					
Local bank accounts	10 023 663 342	-	-	-	10 023 663 342
Money market investments	1 500 000 000	-	-	-	1 500 000 000
Loans and other advances	1 880 907 703	3 794 279 706	8 248 265 934	4 769 364 873	18 692 818 216
	13 404 571 045	3 794 279 706	8 248 265 934	4 769 364 873	30 216 481 558
Financial liability by type					
Deposits from customers	18 597 474 242	867 370	160 611	11 751 441	18 610 253 664
Sensitivity gap	(5 192 903 197)	3 793 412 336	8 248 105 323	4 757 613 432	11 606 227 894
Cumulative gap	(5 192 903 197)	(1 399 490 861)	6 848 614 462	11 606 227 894	-
As at 31 December 2022					
Financial assets by type					
Local bank accounts	5 459 443 247	-	-	-	5 459 443 247
Money market investments	5 935 123 197	-	-	-	5 935 123 197
Loans and other advances	268 434 668	369 669 764	2 298 236 555	1 989 081 001	4 925 421 988
	11 663 001 112	369 669 764	2 298 236 555	1 989 081 001	16 319 988 432
Financial liability by type					
Deposits from customers	10 119 823 820	1 199 413	78 242 976	12 745 608	10 212 011 817
Sensitivity gap	1 543 177 292	368 470 351	2 219 993 579	1 976 335 393	6 107 976 615
Cumulative gap	1 543 177 292	1 911 647 643	4 131 641 222	6 107 976 615	-

NOTES TO THE CONDENSED INFLATION ADJUSTED INTERIM FINANCIAL RESULTS (Continued)

22. RISK MANAGEMENT (Continued)

22.2.1 Interest rate gap analysis (continued)

	Historical cost				
	Up to 1 month ZW\$	2 to 6 months ZW\$	7 to 12 months ZW\$	Above 12 months ZW\$	Carrying amount ZW\$
As at 30 June 2023					
Financial assets by type					
Local bank accounts	10 023 663 342	-	-	-	10 023 663 342
Money market investments	1 500 000 000	-	-	-	1 500 000 000
Loans and other advances	1 880 907 703	3 794 279 706	8 248 265 934	4 769 364 873	18 692 818 216
	13 404 571 045	3 794 279 706	8 248 265 934	4 769 364 873	30 216 481 558
Financial liability by type					
Deposits from customers	18 597 474 242	867 370	160 611	11 751 441	18 610 253 664
Sensitivity gap	(5 192 903 197)	3 793 412 336	8 248 105 323	4 757 613 432	11 606 227 894
Cumulative gap	(5 192 903 197)	(1 399 490 861)	6 848 614 462	11 606 227 894	-
As at 31 December 2022					
Financial assets by type					
Local bank accounts	1 747 721 458	-	-	-	1 747 721 458
Money market investments	1 900 000 000	-	-	-	1 900 000 000
Loans and other advances	85 933 493	118 341 697	735 730 213	636 760 818	1 576 766 221
	3 733 654 951	118 341 697	735 730 213	636 760 818	5 224 487 679
Financial liability by type					
Deposits from customers	3 239 640 462	383 966	25 047 779	4 080 228	3 269 152 435
Sensitivity gap	494 014 489	117 957 731	710 682 434	632 680 590	1 955 335 244
Cumulative gap	494 014 489	611 972 220	1 322 654 654	1 955 335 244	-

22.3 Liquidity risk

22.3.1 Liquidity gap analysis

	Inflation adjusted					
	Up to 1 month ZW\$	2 to 6 months ZW\$	7 to 12 months ZW\$	Above 12 months ZW\$	Gross nominal inflow/(outflow) ZW\$	Carrying amount ZW\$
As at 30 June 2023						
Financial assets by type						
Cash and cash equivalents	12 345 697 144	-	-	-	12 345 697 144	12 345 697 144
Money market investments	1 685 138 558	-	-	-	1 685 138 558	1 500 000 000
Loans and other advances	2 068 998 474	4 591 078 444	10 648 511 321	7 111 123 026	24 419 711 265	18 692 818 216
Financial assets at FVTPL	-	-	-	-	7 799 475 473	7 799 475 473
	16 099 834 176	4 591 078 444	10 648 511 321	14 910 598 499	46 250 022 440	40 337 990 833
Financial liabilities by type						
Deposits from customers	18 601 477 866	878 063	166 573	12 436 941	18 614 959 443	18 610 253 664
Trade and other payables	-	8 246 275 691	-	-	8 246 275 691	8 738 079 967
Lease liabilities	-	-	-	865 807 031	865 807 031	865 807 031
	18 601 477 866	8 247 153 754	166 573	878 243 972	27 727 042 165	28 214 140 662
Sensitivity gap	(2 501 643 690)	(3 656 075 310)	10 648 344 748	14 032 354 527	18 522 980 275	12 245 761 193
Cumulative gap	(2 501 643 690)	(6 157 719 000)	4 490 625 748	18 522 980 275	-	-
As at 31 December 2022						
Financial assets by type						
Cash and cash equivalents	7 047 981 757	-	-	-	7 047 981 757	7 047 981 757
Money market investments	295 278 139	-	-	-	295 278 139	5 935 123 197
Loans and other advances	295 278 139	447 300 413	2 967 023 392	2 965 719 771	6 675 321 715	4 925 421 988
Financial assets at FVTPL	-	-	-	-	7 799 475 473	7 799 475 473
	7 638 538 034	447 300 413	2 967 023 392	5 815 796 474	16 868 658 313	20 758 603 645
Financial liabilities by type						

Reviewed Condensed Consolidated Inflation Adjusted Interim Financial Results for the half year ended 30 June 2023

REVIEWED CONDENSED INFLATION ADJUSTED INTERIM FINANCIAL RESULTS for the half year ended 30 June 2023

SEPARATE INFLATION ADJUSTED INTERIM STATEMENT OF FINANCIAL POSITION As at 30 June 2023

Notes	Inflation adjusted		Historical cost	
	Reviewed 30 Jun 2023 ZW\$	Audited 31 Dec 2022 ZW\$	Unreviewed 30 Jun 2023 ZW\$	Unaudited 31 Dec 2022 ZW\$
ASSETS				
Cash and cash equivalents	1 004 855 825	37 663 951	1 004 855 825	12 057 291
Funds on deposit	612 959 894	599 161 286	612 959 894	191 808 393
Reinsurance claim receivable	10 000	31 236	10 000	10 000
Inventories, Trade and other receivables	226 036 473	348 125 779	226 036 473	111 421 140
Investment securities	40 820 020 192	15 773 617 732	40 820 020 192	5 049 579 038
Treasury bills and bonds	11 424 463 739	2 677 060 596	11 424 463 739	857 002 452
Investment properties	22 591 782 488	8 227 742 096	22 591 782 488	2 633 931 843
Right of use asset	810 980 103	478 814 555	430 526 712	65 470 840
Equity accounted investments	124 496 960 514	58 029 501 916	123 205 566 371	18 560 335 503
Intangible assets	674 137 723	260 076 892	224 870 079	74 814 300
Equipment	1 292 748 052	1 327 208 126	411 494 882	424 876 680
TOTAL ASSETS	203 954 955 003	87 759 004 165	200 952 586 655	27 981 307 480
LIABILITIES				
Life assurance funds	91 430 812 237	47 247 167 892	91 430 812 237	15 125 148 376
Operating Lease Liability	438 658 706	477 396 429	438 658 706	152 828 035
Deferred tax liability	11 349 153 594	5 639 371 570	11 349 153 594	1 805 321 579
Trade and other payables	1 967 829 381	3 021 168 097	1 967 829 381	967 160 949
Provisions	257 694 424	206 728 285	257 694 424	66 179 548
Reinsurance premium payable	85 895 432	19 394 917	85 895 432	6 208 855
Taxation	2 958 080	149 949 491	2 958 080	48 003 053
Total Liabilities	105 533 001 854	56 761 176 681	105 533 001 854	18 170 850 395
EQUITY				
Share capital	166 300 876	166 300 876	231 907	231 908
Share premium	3 177 666 577	3 177 666 577	4 431 623	4 431 623
Investment reserve	13 277 959 538	13 277 959 538	117 351 328	827 453 668
Revaluation reserve	2 965 975 975	2 151 045 806	1 639 791 052	557 839 942
Foreign currency translation reserve	-	-	28 051 287	28 051 287
Retained earnings	78 834 050 183	12 224 854 687	93 629 727 604	8 392 450 657
Total equity	98 421 953 149	30 997 827 484	95 419 584 801	9 810 457 085
TOTAL EQUITY AND LIABILITIES	203 954 955 003	87 759 004 165	200 952 586 655	27 981 307 480

SEPARATE INFLATION ADJUSTED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME For the half year ended 30 June 2023

Notes	Inflation adjusted		Historical cost	
	Reviewed 30 Jun 2023 ZW\$	Reviewed 30 Jun 2022 ZW\$	Reviewed 30 Jun 2023 ZW\$	Unreviewed 30 Jun 2022 ZW\$
INCOME				
Gross premium income	14 633 748 177	4 149 786 531	5 746 705 273	569 514 340
Premiums ceded to reinsurers	(511 449 262)	(131 835 108)	(311 196 983)	(15 914 099)
Net premiums	14 122 298 915	4 017 951 423	5 435 508 290	553 600 241
Fair value gains on fair value through profit or loss financial instruments	24 964 414 989	1 839 579 103	35 823 047 747	1 724 736 481
Fair value gain on investment properties	14 364 040 393	1 754 180 070	19 957 850 645	896 687 500
Investment income	847 205 653	298 042 374	421 595 945	43 288 733
Profit on disposal of listed equity investments	187 532 017	(92 167 331)	85 426 611	(11 645 309)
Other income	12 368 593 528	931 368 365	11 428 222 958	185 839 121
Total income	66 854 085 495	8 748 954 004	73 151 652 199	3 392 506 767
Expenses and Policyholder Benefits				
Policyholders' benefits	(881 856 114)	(885 575 701)	(403 991 306)	(121 625 687)
Changes to policyholder liabilities	(44 183 644 345)	(307 152 003)	(76 305 663 860)	(3 823 162 823)
Operating expenses	(7 176 185 697)	(2 970 016 260)	(3 440 906 796)	(383 783 000)
Commissions	(2 956 615 743)	(737 113 464)	(1 981 941 399)	(101 121 556)
Profit share under bancassurance agreements	(268 293 965)	(155 210 529)	(268 293 965)	(23 202 906)
Total expenses and policyholder benefits	(55 466 595 864)	(5 055 067 957)	(82 400 797 326)	(4 452 895 972)
Operating profit before taxation	11 387 489 632	3 693 886 047	(9 249 145 127)	(1 060 389 205)
Share of profit of equity accounted investee net of tax	65 652 528 427	2 092 718 437	103 563 279 758	5 132 856 247
Operating lease finance charge	(175 263 035)	(120 888 062)	(175 263 035)	(15 188 949)
Effects of inflation adjustments	(4 535 854 505)	840 243 056	-	-
Profit before taxation	72 328 900 519	6 505 959 478	94 138 871 596	4 057 278 093
Income tax expense	(5 719 704 598)	(203 753 468)	(9 611 694 988)	(486 745 094)
Profit for the period	66 609 195 921	6 302 206 010	84 527 176 608	3 570 532 999
Other comprehensive income				
Share of other comprehensive income of equity accounted investee net of tax	814 930 170	64 678 709	1 081 951 110	41 911 494
Other comprehensive income for the period	814 930 170	64 678 709	1 081 951 110	41 911 494
Total comprehensive income for the period	67 424 126 091	6 366 884 719	85 609 127 718	3 612 444 493

SEPARATE INFLATION ADJUSTED INTERIM STATEMENT OF CHANGES IN EQUITY For the half year ended 30 June 2023

	Inflation adjusted					
	Share capital ZW\$	Share premium ZW\$	Revaluation reserve ZW\$	Investment reserve ZW\$	Retained earnings ZW\$	Total ZW\$
Balance at 1 January 2022	166 300 877	3 177 666 579	1 295 237 958	13 277 959 537	5 017 531 550	22 934 696 502
Profit for the period	-	-	-	-	6 302 206 010	6 302 206 010
Revaluation of Property	-	-	64 678 707	-	-	64 678 707
Dividend paid	-	-	-	-	(54 492 919)	(54 492 919)
Balance at 30 June 2022	166 300 877	3 177 666 579	1 359 916 665	13 277 959 537	11 265 244 642	29 247 088 301
Balance at 1 January 2023	166 300 876	3 177 666 577	2 151 045 805	13 277 959 538	12 224 854 262	30 997 827 058
Profit for the period	-	-	-	-	66 609 195 921	66 609 195 921
Revaluation of Property	-	-	814 930 170	-	-	814 930 170
Balance at 30 June 2023	166 300 876	3 177 666 577	2 965 975 975	13 277 959 538	78 834 050 183	98 421 953 149

	Unaudited Historical cost						
	Share capital ZW\$	Share premium ZW\$	Revaluation reserve ZW\$	Investment reserve ZW\$	Retained earnings ZW\$	FCTR equity ZW\$	Total ZW\$
Balance at 1 January 2022	231 908	4 431 623	95 392 205	827 451 668	1 134 962 927	28 051 287	2 090 521 618
Profit for the period	-	-	-	-	3 570 532 999	-	3 570 532 999
Revaluation of Property	-	-	41 911 494	-	-	-	41 911 494
Dividend paid	-	-	-	-	(8 500 000)	-	(8 500 000)
Balance at 30 June 2022	231 908	4 431 623	137 303 699	827 451 668	4 696 995 926	28 051 287	5 694 466 111
Balance at 30 June 2023	231 907	4 431 623	557 839 942	117 351 328	9 102 550 996	28 051 287	9 810 457 083
Profit for the period	-	-	-	-	84 527 176 608	-	84 527 176 608
Revaluation of Property	-	-	1 081 951 110	-	-	-	1 081 951 110
Balance at 30 June 2023	231 907	4 431 623	1 639 791 052	117 351 328	93 629 727 604	28 051 287	95 419 584 801

SEPARATE INFLATION ADJUSTED INTERIM STATEMENT OF CASH FLOWS For the half year ended 30 June 2023

	Inflation adjusted		Historical cost	
	Reviewed 30 Jun 2023 ZW\$	Reviewed 30 Jun 2022 ZW\$	Unreviewed 30 Jun 2023 ZW\$	Unreviewed 30 Jun 2022 ZW\$
Cash generated from operations	11 006 720 750	1 149 497 171	11 032 031 481	140 471 686
Cash generated / (used) in working capital	(813 761 522)	456 216 683	1 157 254 553	240 884 991
Cash generated from operating activities	10 192 959 228	1 605 713 854	12 189 286 034	381 356 677
Interest received	255 359 911	47 474 445	152 546 150	6 229 552
Dividends received from other equity investments	320 623 101	166 096 112	123 429 980	25 697 987
Dividend paid	-	(54 492 919)	-	(8 500 000)
Taxation paid	(156 913 986)	(573 715 554)	(112 907 946)	(53 353 384)
Operating lease liability interest paid	(175 263 035)	(120 888 060)	(175 263 035)	-
Cash generated from operating activities	10 436 765 219	1 070 187 878	12 177 091 183	351 430 832
Cash flows from investing activities				
Purchase of property and equipment	(19 695 039)	(44 617 822)	(7 885 034)	(7 337 501)
Purchase of intangible assets	(414 636 900)	-	(150 282 000)	-
Net (purchase) / disposal of financial assets at amortised cost	(8 747 403 143)	(437 983 534)	(10 567 461 287)	(140 658 624)
Purchase of equity investments	(348 070 405)	(463 506 562)	(114 127 907)	(59 146 946)
(Purchase) / maturity of funds on deposit	(13 798 608)	2 045 628	(421 151 501)	(79 191 161)
Proceeds on disposal of listed equity investments	453 614 948	564 875 902	252 161 106	70 963 700
Cash used in investing activities	(9 089 989 147)	(379 186 388)	(11 008 746 623)	(215 370 532)
Cash flows from financing activities				
Operating Lease payment	(379 584 198)	(165 038 894)	(175 546 026)	(22 099 972)
Cash used in financing activities	(379 584 198)	(165 038 894)	(175 546 026)	(22 099 972)
Increase in cash and cash equivalents	967 191 874	525 962 596	992 798 534	113 960 328
Cash and cash equivalents at the beginning of the year	37 663 951	60 802 316	12 057 291	5 662 247
Cash and cash equivalents at the end of period	1 004 855 825	586 764 912	1 004 855 825	119 622 575

NOTES TO THE CONDENSED INFLATION ADJUSTED INTERIM FINANCIAL STATEMENTS For the half year ended 30 June 2023

1 STATEMENT OF COMPLIANCE

The Company's financial statements for the half year ended 30 June 2023 did not comply with International Financial Reporting Standards (IFRSs) 17: "Insurance Contracts". The Company did not apply IFRS 17 as the Company was not able to accurately compile IFRS 17 information. The Company applied the previously effective standard, IFRS 4. The non-compliance with IFRS 17 is considered material misstatement and pervasive as at the reporting date.

Mashonaland Holdings Limited (Mash) is a significant associate of ZB Life Assurance Limited, "the Company". Mash had assessed its functional currency for the period ended 30 June 2023 as per International Accounting Standard (IAS 21) "The Effects of Changes in Foreign Exchange Rates" and concluded that its functional currency should change from ZW\$ to United States Dollars (US\$). However, the majority of Company's business is still in ZWL and the Company has maintained its functional currency as ZW\$. In order to align Mash with the Company, its financial statements as at the reporting date were prepared and accounted for in ZW\$, as such Mash was not compliant with IAS 21, which the non-compliance is material and pervasive to inflation adjusted interim financial results. Hence, the accounting for Mash in ZW\$ has resulted in the separate financial statements for the Company being non-compliant with IAS 21. The Company will continue to assess its functional and reporting currency in the next reporting period.

	Inflation adjusted		Historical cost	
	Reviewed 30 Jun 2023 ZW\$	Audited 31 Dec 2022 ZW\$	Unreviewed 30 Jun 2023 ZW\$	Unaudited 31 Dec 2022 ZW\$
2 FUNDS ON DEPOSIT				
Fixed deposits	612 959 894	599 161 286	612 959 894	191 808 393
Current	612 959 894	599 161 286	612 959 894	191 808 393
Total	612 959 894	599 161 286	612 959 894	191 808 393

These are money market placements with terms of not more than a year.

	Inflation adjusted		Historical cost	
	Reviewed 30 Jun 2023 ZW\$	Audited 31 Dec 2022 ZW\$	Unreviewed 30 Jun 2023 ZW\$	Unaudited 31 Dec 2022 ZW\$
3 INVENTORIES & TRADE AND OTHER RECEIVABLES				
Printing and stationery stock	825 581	3 040 985	825 581	973 505
Prepayments	14 178 083	2 971 260	14 178 083	951 184
Related party balances	144 242 663	111 964 215	144 242 663	35 842 897
Rent debtors	9 375 481	26 829 559	9 375 481	8 588 897
Sundry debtors	10 607 403	94 166 930	10 607 403	30 145 485
Advances for sales agents	46 932 602	109 470 567	46 932 602	35 044 610
Allowance for credit losses	(125 340)	(317 737)	(125 340)	(125 437)
Balance at end of period	226 036 473	348 125 779	22	

NOTES TO THE CONDENSED INFLATION ADJUSTED INTERIM FINANCIAL RESULTS (Continued)

4.1 Reconciliation of carrying amount

	Inflation adjusted			
	Equities listed ZW\$	Equities unlisted ZW\$	Gold Coins ZW\$	Total ZW\$
2023				
Balance at the beginning of the period	2 417 027 484	13 215 834 292	140 755 526	15 773 617 302
Additions	348 070 405	-	-	348 070 405
Disposals	(266 082 504)	-	-	(266 082 504)
Fair value gains	3 581 579 995	21 120 167 803	262 667 191	24 964 414 989
Closing balance	6 080 595 380	34 336 002 095	403 422 717	40 820 020 192
2022				
Balance at the beginning of the period	4 167 509 507	8 163 086 066	-	12 330 595 573
Additions	745 262 574	-	134 471 708	879 734 283
Disposals	(700 014 616)	-	-	(700 014 616)
Fair value gains	(1 795 729 981)	5 052 748 226	6 283 818	3 263 302 063
Closing balance	2 417 027 484	13 215 834 292	140 755 526	15 773 617 302

	Historical cost			
	Equities listed ZW\$	Equities unlisted ZW\$	Gold Coin ZW\$	Total ZW\$
2023				
Balance at the beginning of the period	773 758 533	4 230 760 562	45 059 942	5 049 579 037
Additions	114 127 784	-	-	114 127 784
Disposals	(166 734 377)	-	-	(166 734 377)
Fair Value gains	5 359 443 440	30 105 241 532	358 362 775	35 823 047 747
Closing balance	6 080 595 380	34 336 002 094	403 422 717	40 820 020 192
2022				
Balance at the beginning of the period	388 101 458	760 191 578	-	1 148 293 036
Additions	129 126 958	-	39 907 152	169 034 110
Disposals	(152 769 224)	-	-	(152 769 224)
Fair value gains	409 299 341	3 470 568 984	5 152 790	3 885 021 115
Closing balance	773 758 533	4 230 760 562	45 059 942	5 049 579 037

	Inflation adjusted		Historical cost	
	Reviewed 30 Jun 2023 ZW\$	Audited 31 Dec 2022 ZW\$	Unreviewed 30 Jun 2023 ZW\$	Unaudited 31 Dec 2022 ZW\$
5 INVESTMENT PROPERTIES				
Reconciliation of carrying amount				
Opening balance as at 1 January	8 227 742 096	4 867 747 692	2 633 931 843	453 311 500
Fair value adjustment	14 364 040 392	3 321 141 985	19 957 850 645	2 170 675 143
Additions	-	38 852 419	-	9 945 200
Balance at end of period	22 591 782 488	8 227 742 096	22 591 782 488	2 633 931 843
Non current	22 591 782 488	8 227 742 096	22 591 782 488	2 633 931 843
Total	22 591 782 488	8 227 742 096	22 591 782 488	2 633 931 843
6 RIGHT OF USE ASSET				
Cost				
Balance at 1 January	1 107 383 450	967 241 901	94 127 170	49 263 918
Remeasurement of lease asset	390 068 469	140 141 541	390 068 469	44 863 252
Balance at end of period	1 497 451 919	1 107 383 442	484 195 639	94 127 170
Amortisation and impairment losses				
Balance as at 1 January	628 568 895	574 386 401	28 656 330	17 650 095
Amortisation	57 902 922	54 182 486	25 012 597	11 006 235
Balance at end of period	686 471 817	628 568 887	53 668 927	28 656 330
Net book value at end of period	810 980 103	478 814 555	430 526 712	65 470 840
Current				
Non current	810 980 103	478 814 555	430 526 712	65 470 840
Total	810 980 103	478 814 555	430 526 712	65 470 840

7 EQUITY ACCOUNTED INVESTMENTS

	Inflation adjusted		
	Associate ZW\$	Subsidiary ZW\$	Total ZW\$
2023			
Balance at 1 January 2023	57 632 741 217	396 760 699	58 029 501 916
Share of profit/(loss) for the period	65 656 438 956	(3 910 529)	65 652 528 427
Share of other comprehensive income	-	814 930 171	814 930 171
Balance at 30 June 2023	123 289 180 173	1 207 780 341	124 496 960 514
Non current	123 289 180 173	1 207 780 341	124 496 960 514
Total	123 289 180 173	1 207 780 341	124 496 960 514
2022			
Balance at 1 January 2022	42 807 125 650	266 455 776	43 073 581 425
Share of profit/(loss) for the year	15 023 465 098	(24 265 754)	14 999 199 345
Share of other comprehensive income	-	154 570 677	154 570 677
Dividends received	(197 849 531)	-	(197 849 531)
Balance at 31 December 2022	57 632 741 217	396 760 699	58 029 501 916
Non current	57 632 741 217	396 760 699	58 029 501 916
Total	57 632 741 217	396 760 699	58 029 501 916

	Historical cost		
	Associate ZW\$	Subsidiary ZW\$	Total ZW\$
2023			
Balance at 1 January 2023	18 432 124 531	128 210 972	18 560 335 503
Share of profit/(loss) for the period	103 567 060 581	(3 780 823)	103 563 279 758
Share of other comprehensive income	-	1 081 951 110	1 081 951 110
Balance at 30 June 2023	121 999 185 112	1 206 381 259	123 205 566 371
Non current	121 999 185 112	1 206 381 259	123 205 566 371
Total	121 999 185 112	1 206 381 259	123 205 566 371
2022			
Balance at 1 January 2022	3 983 413 612	24 507 035	4 007 920 647
Share of profit/(loss) for the year	14 502 315 286	(1 682 823)	14 500 632 463
Share of other comprehensive income	-	105 386 760	105 386 760
Dividend received	(53 604 367)	-	(53 604 367)
Balance at 31 December 2022	18 432 124 531	128 210 972	18 560 335 503
Non current	18 432 124 531	128 210 972	18 560 335 503
Total	18 432 124 531	128 210 972	18 560 335 503

NOTES TO THE CONDENSED INFLATION ADJUSTED INTERIM FINANCIAL RESULTS (Continued)

	Inflation adjusted		Historical cost	
	Reviewed 30 Jun 2023 ZW\$	Audited 31 Dec 2022 ZW\$	Unreviewed 30 Jun 2023 ZW\$	Unaudited 31 Dec 2022 ZW\$
8 INTANGIBLE ASSETS				
Cost				
Balance at 1 January	865 728 643	605 651 754	78 886 332	4 072 032
Additions	414 636 905	260 076 889	150 282 000	74 814 300
Decommissioning of e Life	-	-	-	-
Balance at end of period	1 280 365 548	865 728 643	229 168 332	78 886 332
Amortisation and impairment losses				
Balance as at 1 January	605 651 755	273 898 895	4 072 029	890 434
Amortisation	576 070	10 623 102	226 224	989 282
Decommissioning of e Life	-	321 129 752	-	2 192 316
Balance at end of period	606 227 825	605 651 749	4 298 253	4 072 032
Net book value at end of period	674 137 723	260 076 892	224 870 079	74 814 300
Non current	674 137 723	260 076 892	224 870 079	74 814 300
Total	674 137 723	260 076 892	224 870 079	74 814 300

9 EQUIPMENT

	Inflation adjusted			
	Motor vehicles ZW\$	Equipment furniture & fittings ZW\$	Computers ZW\$	Total ZW\$
2023				
Cost or valuation				
At 1 January 2023	152 340 490	972 007 296	216 604 492	1 340 952 278
Additions	-	-	19 695 039	19 695 039
At 30 June 2023	152 340 490	972 007 296	236 299 531	1 360 647 317
Accumulated depreciation and impairment				
Balance at 1 January 2023	-	-	13 744 152	13 744 152
Charge for the period	10 807 986	23 610 392	19 736 735	54 155 113
Balance at 30 June 2023	10 807 986	23 610 392	33 480 887	67 899 265
Carrying value at 30 June 2023	141 532 504	948 396 904	202 818 644	1 292 748 052
31 December 2022	152 340 490	972 007 296	202 860 340	1 327 208 126
2022				
Cost or valuation				
At 1 January 2022	88 695 565	442 888 880	175 139 932	706 724 376
Additions	-	23 254 878	41 464 561	64 719 438
Disposals	-	(6 997 976)	-	(6 997 976)
Revaluation	63 644 925	512 861 514	-	576 506 439
At 31 December 2022	152 340 490	972 007 296	216 604 492	1 340 952 278
Accumulated depreciation and impairment				
Balance at 1 January 2022	19 956 496	41 453 362	68 794 538	130 204 395
Charge for the period	-	-	13 744 152	13 744 152
Disposal	(19 956 496)	(41 453 362)	(68 794 538)	(130 204 396)
Revaluation	-	-	13 744 152	13 744 152
Balance at 31 December 2022	152 340 490	972 007 296	202 860 340	1 327 208 126
31 December 2021	88 695 565	442 888 880	175 139 932	706 724 376

	Historical cost			
	Motor vehicles ZW\$	Equipment furniture & fittings ZW\$	Computers ZW\$	Total ZW\$
2023				
Cost or valuation				
At 1 January 2023	48 768 480	311 166 900	64 941 300	424 876 680
Additions	-	-	7 885 034	7 885 034
At 30 June 2023	48 768 480	311 166 900	72 826 334	432 761 714
Accumulated depreciation and impairment				
Balance at 1 January 2022	4 244 320	9 271 853	7 750 659	21 266 832
Charge for the period	4 244 320	9 271 853	7 750 659	21 266 832
Balance at 30 June 2023	44 524 160	301 895 047	65 075 675	411 494 882
31 December 2022	48 768 480	311 166 900	64 941 300	424 876 680
2022				
Cost or valuation				
At 1 January 2021	8 259 820	41 244 255	16 309 995	65 814 070
Additions	-	5 295 465	9 434 136	14 729 601
Disposals	-	(651 690)	-	(651 690)
Revaluation	40 508 660	265 278 870	39 197 169	344 984 699
At 31 December 2022	48 768 480	311 166 900	64 941 300	424 876 680
Accumulated depreciation and impairment				
Balance at 1 January 2022	1 858 459	3 860 366	6 406 527	12 125 352
Charge for the period	-	(49 074)	-	(49 074)
Disposal	(1 858 459)	(3 811 292)	(6 406 527)	(12 076 278)
Revaluation	-	-	-	-
Balance at 31 December 2022	48 768 480	311 166 900	64 941 300	424 876 680
31 December 2021	8 259 820	41 244 255	16 309 995	65 814 070

	Inflation adjusted		Historical cost	
	Reviewed 30 Jun 2023 ZW\$	Audited 31 Dec 2022 ZW\$	Unreviewed 30 Jun 2023 ZW\$	Unaudited 31 Dec 2022 ZW\$
10 LIFE ASSURANCE FUNDS				
Balance at the beginning of the period	47 247 167 892	33 957 565 244	15 125 148 377	3 162 315 676
Changes to policyholder liabilities	44 183 644 345	13 289 602 648	76 305 663 860	11 962 832 700
Balance at end of period	91 430 812 237	47 247 167 892	91 430 812 237	15 125 148 376
Current	15 225 000	9 640 018	15 255 000	2 149 000
Non current	91 415 58			

Reviewed Condensed Consolidated Inflation Adjusted Interim Financial Results for the half year ended 30 June 2023

REVIEWED CONDENSED CONSOLIDATED INFLATION ADJUSTED INTERIM FINANCIAL RESULTS for the half year ended 30 June 2023

CONSOLIDATED INFLATION ADJUSTED INTERIM STATEMENT OF FINANCIAL POSITION As at 30 June 2023

Notes	Inflation adjusted		Historical cost	
	Reviewed 30 Jun 2023 ZW\$	Audited 31 Dec 2022 ZW\$	Unreviewed 30 Jun 2023 ZW\$	Unaudited 31 Dec 2022 ZW\$
ASSETS				
Non-current assets				
Investments	13 679 483 730	5 908 631 009	13 679 483 730	1 891 519 105
Investment properties	21 724 610 000	8 719 714 319	21 724 610 000	2 791 426 000
Right of use assets	439 653 622	106 608 629	384 173 121	34 128 423
Equipment	816 091 196	816 806 732	422 861 663	261 482 827
Total non-current assets	36 659 838 548	15 551 760 689	36 211 128 514	4 978 556 355
Current assets				
Other assets	428 237 191	73 708 390	428 237 191	23 596 130
Balances receivable from insurance companies	21 705 977 615	6 120 475 636	21 705 977 615	1 959 336 533
Cash and cash equivalent	26 814 634 059	9 319 742 013	26 814 634 059	2 983 511 755
Total current assets	48 948 848 865	15 513 926 039	48 948 848 865	4 966 444 418
Total assets	85 608 687 413	31 065 686 728	85 159 977 379	9 945 000 773
EQUITY AND LIABILITIES				
Non-current liabilities				
Deferred tax liability	999 312 190	2 446 460 881	305 303 539	783 180 992
Lease Liabilities	1 331 051 102	382 237 985	1 331 051 102	122 365 138
Current liabilities				
Unearned premium reserve	8 085 118 312	2 595 887 478	8 085 118 312	831 016 652
Incur but not reported claims reserve (IBNR)	4 324 001 731	2 840 384 294	4 324 001 731	909 286 965
Outstanding claims reserve	1 222 576 569	241 558 671	1 222 576 569	77 329 730
Balances payable to insurance companies	4 196 679 062	535 827 802	4 196 679 061	171 533 565
Taxation	(93 017 631)	(84 219 750)	(93 017 631)	(26 961 113)
Other payables	1 950 856 342	2 064 799 548	1 950 856 342	661 000 455
Total liabilities	22 016 577 677	11 022 936 909	21 322 569 025	3 528 752 384
Equity				
Share capital	3 534 845	3 534 845	5 000	5 000
Share premium	1 763 887 479	1 763 887 479	12 144 178	2 495 000
Revaluation reserve	363 635 777	363 635 777	137 095 427	137 095 427
Foreign Currency Revaluation Reserve	-	-	-	9 649 178
Retained earnings	61 461 051 635	17 911 691 718	63 688 163 749	6 267 003 784
Total shareholders' equity	63 592 109 736	20 042 749 819	63 837 408 354	6 416 248 389
Total equity and liabilities	85 608 687 413	31 065 686 728	85 159 977 379	9 945 000 773

CONSOLIDATED INFLATION ADJUSTED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME For the half year ended 30 June 2023

Notes	Inflation adjusted		Historical cost	
	Reviewed 30 Jun 2023 ZW\$	Reviewed 30 Jun 2022 ZW\$	Unreviewed 30 Jun 2023 ZW\$	Unreviewed 30 Jun 2022 ZW\$
Gross premium	45 896 835 569	13 831 498 712	27 187 826 074	2 049 127 052
Retrocession premium	(14 035 676 924)	(3 595 313 240)	(9 195 809 167)	(543 790 427)
Net premium income	31 861 158 645	10 236 185 472	17 992 016 907	1 505 336 625
Unearned premium	(10 251 309 905)	(1 638 899 593)	(7 283 043 819)	(729 339 408)
Net earned premium	21 609 848 740	8 597 285 879	10 708 973 088	775 997 217
Net claims	(14 649 916 072)	(3 685 221 210)	(8 988 511 435)	(546 664 009)
Net commission	(4 750 648 106)	(3 062 423 131)	(4 847 233 697)	(448 325 257)
Operating expenses	(10 004 265 197)	(2 320 952 537)	(6 547 354 251)	(285 819 467)
Underwriting result	(7 794 980 635)	(471 310 998)	(9 674 126 295)	(504 811 516)
Investment income	42 901 738 912	12 004 646 767	42 854 820 495	1 886 605 815
Fair value adjustment	15 824 269 231	1 930 105 138	23 762 588 311	1 376 926 118
Operating profit	50 931 027 508	13 463 440 907	56 943 282 512	2 758 720 417
Effects of Inflation adjustment	(8 828 816 282)	(5 862 324 973)	-	-
Profit before tax	42 102 211 226	7 601 115 933	56 943 282 512	2 758 720 417
Income tax expense	1 447 148 691	(2 741 612 188)	477 877 453	(712 128 500)
Profit for the period	43 549 359 917	4 859 503 745	57 421 159 965	2 046 591 917
Other Comprehensive income for the period net of tax				
	-	-	-	-
Total comprehensive income	43 549 359 917	4 859 503 745	57 421 159 965	2 046 591 917

CONSOLIDATED INFLATION ADJUSTED INTERIM STATEMENT OF CHANGES IN EQUITY For the half year ended 30 June 2023

	Reviewed Inflation adjusted					
	Share capital ZW\$	Share premium ZW\$	FCTR reserve ZW\$	Revaluation reserve ZW\$	Retained earnings ZW\$	Total equity ZW\$
June 2023						
Balance at 1 January 2023	3 534 845	1 763 887 479	-	363 635 777	17 911 691 718	20 042 749 819
Profit for the period	-	-	-	-	43 549 359 917	43 549 359 917
Balance at 30 June 2023	3 534 845	1 763 887 479	-	363 635 777	61 461 051 635	63 592 109 736
June 2022						
Balance at 1 January 2022	3 534 845	1 763 887 479	-	131 115 493	11 816 982 392	13 715 520 209
Profit for the period	-	-	-	-	7 916 587 748	7 916 587 748
Balance at 30 June 2022	3 534 845	1 763 887 479	-	131 115 493	19 733 570 140	21 632 107 957

CONSOLIDATED INFLATION ADJUSTED INTERIM STATEMENT OF CHANGES IN EQUITY (continued) For the half year ended 30 June 2023

	Unreviewed Historical cost					
	Share capital ZW\$	Share premium ZW\$	FCTR reserve ZW\$	Revaluation reserve ZW\$	Retained earnings ZW\$	Total equity ZW\$
June 2023						
Balance at 1 January 2023	5 000	2 495 000	9 649 178	137 095 427	6 267 003 784	6 416 248 389
Profit for the period	-	-	-	-	57 421 159 965	57 421 159 965
Other comprehensive income net of tax						
Transfer to share premium	-	9 649 178	(9 649 178)	-	-	-
Balance at 30 June 2023	5 000	12 144 178	-	137 095 427	63 688 163 749	63 837 408 354
June 2022						
Balance at 1 January 2022	5 000	2 495 000	9 649 178	20 112 341	1 245 003 334	1 277 264 853
Profit for the period	-	-	-	-	2 441 832 411	2 441 832 411
Balance at 30 June 2022	5 000	2 495 000	9 649 178	137 095 427	3 686 835 745	3 719 097 264

CONSOLIDATED INFLATION ADJUSTED INTERIM STATEMENT OF CASH FLOWS For the half year ended 30 June 2023

Notes	Inflation adjusted		Historical cost	
	Reviewed 30 Jun 2023 ZW\$	Reviewed 30 Jun 2022 ZW\$	Unreviewed 30 Jun 2023 ZW\$	Unreviewed 30 Jun 2022 ZW\$
Cash generated / (used) from operating activities				
	(11 891 461 900)	(3 301 569 102)	(12 576 063 260)	98 532 340
Income taxes paid	(73 562 499)	(192 259 614)	(66 056 518)	(7 101 391)
Interest received	25 330 249	39 922 950	19 490 900	1 529 691
Net cash used from operating activities	(11 939 694 150)	(3 453 905 766)	(12 622 628 878)	92 960 640
Cash flows from investing activities				
Additions to equipment	(168 019 169)	(115 515 760)	(58 635 928)	(838 100)
Purchase of prescribed assets	(2 952 146 259)	(2 274 539 447)	(1 282 380 995)	(52 706 238)
Proceeds on disposal of listed securities	-	14 222 474	-	-
Proceeds disposal of equipment	29 129 590	-	29 129 590	-
Dividend received	224 845 599	79 142 578	206 014 746	1 186 565
Maturity of prescribed assets	(3 926 270 085)	1 648 593 343	945 065 116	40 893 300
Net cash used from investing activities	(6 792 460 324)	(648 096 812)	(160 807 471)	(11 464 473)
Cash flows from financing activities				
Lease liability paid	(135 684 127)	(85 502 777)	(62 749 739)	(3 056 376)
Net cash utilised in financing activities	(135 684 127)	(85 502 777)	(62 749 739)	(3 056 376)
Net decrease in cash and cash equivalent	(18 867 838 601)	(4 187 505 355)	(12 846 186 088)	78 439 791
Cash and cash equivalents at the beginning of the year	9 319 742 013	6 258 257 067	2 983 511 755	421 845 668
Effects in movement for exchange rates	36 362 730 647	7 248 990 301	36 677 308 392	-
Cash and cash equivalent at the end of the period	26 814 634 059	9 319 742 013	26 814 634 059	500 285 459

NOTES TO THE CONDENSED CONSOLIDATED INFLATION ADJUSTED INTERIM FINANCIAL RESULTS For the half year ended 30 June 2023

1. STATEMENT OF COMPLIANCE

The Group's financial statements for the half year ended 30 June 2023 did not comply with International Financial Reporting Standards (IFRSs) 17: "Insurance Contracts". The Group did not apply IFRS 17 as the Group was not able to accurately compile IFRS 17 information. The Group applied the previously effective standard, IFRS 4. The non compliance with IFRS 17 is considered material misstatement and pervasive as at the reporting date.

2. INVESTMENTS

	Reviewed Inflation adjusted			
	Level 1 ZW\$	Level 2 ZW\$	Total fair value ZW\$	Total carrying amount ZW\$
2023				
Quoted shares	5 637 929 499	-	5 637 929 499	5 637 929 499
Unquoted investment	-	137 855 001	137 855 001	137 855 001
Bonds & Bills	-	7 903 699 230	7 903 699 230	7 903 699 230
	5 637 929 499	8 041 554 231	13 679 483 730	13 679 483 729
2022				
Quoted shares	2 905 143 049	-	2 905 143 049	2 905 143 049
Unquoted investment	-	51 341 701	51 341 701	51 341 701
Bonds & Bills	-	2 952 146 259	2 952 146 259	2 952 146 259
	2 905 143 049	3 003 487 960	5 908 631 009	5 908 631 009
Unreviewed Historical cost				
	Level 1 ZW\$	Level 2 ZW\$	Total fair value ZW\$	Total carrying amount ZW\$
2023				
Quoted shares	5 637 929 499	-	5 637 929 499	5 637 929 499
Unquoted investment	-	137 855 001	137 855 001	137 855 001
Bonds & Bills	-	7 903 699 230	7 903 699 230	7 903 699 230
	5 637 929 499	8 041 554 231	13 679 483 730	13 679 483 729
2022				
Quoted shares	930 018 065	-	930 018 065	930 018 065
Unquoted investment	-	16 435 924	16 435 924	16 435 924
Bonds & Bills	-	945 065 116	945 065 116	945 065 116
	930 018 065	961 501 040	1 891 519 105	1 891 519 105

	Inflation adjusted		Historical cost	
	Reviewed 30 Jun 2023 ZW\$	Audited 31 Dec 2022 ZW\$	Unreviewed 30 Jun 2023 ZW\$	Unaudited 31 Dec 2022 ZW\$
3. INVESTMENT PROPERTY				
Opening balances	8 719 714 319	5 598 369 172	2 791 426 000	521 351 000
Fair value adjustment	13 004 895 681	3 121 345 147	18 933 184 000	2 270 075 000
Additions	-	-	-	-
Closing balance	21 724 610 000	8 719 714 319	21 724 610 000	2 791 426 000

