Banking | Insurance | Investments
for you

zb Financial Holdings

Building a Sustainable Future

2024 | ANNUAL REPORT

Purpose, Vision, Mission and Core Values

Purpose

To improve lives through service.

Our Vision

To be the leading, globally acclaimed financial services firm of choice in Africa; That delivers happiness to its customers, employees, community and other stakeholders.

Our Mission

To work hard everyday to create happy people.

Our Core Values

- Accountability
- Empathy
- Excellence
- Innovation
- Integrity

About this Report

ZB Financial Holdings Limited is a Group listed on the Zimbabwe Stock Exchange (ZSE) since 1967, presents its annual report for the year ended 31 December 2024. This report combines both financial and sustainability information to highlight our commitment to sustainable finance, operations, and development.

This report contains information for ZB Financial Holdings Limited (the Company), and its subsidiaries together known as the Group. ZB Financial Holdings, incorporated and domiciled in Zimbabwe, is an investment holding company with subsidiaries operating in Zimbabwe and Botswana. In this report, unless stated otherwise references to 'our', 'we', 'us', the Group, 'ZB Holdings', refers to ZB Financial Holdings Limited and its subsidiaries

Reporting Frameworks
In developing this report, the following were considered:
- The Companies and Other Business Entities Act [Chapter 24:31].
- SI. 134 of 2019 Securities and Exchange (Zimbabwe Stock Exchange Listing Requirements) Rules;
- International Financial Reporting Standards (IFRS) Accounting Standards; and
- Global Reporting Initiative (GRI) Standards (2021).

Data and Assurance
This report was compiled using qualitative and quantitative data extracted from Company policy documents, records, and personnel accountable for material sustainability issues herein presented. In some cases, estimations were made and confirmed for consistency with business activities.

Sustainability information was validated for compliance with the GRI Standards (2021) by the Institute for Sustainability Africa (INSAF), an independent subject matter expert. A GRI content index can be found on pages i-v. The sustainability data provided in this report was not externally assured.

The Financial statements were audited by Ernst and Young Chartered Accountants (Zimbabwe) in accordance with the International Standards on Accounting (ISAs) as issued by the International Accounting Standards Board (IASB). The independent auditor's report is found on page 99.

Reporting Currency
All financial figures in this report are stated in ZWG.

Restatements
ZB Financial Holdings Limited did not make any restatement of sustainability data previously published.

Report Declaration
The Directors take responsibility to confirm that this report has been prepared in accordance with the GRI Standards (2021) as issued by the Global Sustainability Standards Board (GSSB).

Forward Looking Statements
This report may contain forward looking statements which are based on current estimates and projections by ZB Financial Holdings Limited. These statements does not guarantee future developments and results as these may be affected by several anticipated and unanticipated risks and uncertainties. Stakeholders are therefore cautioned against placing undue reliance on forward looking statements to reflect changes in circumstances and or events after the publication of this report through trading and website updates.

Feedback on the Report
The Group values opinions and feedback from all stakeholders on how we can improve our operations and reporting. We welcome any suggestions and or inquires you may have. Kindly share your feedback with T.F.A. Masiiwa (Mr), Group Company Secretary Email: tmasiiwa@zbholdings.co.zw

Message from the Chairman

Agnes Makamure
Chairman

"Despite the challenging environment, the Group's operations remained profitable, posting a profit after tax (PAT) of ZWG1,167 billion from the ZWG 1,124 billion restated profit, in 2023."

Operating Environment:

The operating environment was characterized by exchange rate volatility, during the first quarter of the year, culminating to the introduction of the Zimbabwean Gold Currency (ZWG) on the 5th of April 2024. The new currency largely tamed the inflationary pressures in the country, save for the effects of the 44% devaluation of the ZWG currency against the United States Dollar (USD) during September 2024. As a result, the later part of the period under review has seen relative stability in local currency value and inflation rates. Nevertheless, liquidity in both local and foreign currency markets has remained limited. In addition, the effects of the Elnino weather patterns impacted agricultural output, which together with erratic energy supply made a challenging operating environment. All this combined, created a tough operating environment for the Group characterised by constrained revenue generation and limited growth opportunities.

Group Performance:

Despite the challenging environment, the Group's operations remained profitable, posting a profit after tax (PAT) of ZWG1,167 billion from the ZWG 1,124 billion restated profit, in 2023. The Group's profit performance is discussed in greater detail in the Group Chief Executive Officer's report.

Capital Requirements:

The Group remains committed to maintaining robust capital adequacy. As at 31 December 2024, all Group companies, with the exception of ZB Building Society, were in compliance with the prescribed minimum capital requirements. During the year, the Group made a resolution to surrender the Building Society's banking operating licence to Reserve Bank of Zimbabwe (RBZ) in a bid to address the capital shortfall at the Building Society. The Reserve Bank of Zimbabwe (RBZ) has responded with conditions that need to be satisfied before the surrendering of the ZB Building Society's banking license. These include, but are not limited to certain information requests, ensuring that the deposits are handled in compliance with the Consumer Protection Framework No.1-2017/BSD. The Group is in the process of working towards fulfilling these conditions as part of the efforts consolidate the Group's banking operations.

Message from the Chairman (continued)

Dividends:

The Board has declared a final dividend of USD0.57cents per share for the year ended 31 December 2024. A separate dividend notice will be published to this effect.

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

ZB Financial Holdings recognizes the importance of sustainable business practices. The Group's strategic drive on sustainability is underpinned by integrating environmental, social and governance into economic decisions, operations, strategy, products and services, and practices. The Group will leverage off certification through the Reserve Bank of Zimbabwe (RBZ)-led Sustainability Standards Certification Initiative (SSCI). The group has consequently made progress in its adoption of ESG reporting, and is working to integrate ESG principles into its core business operations.

Directorate:

Mr Luxon Zembe resigned from the ZB Financial Holdings Board on the 12th of April 2024 after having stepped down as the Board Chairman on 20 March 2024. On behalf of the Board and management, I extend my gratitude for his contributions and appreciation to him for his distinguished service to the Group as both Director and Chairman. I wish him success in his future endeavours.

I, Agnes Makamure was appointed as Acting ZBFH Chairman with effect from 20th of March 2024 and subsequently as the substantive ZBFH Chairman with effect from 27 June 2024. I would like to acknowledge the trust and confidence that has been placed in me, and I am committed to contribute to the organization's continued excellence.

Mr Shepherd T Chimutanda was appointed to ZB Financial Holdings Board as an Independent Non-Executive Director with effect from 8 November 2024. I look forward to his invaluable contribution towards the Group's continued success.

Outlook:

Looking ahead, the tight monetary policy is expected to remain in place to stabilize exchange rates and control inflation. On the back of an improved 2024/2025 rainy season, the economy is expected to benefit from a better agricultural performance buoyed by improved rainfall. Notwithstanding, the efforts of authorities to maintain macroeconomic stability through prudent monetary policy, the Group respectfully suggest that a balanced approach be considered, one that harmonizes stability with measures to stimulate economic growth.

The Group encourages policymakers to explore initiatives that foster a conducive business environment, promote investment and support the overall development of the economy.

The Group is confident that the implementation of its sustainable revenue generation and cost optimisation strategies will sustain the Group's performance. These include, ongoing improvement with respect to the efficiency of front-end systems, brand equity promotion and continuation with the Group's mantra of creating happy people.

Conclusion:

I would like to express my sincere gratitude to the Board of Directors, management, staff, and our valued customers for their continued support, without whom the Group would not have been able to achieve the reported profitability in 2024 and sustain its operations into the future. Notwistanding the difficult environment, I believe the collective efforts of all stakeholders will enable the Group to continue delivering sustainable and positive results in the future.

A. Makamure
(Chairman)

28 March 2025

How Our Annual Report Aligns with the GRI Standards

Materiality

The topics that we found most material to us. Read about our materiality identification and determination process on page 50.

Our Materiality Assessment is discussed in detail on pages 50 to 51 of the report, highlighting key areas of focus, including stakeholder input, identification of significant economic, environmental, social and governance topics, and how these align with our long-term strategy and sustainability goals.

Climate

Read about our climate change initiatives on pages 80-83. Learn about our efforts to reduce greenhouse gas emissions on page 81.

Explore our approach to climate-related risks and opportunities on page 80.

Stakeholder Engagement

Our engagement with our stakeholders is outlined in the 'Stakeholder Engagement' section on page 46 and is integrated throughout our report.

Our stakeholder feedback is integrated into our operations and shapes our sustainability strategies.

Environment

This section of the report, pages 75-78, covers the environmental pillar, highlighting our energy efficiency initiatives, water conservation efforts, and the implementation of sustainable practices to minimise resource consumption and reduce environmental impact.

Economic

This section of the report, pages 89-91, addresses our financial performance and economic contributions, detailing how ZB Holdings generates value for stakeholders through revenue growth, job creation, and investments that support the local economy.

Governance

This section of the report, pages 24-30, covers our governance practices, with a focus on board ethics and anticorruption measures, outlining the policies and actions in place to ensure transparency, integrity, and accountability in all our business operations.

Social

This section of the report, pages 66-73, highlight our commitment to employee wellbeing and community engagement, outlining the initiatives implemented to support employee wellbeing, as well as our ongoing efforts to contribute positively to the communities we serve.

Our Business Model

The core components that drive our business model. Discover how we deliver value to clients and stakeholders while driving sustainable financial growth on page 22.

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Highlights

Group Performance Highlights

Financial

Total Assets (ZWG)
104%
14,383 billion
7,062 billion in FY23

Total Capital and Reserves (ZWG)
125%
6,641 billion
2,948 billion in FY23

Net Profit After Tax (ZWG)
4%
1,167 billion
1,124 billion in FY23

Return on Equity
15.1%
25.6%
40.7% in FY23

Liquidity Ratio
15%
53%
68% in FY23

Cost to Income Ratio
C R
13.97%
68.97%
55% in FY23

Tracking our Sustainability Impacts

Grid Electricity
2%
5,514,111
5,626,644 in FY23

Water Consumed
2%
10,891
10,627 in FY23

Diesel
DIESEL
4%
373,148
389,737 in FY23

Petrol
4%
249,432
259,825 in FY23

Total Employees Head count
6%
999
1,061 in FY23

Average Training Hours
31%
3.47
5 in FY23

Key
positive movement
negative movement

ZB Group Awards

- 2024 Champion *Mama Money* **ZB Bank**
- Diversity, Equity and Financial Inclusion Award *ESG Network Zimbabwe* **ZB Bank**
- ESG Climate Change Mitigation and Clean Energy Champion Award *ESG Network Zimbabwe* **ZB Bank**
- Most Responsible Lending *National Business Awards* **ZB Bank**
- 1st Runner-up – Most Improved Organisation *CXAZ Certificate of Recognition* **ZB Bank**
- 1st Runner-up – ICT Excellence Award *Zimbabwe ICT Excellence Awards* **ZB Bank**
- Supply Chain Excellence Award *Institute of Supply Chain Management Zimbabwe – 2024* **ZB Bank**
- Top Non-Life Reinsurer Institution *2024 Top Companies Award* **ZB Life Assurance**
- Milestone Award: First ATM Issuer (1995 – ZB Holdings Building Society) *ZIMSWITCH* **ZB Building Society**
- Project Delivery in the Private Sector Project Management Institute Zimbabwe Chapter **Mashonaland Holdings**

Financial Review Three Year

in ZWG	2024	2023	2022
Income Statement			
Total income	3 210 808 568	2 307 825 332	5 002 757 229
Expected credit loss	434 167 771	141 003 959	649 252 599
Net income / (loss) after tax	1 167 034 245	1 124 310 207	3 199 797 350
Attributable income / (loss)	1 149 405 162	1 012 439 882	2 752 375 832
Statement of Financial Position			
Issued share capital	3 878	4 288 875	7 961 853
Shareholders' funds	4 850 257 765	1 943 800 046	1 771 642 170
Total equity	6 640 590 949	2 947 540 009	2 875 522 587
Deposits and other accounts	5 483 003 415	2 488 214 544	2 164 244 535
Cash and short term funds	2 902 848 808	1 036 463 792	5 877 104 353
Advances and other accounts	3 988 679 045	2 104 055 481	1 185 670 047
Risk provisions	162 905 078	112 971 991	398 570 552
Total assets	14 382 714 004	7 062 228 011	6 190 234 860
Statistics			
Number of shares at year end (net of treasury shares)	157 522 902	157 522 902	157 522 902
Weighted average number of shares (000)	157 522 902	157 522 902	157 522 902
Earnings per share (cents)	730	643	1 739
Net book asset value per share (cents)	4 215.64	1 871.18	8 772
Share price at year end (cents)	660	191	224
Number of employees at year end	999	1 061	965
Ratios (%)			
Return on average shareholders' funds	24%	38.62%	13.00%
Return on average assets	6.51%	11.07%	5.44%
Non interest income to total income	85%	84.93%	61.91%
Operating expenses to total income	56%	70.45%	80.28%

Group Chief Executive's Statement

Dr. Shepherd T. Fungura
Group Chief Executive Officer

"Resultantly, income from lending activities net of recoveries rose by 27% from ZWG0,292 billion in 2023 to ZWG 0,370 billion in 2024, aided by improved interest margins and bad debts recovered was ZWG0.069 billion in 2024."

Introduction:

The Group's primary financial statements are presented in Zimbabwe Gold Currency (ZWG) in accordance with IAS 21 "Effects of Changes in Foreign Exchange Rates".

Performance Outturn:

The Group's total income increased by 38% from ZWG2,308 billion in 2023, to ZWG3,211 billion in 2024. This performance outturn was on the back of significant improvement in non-funded income mainly from commissions fees and other income, whilst funded income registered a steady improvement.

Despite constrained growth in loans and advances, the Group's net interest income increased by 14% from ZWG0,417 billion in 2023 to ZWG0,475 billion in 2024. Loan impairment charges declined by 17%, from ZWG0,126 billion in 2023 to ZWG0,104 billion in 2024. Resultantly, income from lending activities net of recoveries rose by 27% from ZWG0,292 billion in 2023 to ZWG 0,370 billion in 2024, aided by improved interest margins and bad debts recovered was ZWG0.069 billion in 2024.

Banking commissions and fees went up by 76%, to close 31 December 2024 at ZWG1,158 billion. The improvement was mainly due to increase in electronic banking transactions as the Group continues with its digitization journey.

The Group generated assurance gross premium of ZWG 0,16 billion for the year ended 31 December 2024 from ZWG 0.099 billion in 2023. The Group also achieved a reinsurance gross premium of ZWG 0,33 billion in 2024 from ZWG 0,37 billion in 2023. The growth in gross premium was mainly driven by an increase in new business as well as the increase in sum assured and increase in the share participation.

Insurance service result was a deficit of ZWG0,007 billion in 2024 against a loss of ZWG0,340 billion in 2023, largely as a result of a decrease of 61% in insurance service expenses from ZWG0,839 billion in 2023 to ZWG 0.328 billion in 2024

Group Chief Executive's Statement (continued)

The Group's operating costs increased by 8% from ZWG1,626 billion in 2023 to ZWG 1,785 billion in 2024. The Group is expecting cost savings from automation of its processes.

Profit from ordinary activities improved to close at ZWG1,426 billion represented a growth of 109% against ZWG0,682 billion recorded in prior year.

The Group's profit after tax increased by 4% to ZWG1,167 billion in 2024 from ZWG1,124 billion in 2023.

Meanwhile, the Group's total assets increased by 104%, from ZWG7,062 billion as at 31 December 2023 to ZWG14,383 billion as at 31 December 2024. The growth rate outperformed average inflation over the same period (blended 3.7%).

Deposits and other related funding account balances closed the year at ZWG5.483 billion as at 31 December 2024, representing a growth of 120% from ZWG2.488 billion as at 31 December 2023. The growth was supported by an increase in USD deposits across all sectors.

Earning assets increased by 103% from ZWG4,814 billion as at 31 December 2023 to ZWG 9,346 billion as at 31 December 2024 whilst constituting 65% of total assets (68% at 31 December 2023).

The Group maintained a comfortable liquidity margin of safety, with the ratio of liquid assets to customer deposits being above 40% throughout the year against a prescribed ratio of 30%.

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Operations Review

Banking Operations:

ZB Bank Limited posted a profit after tax of ZWG1,110 billion in 2024 up from ZWG 0,545 billion in 2023. Its total assets stood at ZWG10.36 billion as at 31 December 2024, from ZWG4.63 billion as at 31 December 2023.

ZB Building Society posted a loss of ZWG0.069 billion in 2024 from a profit of ZWG0,078billion as at 31 December 2023. The loss position was mainly driven by subdued revenue growth and increased foreign currency revaluation losses. The Society's total assets stood at ZWG0,565 billion as at 31 December 2024, from ZWG0.291 billion as at 31 December 2023.

Insurance Operations:

ZB Reinsurance posted a profit after tax of ZWG0,037 billion in 2024 down from a profit of ZWG0,105 billion in 2023. Its total assets increased from ZWG0,274 billion as at 31 December 2023 to close the year 2024 at ZWG0.487 billion.

ZB Life Assurance posted a profit of ZWG0,167 billion in 2024 up from ZWG0,034 billion in 2023. Its total assets increased from ZWG0,523 billion as at 31 December 2023 to ZWG 1.005 billion as at 31 December 2024.

Investments:

In 2024, the Group slightly increased its shareholding in Mashonaland Holdings (Mash), from 56.89% as at 31 December 2023 to 57.69% as at 31 December 2024. Mash posted a profit after tax of ZWG0,064 billion in 2024, up from deficit of ZWG0,155 billion in 2023. Its total assets increased from ZWG1.247 billion as at 31 December 2023 to close the year 2024 at ZWG 2.449 billion. Mash commissioned the Pomana commercial Centre and 12 Van Praagh Day Hospital projects during the current year.

The group restructured its investment cluster by closing down ZB Capital operations as at 1 January 2025 and also resuscitated asset management operations with effect from 1 January 2025.

Internal Processes:

One of the major projects in FY2024 was the launch of a new core banking system, a project which was on the cards for the past few years - naturally, a project of such magnitude requires a significant outlay of resources, inclusive of financial, human capital, and time. With the new core banking system, the Group has improved its capacity to enhance the customer journey and exceed customer expectations, as well as further progress the digital transformation initiative, #OneDigitalZB. In a related initiative, the Group initiated a Digital Wallet project, expected to be finalised and launched in 2025.

Group Chief Executive's Statement (continued)

With FY2024 being the penultimate year in the Group's medium-term plan for 2021-2025, the Group has begun to lay the foundation for the next medium-term plan long term sustainability as one of the core tenets underpinning its strategy, and towards this end is one of the financial institutions seeking certification under the Central Bank-led Sustainability Standards Certification Initiative (SSCI) through the European Organisation for Sustainable Development (EOSD). ZB Bank is one of the Zimbabwean financial institutions at the forefront in the certification journey – as at end of 2024 the Bank had completed internal processes and awaiting review and feedback by EOSD. As a Group, ZBFH will continue to avail 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.

Innovation continued to play a huge role in the Group's Strategy in FY2024. Having launched its Innovation Hub in early 2024, and partnered with the country's major state Universities in innovation, ZBFH was proud to work with a young innovator who was awarded first runner up prize in the Presidential Innovation Awards, under the Private Sector category.

People & Culture:

The Group has continued to leverage off the benefits of adopting the new business model and organisational design, in the recent past. The staff re-organisation and re deployment of staff in the prior year, as enhanced the Group's operational efficiencies. In the prior year, as the new Group Structure settled, 59 Staff members signed up for the Voluntary Disengagement Scheme (VDS), whist 36 staff members approaching retirement were disengaged under the Compulsory Disengagement Scheme (CDS). There were no further significant staff disengagements during the current year. The Group staff complement as at 31 December 2024 stood at 999 (2023: 1 061).

Industrial relations remained cordial during the year under review.

Appreciation:

My profound gratitude goes to our valued customers and stakeholders for the support and commitment that they continue to render to the ZBFH Group.

I would also like to extend my appreciation to the Group's Staff and Management team for their various contributions, inputs and efforts which enabled the Group to attain this performance for the full year to December 2024.

Finally, I remain indebted to the Board for its valuable contribution and counsel.

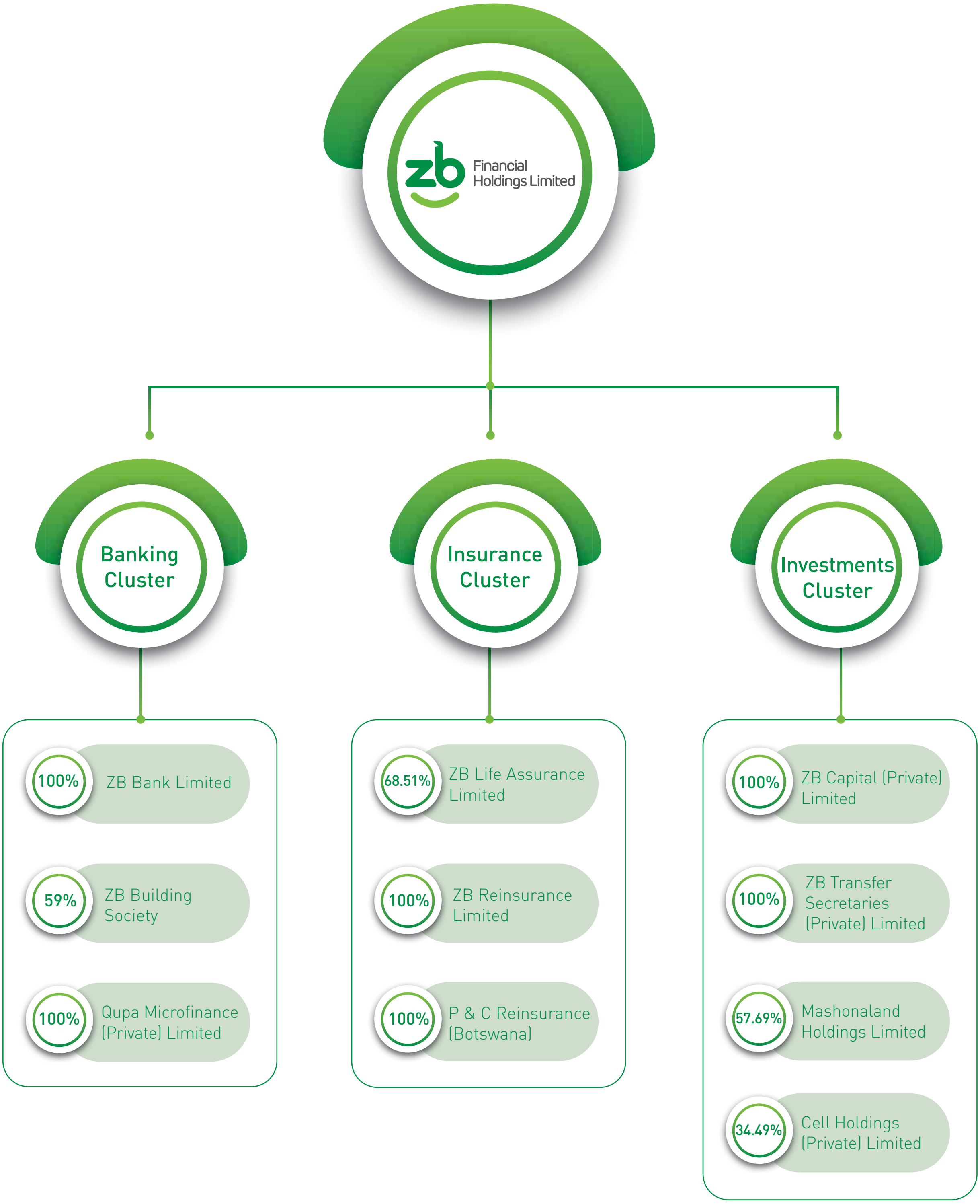
S. T. Fungura
(Group Chief Executive Officer)

Harare
28 March 2025

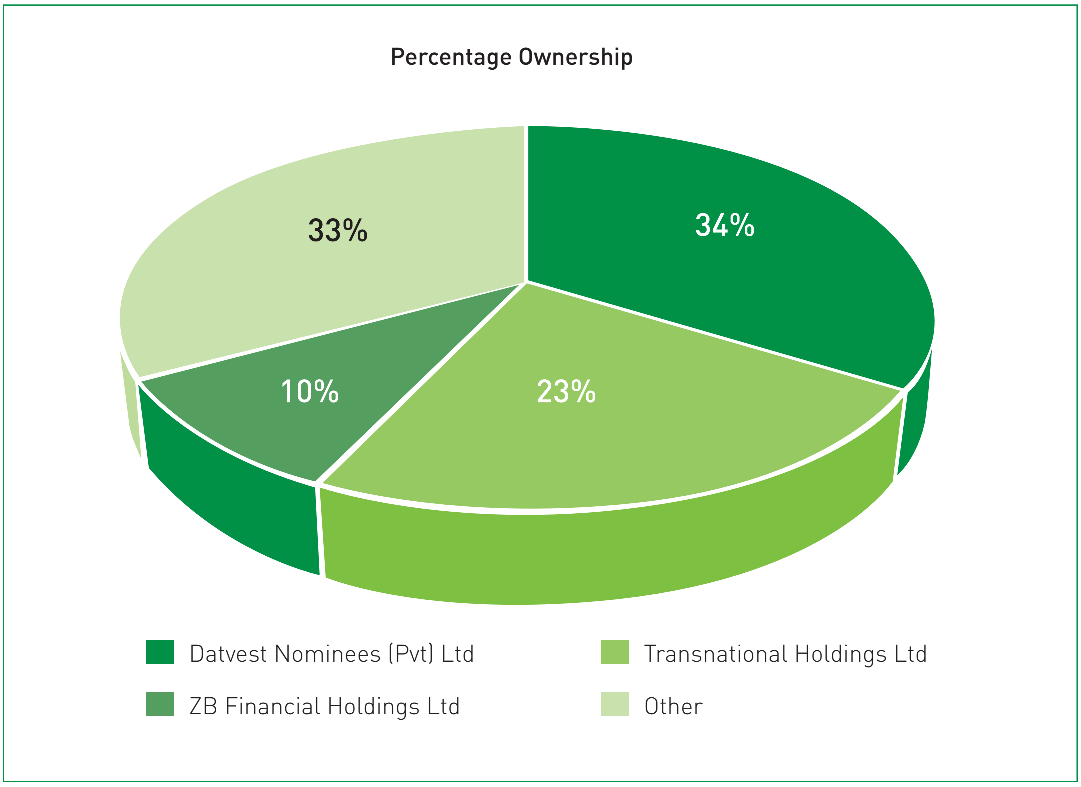
Corporate Overview

Who We Are

ZB Financial Holdings Limited was incorporated in May 1989, as the holding company for a group of companies providing commercial banking, merchant banking and other financial services. ZB Holdings has operations in Zimbabwe and Botswana. The Group's ownership is composed of Datvest Nominees (Pvt) Ltd (34%), Transnational Holdings Limited (23%), ZB Financial Holdings Limited (10%) and others (33%). The Group's business focus areas and significant entities operating thereunder are as follows:



Ownership



Memberships to Business Associations

Life Offices Associations of Zimbabwe

Z.A.P.F. ZIMBABWE ASSOCIATION OF PENSION FUNDS

IoD INSTITUTE OF DIRECTORS ZIMBABWE

Insurance and Pensions Industry	Banking Sector

Our Journey

1951

Foreign branch of Netherlands Bank of Africa was opened in Salisbury (now Harare).

Scotfin

1967

Netherlands Bank of Rhodesia Limited incorporated and took over Rhodesian operations of Netherlands Bank of South Africa. Acquired the entire issued capital of Scottish Rhodesian Finance Limited (later known as Scotfin), Nefifrho Limited (later known as Sybank), another wholly owned subsidiary was registered as a financial institution. Company obtained listing on the Rhodesia Stock Exchange.

ALEXANDERFORBES
Securing your financial well-being

1970

Company acquired interest in Willis Faber Syfrets (now Alexander Forbes Zimbabwe), a firm of local insurance brokers. Shareholding in Alexander Forbes was disposed of in 2014.

1972

Company changed name to Rhodesian Banking Corporation Limited.

1974

Acquired the entire shareholding of Syfrets Trust and Executor Limited.

RHOBANK

1979

Company changed name to Rhobank.

Our Journey (continued)

1981

The Government acquired a 61% shareholding, and the Company changed its name to Zimbabwe Banking Corporation Limited (Zimbank).

1989

Zimbabwe Financial Holdings Limited (FINHOLD) was formed with the objective of bringing all subsidiary and associate companies under one Holding Company. This was executed in December 1992. Zimbank was made a subsidiary of FINHOLD.

1990

Continental Capital (Private) Limited (now ZB Capital) was formed in order to carry out venture capital activities for the Group.

1996

Sybank was merged into Zimbank.

2004

Syfrets Asset Management Company (now ZB Asset Management) was formed to carry out fund management services in terms of the regulatory requirements. Operations were discontinued in 2014.

2006

FINHOLD was renamed ZB Financial Holdings Limited with the objective of bringing all Group operations under one brand.

Our Journey (continued)

2007

Acquisition of a controlling interest in Intermarket Holdings Limited (IHL) (84.26%) was completed. IHL subsidiaries are involved in banking, life assurance, reinsurance, and property management business.

Acquisition of an associate interest (34%) in Cell Insurance Company was completed. Cell is involved in the provision of short-term insurance solutions, medical fund management and provision of medical services.

2009

ZB Holdings invested in a security services company. This operation was discontinued in 2021.

2020

ZB Holdings invested in a credit only Microfinance unit.

2022

P&C Reinsurance was formed in Botswana to provide facultative and treaty solutions.

Acquisition of controlling interests in Mashonaland Holdings (50.59%).

2023

Acquisition of additional 6% interest in Mashonaland Holdings and increased the sharing to 57.63%.

2024

Acquisition of additional interest in Mashonaland Holdings and increased the shareholding to 57.69%

Our Products and Services

The products and services offered by our key operating subsidiaries are described below:

ZB Bank Limited (ZB Bank)

ZB Bank is the flagship operation of ZB Financial Holdings Limited. Banking operations commenced in 1951 when the Netherlands Bank of South Africa opened a branch in the Salisbury, now Harare. These operations, which were sold to the Netherlands Bank of Rhodesia in August of 1972, maintained a steady growth through acquisitions and expansion of operations. The Company changed its name to Rhodesia Banking Corporation Limited in 1972 and then Rhobank in 1979. After the acquisition of a majority shareholding in the Company by the Government of Zimbabwe in 1981 the Company changed its name to Zimbabwe Banking Corporation Limited. The Bank became a subsidiary of Zimbabwe Financial Holdings Limited (FINHOLD) in 1992 following a restructuring of operations in which non- banking operations were removed from the Bank. The Bank was renamed ZB Bank Limited in 2006 following the adoption of a monolithic brand by the Group. The Bank provides the following banking services:

1. **Retail Banking**
    - Savings accounts
    - Current accounts
    - Call banking
    - Bancassurance
    - Personal loans
    - Mortgage loans
    - Home improvement loans
    - Diaspora banking
    - Agent's banking

2. **Electronic Banking**
    - Internet banking
    - Mobile banking
    - Automated teller machines (ATMs)
    - Point of Sale (POS) machines

3. **Corporate Banking**
    - Agricultural financing
    - Term loans
    - Overdrafts
    - Advisory services
    - Corporate savings accounts
    - Corporate current accounts
    - Asset finance
    - Premium finance
    - Corporate mortgages

4. **Treasury and Investments**
    - Fixed deposits
    - Treasury bills
    - Bankers' acceptances
    - Savings deposit account
    - Foreign currency accounts
    - Structured facilities
    - Investment advisory services
    - Project finance

5. **International Banking**
    - Correspondent Banking
    - Commodity finance
    - Import and export finance
    - Exchange control and advisory services
    - Clean documentary collections
    - Documentary letters of credit
    - Foreign lines of credit

Our Products and Services (continued)

ZB Building Society (ZBBS)

ZB Building Society was incorporated in Rhodesia (Zimbabwe) as Founders Building Society and received its trading license in 1961. The Society changed its name to Intermarket Building Society and later to ZB Building Society, following the acquisition of a majority shareholding in Intermarket Holdings Limited (IHL) by ZB Holdings.

The main business of the Society is the mobilisation of deposits from which it makes advances to the public and corporate bodies on the security of their deposits with the Society. We provide the following services:

1. **Savings Products**
    - Cash connect plus
    - Cash link accounts
    - Senior citizens
    - Student accounts
    - Cash connect
    - Club account
    - Corporate accounts
    - Savings accounts
    - FX target accounts
    - Funeral cover

2. **Investments Products**
    - Negotiable certificates of deposit
    - Savings certificate of deposit
    - Treasury bills
    - Paid up permanent shares

3. **Mortgage Products**
    - Flexi mortgage plans
    - Flexi corporate plan
    - Individual mortgage plan
    - Corporate mortgage plan

ZB Capital (Private) Limited (ZB Capital)

ZB Capital (Private) Limited specialises in venture capital finance, corporate finance and advisory services.

The Corporate Finance and Advisory Services unit provides transaction evaluation, financing and deal management advice to private and public companies. The unit offers a considerable range of corporate finance services namely:

- Floatations and public offerings
- Acquisitions and disposals
- Takeovers and mergers
- Capital raisings (both local and international)
- Research
- Business proposal construction
- Privatisation/ commercialisation advice
- Rights offer and placements
- Joint ventures
- Management buyouts
- Valuations and appraisals
- Private and public partnerships
- Project finance and management

ZB Life Assurance Limited (ZB Life)

ZB Life Assurance Limited, then known as Southampton Insurance Company Limited, commenced operations in 1964 as a subsidiary of the African Life Assurance Society. After several reorganisations, the Company became wholly owned by Southern Life Association of South Africa in 1985. In line with the local majority shareholding requirement of the Insurance Act, Southern Life reduced its stake in the Company to 49% in 1994. On 1 May 1998 Southern Life's remaining stake was sold to Intermarket Holdings Limited (IHL) who became the majority shareholder in the Company with a shareholding of 57%. In April 2002, the Company changed its name to Intermarket Life Assurance Limited.

After the acquisition of a majority shareholding in IHL by ZB Holdings, Intermarket Life Assurance Limited changed its name to ZB Life Assurance Limited on 1 July 2007.

ZB Life Assurance Limited specialises in mobilising financial resources and managing the process of wealth creation and protection through life assurance solutions.

ZB Life has two major product lines namely the individual Life Business and the Employee Benefits Business, which comprises Defined Benefit and Defined Contribution Schemes.

Our Products and Services (continued)

1. **Individual Life Products**
   - Whole life policies
   - Unit linked endowment policies
   - Unit linked retirement annuity policies
   - Variable immediate annuities
   - With profits immediate annuities
   - Term assurances
   - Capital disability benefits
   - Funeral assurance plans
   - Hospital cash plan

2. **Employee Benefits Products**
   ZB Life provides a unique offering in retirement benefits, through designing and managing the following:
   - Employer sponsored occupational pension arrangements covering defined benefit and defined contribution plans as well as hybrids of the two.
   - Group insured benefits schemes from group life assurance, group mortgage protection, group credit life assurance solutions right through to group funeral assurance plans.

3. **Consultancy Services**
   ZB Life Assurance offers solutions to a wide range of challenges relating to the provision of employee benefits. These include benefits design together with the impact of legislative, demographic as well as economic changes and other relevant social trends on the provision of employee benefits.

   Consultancy areas include:
   - Administration or secretarial
   - Actuarial
   - Insured risk benefits underwriting
   - Investment

ZB Reinsurance Limited (ZBRe) (incorporating P &C - Reinsurance Botswana)

ZB Reinsurance Limited is the re- insurance arm of ZB Holdings, offering a diverse range of reinsurance services. Established as Intermarket Reinsurance Limited in a joint venture between Hollandia Reinsurance of South Africa and Intermarket Holdings Limited 1997, the Company was renamed ZB Reinsurance subsequent to the acquisition of a majority shareholding in IHL by ZB Financial Holdings Group in 2006.

P & C Reinsurance was established in 2022 as a foreign subsidiary of ZBRe with a registered office and operations in Botswana.

ZBRe provides facultative and treaty reinsurance solutions and financial security to local and regional insurance companies, reinsurers, medical aid societies and special type clients/ consortiums. It offers risk management solutions and technical reinsurance training to its clients. ZBRe has over the years cultivated lasting partnerships with renowned insurance and reinsurance companies both regionally and internationally, with the view to ultimately entrench a regional presence.

ZB Reinsurance is active in the provision of both treaty and facultative business for the following classes:

- Fire
  This covers fire and allied perils, including business interruption insurance cover.
- Engineering
  Includes machinery breakdown, contractors all risks, electronic equipment, plant all risks, erection all risks as well as loss of profits.
- Motor
  This includes comprehensive cover and Third-Party Insurance for personal and commercial lines.
- Marine
  This covers marine risks, both the hull and cargo including liabilities.
  - Miscellaneous accident
  - Fidelity guarantee
  - Bonds and guarantees
  - Glass, money and casualty business, including liabilities and personal accident.

ZB Transfer Secretaries (Private) Limited (ZBTS)

ZB Transfer Secretaries (Private) Limited is a wholly owned subsidiary of ZB Holdings incorporated on 31 December 2010 and provides services listed below:

- Script management
- Transfer secretarial services

Our Products and Services (continued)

Qupa Microfinance (Private) Limited

Qupa Microfinance is a wholly owned subsidiary of ZB Holdings, it was licensed by the Reserve Bank of Zimbabwe on 3 December 2020. It is a registered credit- only Micro Finance Institution. Its focus area is to cater for the financial inclusion of the unbanked market segments. It provides micro customer loans, small to medium size enterprises (SMEs) business loans as well as advisory services to its customers.

Mashonaland Holdings Limited (Mash)

Mash became a subsidiary of the Group with effect from 31 December 2022. As at 31 December 2024 ZB Holdings owns 57.63% (2023: 56.89%) in Mash after acquiring additional shares in 2023.

Mash is listed on the Zimbabwe Stock Exchange (ZSE) and was incorporated in 1966, and its services include:

- Property research and development
  The company has undertaken landmark developments which include significant residential, commercial and industrial projects.
- Property management
  The company is involved in the letting and maintenance of an owned portfolio of rental units.

Associate Companies

Cell Holdings (Private) Limited (Cell)

ZB Holdings has significant influence in Cell, through a 34.49% stake, having become an equity partner in the business in 2007. Cell is a provider of short-term insurance products specialising in the rent-a-cell concept.

Cell is also the technical partner to ZB Bank for the bancassurance products offered to customers through the bank's branch network.

- Cell captive (Rent-a-Cell)
- Enterprise-wide risk management
- Bancassurance
- Conventional short term insurance products
- Medical aid fundsMedical services

Our Business Model

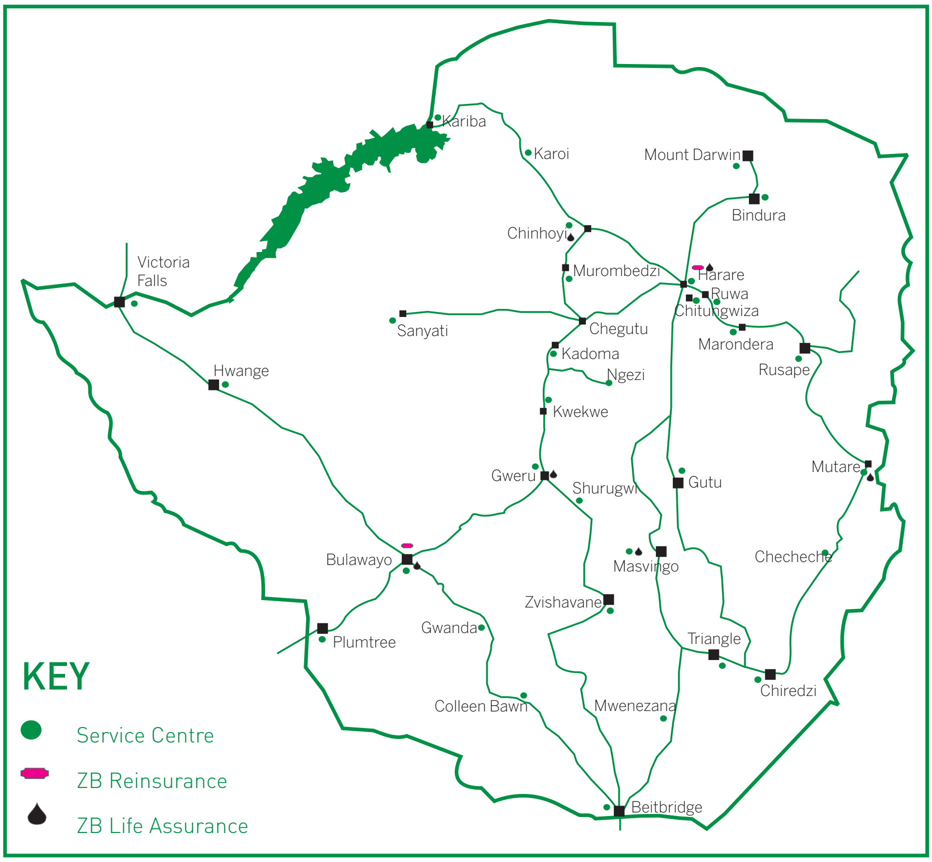
Our Business Model offers guidance on the key parameters that must be considered, facilitating the timely conclusion of investment decisions. This structured approach enables the Group to achieve substantial returns whilst minimising losses. The team acknowledges that a rigid business model, which does not adapt to changes in the external environment, may unintentionally hinder opportunities with considerable potential. As such, the Business Model is reviewed periodically to ensure it remains aligned with the latest environmental developments.

The Group's Business Model is designed to inform investment decisions amid changing market conditions, whilst retaining the flexibility to adapt to evolving circumstances. We remain committed to upholding the standards outlined in our Business Model Framework. The team conducts regular reviews to ensure the model's ongoing relevance and effectiveness, confirming that the existing framework does not inhibit the pursuit of genuine opportunities. Furthermore, these periodic assessments also aim to identify new opportunities as they emerge, ensuring the Business Model sufficiently encompasses these evolving investment avenues.

Our key objectives include attaining investment assets that meet or exceed the benchmarks set from time to time, as well as delivering positive investment returns and sound profitability. The team monitors progress towards these targets through relevant key performance indicators, such as the number of investment asset meetings and the level of profitability achieved. Evaluations of the effectiveness of actions taken to manage the Business Model are regularly submitted to the Board for approval, thereby ensuring the continued relevance and resilience of a framework designed to remain adaptable to the needs of decision-makers operating within a volatile economic landscape. Furthermore, the Business Model is structured to generate sufficient, sustainable revenue to cover operating costs. We engage with stakeholders to enhance relationships and drive customer retention, further reinforcing the overall effectiveness of the model.

Our Operations

For the year ended 31 December 2024



Leadership and Governance

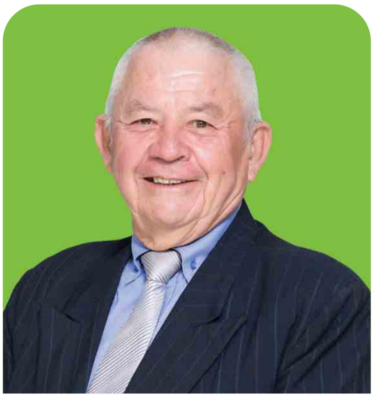
Board of Directors

Agnes Makamure: Independent
Appointment Date: March 2019
Qualifications: Bachelor of Accountancy (Honours) Chartered Accountant (Z)
Other Directorships: Masimba Holdings Limited

Dr Shepherd Fungura: Non-Independent
Appointment Date: August 2021
Qualifications: Doctorate in Entrepreneurship and Innovation, Actuary Bcom (Hons) (NUST), FASSA, FIA
Other Directorships: ZB Bank , ZB Reinsurance

Emmah Mungoni: Non-Independent
Appointment Date: January 2022
Qualifications: BAcc (Honors) (UZ); Chartered Accountant (CA(Z); MBA, (University of Pretoria) (UP).
Other Directorships: Cemlin Investments (Pvt) Ltd, ZimSwitch Holdings

Thenjiwe Sibanda: Independent
Appointment Date: March 2019
Qualifications: MSc in Investment Analysis, Masters in Banking and Finance. B.A Economics (Hons)
Other Directorships:



Peter Wood: Independent
Appointment Date: September 2021
Qualifications: Fellow of the Institute of Bankers in Zimbabwe (FIBZ), Certified Associate of the Institute of Bankers of South Africa (CAIB) SA, Fellow of the Zimbabwe Institute of Management (FZIM).
Other Directorships: G M Kudya Group of Companies

Samuel Dimairho: Independent
Appointment Date: September 2021
Qualifications: FCCA, RPA(Z), Bsc (Hons) Applied Accounting (Oxford Brookes University), Advanced Diploma in Accounting and Business (ACCA), Certified Accounting Technician (ACCA).
Other Directorships: Aura Group (Pvt) Ltd

Shepherd Chimutanda: Independent
Appointment Date: November 2024
Qualifications: FCCA Member, BSc. Honours in Applied Accounting, Oxford Brookes University (UK), Public Accountant (Zimbabwe), Public Auditor (Zimbabwe), Insolvency Practitioner
Other Directorships:

Group Senior Management

Dr. Shepherd Fungura
Group Chief Executive Officer

Doctorate in Entrepreneurship and Innovation, Actuary BCom (Hons) (NUST), FASSA, FIA

Ntokozo Siziba
Executive Assistant to Group Chief Executive Officer

MBA Candidate (University of Salford, UK) , Bachelor of Laws (LLB) Honours (University of KwaZulu Natal, South Africa). Certificate of Proficiency in Trusteeship.

Elisha Chibvuri
Chief Executive Officer-Banking

BBS(Hons), MBA, AIOBZ.

Letwin Mawire
Chief Executive Officer-Insurance

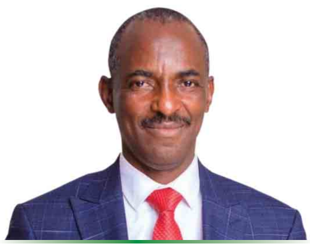
Chartered Accountant, Zimbabwe B.Acc (Hons) UZ.

Tandiwe Masunda
Chief Executive Officer - Investments

CA (Z), CFA (USA), Finance BComm. (NUST), B Compt. (UNISA).

Emmah Mungoni
Chief Finance Officer

BAcc (Honors) (UZ); Chartered Accountant (CA(Z); MBA, (University of Pretoria) (UP).



Clement Kahiya
Chief Corporate Services Officer

Bachelor of Business Studies (UZ), Master's in business administration.

Group Senior Management

Dr. Brilliant Shumba
Chief Customer Experience Officer

PhD: (Research) Bank Management, MSC Digital Business University of Salford, MBA Nottingham Trent University (UK), Associate -Chartered Insurance Institute (CII) UK, Associate (American Institute for Chartered Property Casualty Underwriters), B' Com Insurance and Risk Management, NUST (Zim), Certificate of Proficiency in Pension Scheme Trusteeship.

Kangai Maukazuva
Chief Transformation Officer

DBL Candidate (MSU), EMBA (Africa University), Post Grad Diploma in Exec Management (UZ), ACCD (IoDZ), Certified in ICT Governance CGEIT (ISACA, USA), Dip Networking and PC Maintenance (Business and Computer Institute, UK).

Johnson Dhemba
Chief People & Culture Officer

BSc (Hons) Political Science and Administration (University of Zimbabwe), Diploma in People Management (IPMZ).

Tinashe Masiiwa
Group General Counsel

Bachelor of Laws (LLBs)(UZ), Master's degree (UKZN), Post Graduate Certificate in Risk, Compliance and Governance: University of Witwatersrand (SA).

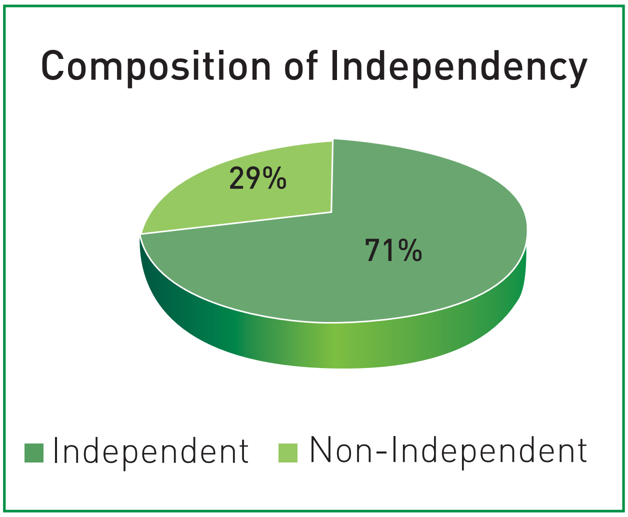
Corporate Governance Report

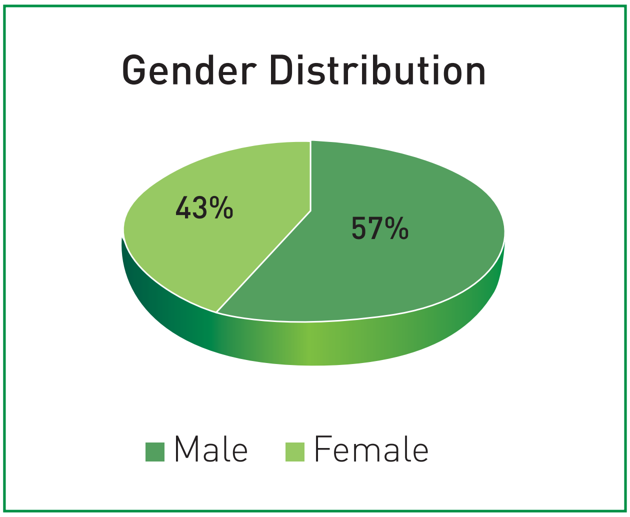
The Group upholds the highest standards of corporate governance, emphasising transparency and accountability across all operations. The formation and management of subsidiaries are guided by best practices from the King IV Report on Corporate Governance (South Africa) and Zimbabwe's National Code on Corporate Governance. The Board of Directors oversees corporate governance for the Group and its subsidiaries, ensuring full compliance with ZSE (Zimbabwe Stock Exchange) Listing Requirements, sector-specific legislation, and the Group's own Memorandum and Articles of Association.

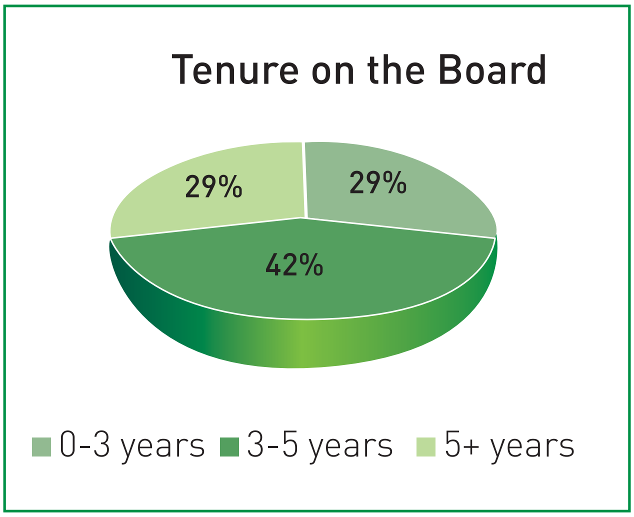
Board Composition

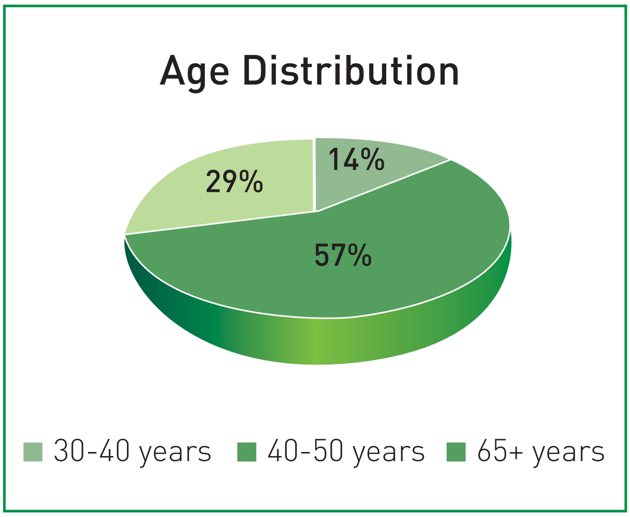
The Board of Directors consists of two Executive Directors and five Non-Executive Directors, with the Chairman serving as an Independent Non-Executive Director. Oversight of the Group's operations is delegated to the Group Executive Committee, which includes the Group Chief Executive Officer, Cluster Chief Executive Officers, and respective company executive officers. These executives are accountable to the Board through regular reporting.

The Board composition for the reporting period is summarised below:









Corporate Governance Report (continued)

Board Appointment

The appointment of Directors to the ZB Holdings Board follows a formal and transparent process overseen by the Board Nominations Committee, ensuring alignment with the Group's strategic objectives. Newly appointed Directors participate in an induction programme outlining their responsibilities to the Group and its stakeholders. Directors are regularly updated on relevant legislative developments and emerging commercial risks. They are entitled to seek independent professional advice at the Group's expense where necessary to fulfil their duties. All Directors have access to the Company Secretary, who supports the Board in ensuring compliance with applicable laws, procedures, and regulations. Non-Executive Directors are selected for their diverse skills and expertise, enabling them to provide independent and informed oversight. In accordance with Article 68 of the Company's Articles of Association, one-third of the Directors must retire by rotation annually, with those retiring eligible for re-election at intervals not exceeding three years.

Board Responsibility

The Board of Directors operates in accordance with a formal Board Charter, which defines its overarching mandate and responsibilities. Its primary role is to set the Group's strategic direction and oversee its implementation by the management team. The Board is responsible for the appointment and removal of the Group Chief Executive Officer, as well as succession planning for both the Board and Executive Management. Further, it ensures the Group's compliance with all applicable legal, tax, and regulatory requirements. The Board monitors key governance systems, including risk management, internal controls, codes of conduct, continuous disclosure, and other major corporate policies.

Board Evaluation

The ZB Holdings Board conducts an annual self-assessment to evaluate the effectiveness of its functions and processes. This review enables the Board to reflect on its performance, identify areas for improvement, and implement actions to enhance its overall efficiency and decision-making.

Board Committees

To effectively fulfil its responsibilities in formulating the Group's strategy and providing oversight on key matters, the ZB Holdings Board established the following Board Committees:

Committee	Members	Responsibilities
Audit Committee	• **S. Chimutunda (Chairman)** • T. Sibanda • P.M.V. Wood • S. Dimairho	• Evaluating the accuracy and reliability of financial disclosures, including interim and year-end financial statements, as well as other regulatory and public reports issued by the Group. • Reviewing the Group's annual report and financial accounts to confirm they provide a clear, fair, and comprehensive reflection of its financial position, performance, and outlook. • Assessing the audit plan and report submitted by the external auditors. • Considering findings from internal audit activities, particularly in relation to financial reporting, governance, internal control systems, and any major investigations, including how management has responded. • Overseeing collaboration between the internal audit team and the external auditors and addressing any significant or material issues that arise.

Corporate Governance Report (continued)

Committee	Members	Responsibilities
Governance, Risk and Compliance Committee	• **T. Sibanda (Chairman)** • S. Dimairho • P.M.V. Wood • S. Chimutanda	• Assessing the sufficiency and overall performance of the risk management functions across business units, including internal control reports and related recommendations. • Evaluating whether the Group's insurance coverage is adequate to protect its assets. • Reviewing the methodologies used for identifying and measuring risk. • Examining the effectiveness of ZB Holdings application of its risk management systems and internal control structures.
Nomination Committee	• **A. Makamure (Chairman)** • S. Dimairho	• Overseeing the process of identifying, evaluating, and recommending individuals for appointment to the Board of Directors. • Periodically reviewing and advising the Board on proposed changes to the composition of Board committees. • Conducting an annual assessment of the Board's structure, size, and composition - including the range of skills represented and proposing adjustments or additions deemed necessary to improve the Board's overall effectiveness.
People and Culture Committee	• **A. Makamure (Chairman)** • T. Sibanda • S. Dimairho	• Regularly reviewing and setting remuneration policies and terms of employment for all Group employees. • Monitoring compliance with the Group's approved People and Culture policies. • Establishing salary levels and employment conditions for all executives within the Group. • Considering and approving, where appropriate, management proposals related to salary and benefits reviews for employees. • Receiving periodic updates from management on market salary trends and employment conditions within the financial services sector, to benchmark against the Group's own own salaries and conditions of service.
Investment and Innovation Committee	• **S. Dimairho (Chairman)** • P.M.V. Wood • T. Sibanda • S. Chimutanda	• Offering independent advice and assurance to the Board regarding technology systems, innovation, and investment matters. • Ensuring appropriate oversight is exercised over the execution of the Board-approved Investment and Innovation Strategy and Policy. • Establishing the Investment Policy and Strategy, with input from relevant technical experts when required. • Continuously assessing the relevance of the Investment Strategy in relation to prevailing economic conditions, market dynamics, and the Company's liability profile. • Tracking the performance of Investment Portfolios against set benchmarks and mandates. • Supporting the advancement of a knowledge-driven economy and innovation. • Providing strategic input and direction on the Company's digital transformation and marketing strategy, including aspects such as brand positioning, product development and innovation, pricing strategies, and channel management. • Driving the development and execution of IT and digital strategy roadmaps, considering financial, operational, and strategic gains from major digital and IT initiatives. • Evaluating current and emerging technological trends that may influence the Company's strategic direction and the industries in which it operates.

Corporate Governance Report (continued)

Group Committee Meeting Attendance

MEMBERS Total Meetings	ZBFH 9	ZBBL 4	ZBBS 4	ZBRE 4	ZBLA 4
A. Makamure	9	X	X	X	X
L. Zembe	2	X	X	X	X
T. Sibanda	9	X	X	X	X
S. T Fungura	7	4	4	4	X
E. N. Mungoni	6	X	4	X	X
P. M. V Wood	9	X	X	X	X
S. Z. G Dimairho	9	X	X	X	X
S. Chimutanda	1	X	X	X	X

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

Sustainability Governance

We place strong emphasis on sustainability governance by embedding responsible practices across all operating levels within the Group. Our approach ensures that sustainability is integrated into our business strategy, operations and risk management. We have clear accountability structures and oversight, that ensure that sustainability goals are met, we adhere to regulatory standards and apply industry best practices to create long-term value for both the Group and its stakeholders. The Group's sustainability governance is overseen by the Governance, Risk and Compliance Committee, which is responsible for managing sustainability initiatives and reports directly to the Board. To ensure sustainability is embedded at every level, the committee delegates responsibilities to sustainability champions across the Group. In the future, the Group aims to establish an executive management team specifically focused on overseeing sustainability and integrating it into the corporate strategy.

Internal controls over sustainability reporting

The Group strengthens sustainability reporting through well-defined data governance policies and procedures for data collection, validation, and reporting. Regular internal and external audits are carried out to ensure data accuracy and regulatory compliance. Senior management is held accountable for sustainability performance, with stakeholder input actively used to improve the relevance and transparency of disclosures. Digital tools are integrated to enhance data management efficiency, while employee training programmes ensure awareness of sustainability objectives and reporting responsibilities.

Compliance Statement

The Group's management and directorate are responsible for ensuring compliance with the following legal and other regulatory requirements:

- Banking Act [Chapter 24:02];
- Building Society Act [Chapter 24:02];
- Companies and Other Business Entities Act [Chapter 24:31];
- Consumer Protection Act [Chapter 14:44];
- Exchange Control Act [Chapter 22:05];
- Finance Act [Chapter 23:04];
- Insurance Act [Chapter 28:07];
- Labour Act [Chapter 28:01];
- Micro Finance Act [Chapter 24:29];
- Public Accountants and Auditors Board Zimbabwe [PAABZ];
- Securities and Exchange Act [Chapter 24:25]; and
- SI 134 of 2019 Securities and Exchange (Zimbabwe Stock Exchange listing Requirements) Rules, 2019.

Business Ethics and Conduct

- Upholding Responsible Investing
- Protecting and Empowering Employee Rights
- Preventing Corruption and Promoting Transparency
- Fair Competition and Market Integrity
- Enhancing Anti-money Laundering
- Championing Diversity, Equity and Inclusion

Business Ethics and Conduct

We prioritise business ethics and conduct by upholding the highest standards of integrity, transparency, and accountability in all our operations. We adhere to regulatory guidelines and continuously promote a culture of ethical decision-making across all levels of the Group.

Upholding Responsible Investing

We conduct thorough pre-investment due diligence to assess potential investees' governance practices, enabling sound investment decisions that avoid partnerships with unethical business partners. While no material negative impacts have occurred to date, we recognise that prolonged diligence may occasionally result in delays that may cause frustration to potential business partners.

Goals	Targets	KPIs	Highlight
Ethical and compliant investments.	95%+ compliant investee portfolio.	Proportion of compliant investee firms.	Regular assessments of adherence to ethics and compliance policies are being carried out.

Our investees are evaluated for sound business practices to prevent investee management teams that maybe unethical in conduct such as concealing mismanagement losses. We periodically update operational policies and procedures to incorporate new developments and understandings, while ongoing stakeholder engagements ensure adherence to optimal business practices and standards.

We have a

Code of Conduct on Ethics

We maintain an anonymous reporting system through subscription to the Axcentium Ethics Line platform, offering employees a 24/7 confidential and independent hotline to report workplace misconduct. Complementing this formal mechanism, the Group fosters open dialogue through regular coffee sessions between the Managing Director and employee groups across all levels. These informal gatherings serve dual purposes: identifying staff welfare concerns and gathering strategic implementation insights directly from frontline personnel, thereby bridging communication gaps between management and employees while strengthening ethical governance.

Protecting and Empowering Employee Rights

ZB Holdings has established a human rights management system that safeguards the rights of all employees in accordance with national and international standards. Our framework is built on human rights policies, human rights violations reporting channels, and continuous monitoring of human rights of employees in the edge of A.I (Artificial Intelligence) usage.

Zero Human Rights Violation Cases

Our policies cover all 1,000+ employees across diverse backgrounds, ensuring equal treatment and protection under the Labour Act, International Labour Organisation (ILO) standards, and Collective Bargaining Agreements.

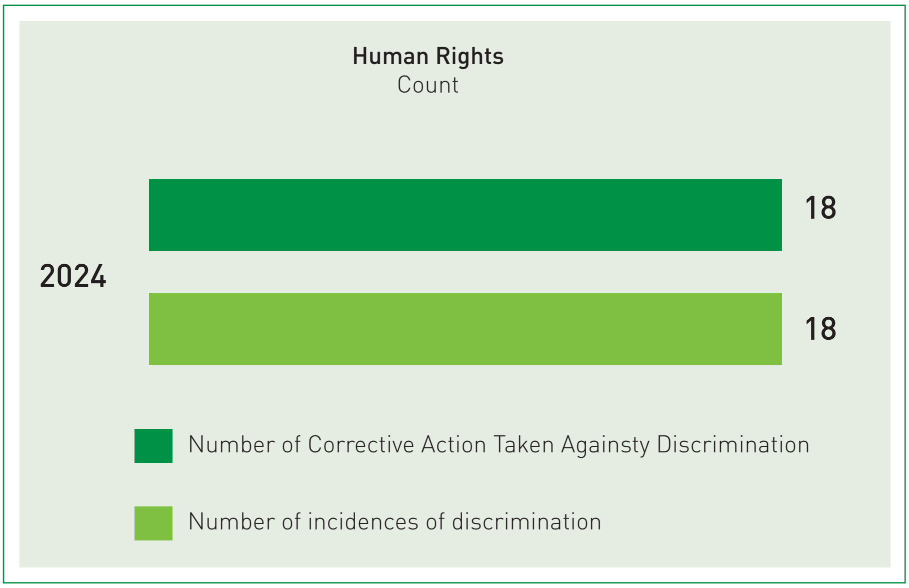
Business Ethics and Conduct (continued)

Key elements of our approach include a policy framework addressing critical areas like harassment prevention and equal opportunity, supported by clear implementation processes. We maintain structured grievance procedures, disciplinary measures for violations, and recognition systems for positive behaviour. Regular training programs ensure all employees understand their rights and responsibilities, while stakeholder engagement drives continuous policy improvement. Risk management focuses on maintaining workforce morale, preventing litigation and ensuring consistent policy application across all departments. This structured approach has proven effective in creating a respectful and equitable workplace environment while meeting all compliance requirements.

Goals	Targets	KPIs	Highlight	Policy Area	Policy Documents
Manage human rights and minimise risks associated with the same.	• Zero tolerance (100%) • Full compliance	• Number of Human Rights risks and violations percentage • Compliance level percentage	• 100% policy compliance • No active court cases	Workplace Equality Harassment Prevention Non-Discrimination	• Labour Act [Chapter 28:01]. • Equal Opportunity Policy. • Sexual Harassment Policy. • Recruitment Policy. • CBA • Staff Handbook.

We remain committed to strengthening our human rights protections through regular policy reviews, enhanced training initiatives and ongoing engagement with all stakeholders. This ensures our framework continues to evolve in line with best practices and emerging challenges in workplace rights protection.

Human rights statistics were as follows:



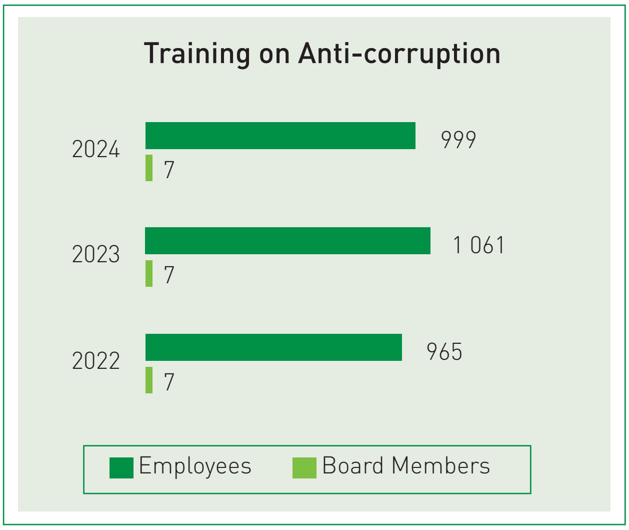
Business Ethics and Conduct (continued)

Preventing Corruption and Promoting Transparency

The Group is committed to global anti-corruption and anti-money laundering practices. These ensure higher standards of compliance with financial regulations across all our operating segments. The application of the anti-corruption policy ensures that our Group and its officers maintain a strong compliance footing.

Policies	Actions Taken	Goals	KPI	Highlight
• Anti-bribery and Corruption Policy	• Policy guidelines to all Group Officers. • Group has a Tip-Off Anonymous facility in place. • Disciplinary action on employees involved in corrupt practices. • Due diligence conducted on third parties before engagement.	• To ensure a bribery / corruption-free work environment.	• Number of reported corruption cases • Investigated bribery	• Awareness or training sessions on the annual training calendar were conducted and these have reinforced employee understanding of anti-corruption policies.

Anti-corruption statistics were as follows:



Business Ethics and Conduct (continued)

Fair Competition and Market Integrity

ZB Holdings actively promotes fair pricing and transparent product offerings to build customer trust and ensure market stability. There are risks that the Group faces such as potential anti-competitive behaviour from third party brokers we engage. Provided the competition in our environment, there may be perceived collusion with third-party brokers that may impact our reputation. As such, we routinely assess our market conduct, maintain strict compliance procedures, and promote a culture of fair play in all business dealings, ensuring competition integrity with our partners.

Managing our Competitive Behaviour	Tracking Effectiveness of Actions	Goals	Key Performance Indicators	Progress
• Procedures that ensure fair marketing and transparent communication. • Partner policies that outline expected behaviour for insurance brokers representing ZB Holdings Reinsurance. • Tip off anonymous which provides channels for reporting unethical or anti-competitive behaviour. • Upholding the competition laws in Zimbabwe and all applicable regional regulations. • Avoiding unfair competitive practices such as predatory pricing, misleading advertising, or exclusive dealing. • Promoting client-first innovation that advances market integrity, not just market share. • Training employees and brokers on fair competition and compliance. • Internal investigation of complaints relating to misrepresentation or unfair practices. • Contract re-evaluation for partners found to have engaged in non-compliant conduct.	• Annual legal and regulatory audits of market conduct. • Compliance dashboard monitored by Group Risk and Compliance. • Customer and stakeholder feedback surveys used to evaluate perceived fairness and transparency.	• To ensure no substantiated cases of anti-competitive behaviour are reported. • Building a trusted brand reputation based on fairness, integrity, and client-centred services.	• Number of competition-related complaints resolved. • Completion rate of competition compliance training. • Broker compliance assessment results.	• There were no confirmed incidents of anti-competitive behaviour recorded. • Customer satisfaction ratings on Insurance and Pension Commission (IPEC) reports do not show any form of non-compliance.

Relevant SDGs:

Business Ethics and Conduct (continued)

Enhancing Anti-money Laundering

ZB Holdings strictly prohibits the use of its finance system for money laundering, terrorist financing, purchase of weapons of mass destruction, human trafficking, drug trafficking, and other financial crimes. We continue to place focus on effective systems to detect anti-money laundering activities, as potential financial crimes on the Group's payment channels may result in regulatory penalties from violations of the Anti-Money Laundering (AML) and Combating Financing of Terrorism (CFT) regulations.

Policies	Actions Taken	Goal	Targets	Assessment
• Anti-Money Laundering, Combating Financing of Terrorism and Counter Proliferation Financing (AML/CFT/CPF) Policy. • Customer Acceptance Policy. • Sanctions Policy	• Awareness/Training on AML/CFT/CPF and identification and reporting of suspicious transactions. • Analysing and Reporting suspicious transactions to the Financial Intelligence Unit (FIU). • Ongoing AML/CFT/CPF risk assessment. • Customers and products/services are risk profiled for money laundering.	• To provide a safe payment system.	• 100% compliance with AML/CFT/CPF statutory and regulatory requirements.	• The Group is Implementing a Transaction Monitoring system (TransWatch).

Championing Diversity, Equity and Inclusion

The Group supports informal businesses and SMEs through established funding facilities, with particular focus on marginalised groups including youth, women and informal sector operators. We are fully committed to adhering to the Sustainable Standards Certification Initiative (SSCI) policy framework, which has shown considerable potential to improve social compliance and enhance inclusive practices in the Zimbabwe financial sector. The programme has set quality standards for non-discrimination and equal opportunities for financial services providers

Goals	Targets	Progress Made
• Achieve SSCI certification.	• SSCI Certification by 2025. • 70% task completion by 2024.	• Currently at 60% completion. • Formalised reports documenting progress.

Relevant SDGs:

Risk Management

- Enterprise Risk Management
- Sustainability Related Risks and Opportunities (SRRO)

Risk Management

Enterprise Risk Management (ERM)

This framework involves a detailed examination of both internal and external factors to identify potential risks and opportunities. We consistently evaluate the levels and types of risk that ZB Holdings is willing to accept in the pursuit of its strategic goals, while also implementing effective measures to mitigate these risks. The Group Risk Management Department is responsible for our ERM programme, led by the Group Risk Manager, who directly reports to the Group Chief Executive Officer. This ensures that risk management is embedded in all decision-making levels within the Group.

Our ERM framework adheres to a structured methodology known as the three lines of defence, which is detailed as follows:

First Line

Business units are the primary risk owners. They are responsible for identifying, assessing, controlling, and mitigating risks within their own areas of operation. They implement and maintain internal controls to manage and mitigate identified risks. Continuous monitoring of business processes and risk exposures to ensure they remain within acceptable limits. Reporting risks and control deficiencies to higher management and the second line of defense.

Second Line

Developing and maintaining the risk management framework, policies, and procedures. Ensuring that there is compliance with regulatory requirements, internal policies, and risk management standards. Conducting independent risk assessments and monitoring the risk environment. Providing expertise, tools, and support to the first line of defense to help them manage risks effectively. Aggregating risk information from across the Group and reporting to senior management and the Board.

Third Line

Assessing the adequacy and effectiveness of our internal controls, risk management, and governance processes.Conducting audits and reviews to evaluate compliance with policies, procedures, and regulatory requirements.Providing independent reports to senior management and the board, highlighting control weaknesses, risk exposures, and areas for improvement.Making recommendations to enhance the overall risk management and control framework.

Approach to Financial Risk

Our strategy for managing financial risks is centred on our Risk Appetite Framework (RAF), which aligns strategic decisions with the Group's risk tolerance. The RAF is a fundamental component of our Enterprise Risk Management (ERM) system, designed to synchronise our risk-taking with our strategic objectives by clearly defining the levels and types of financial risks we are prepared to accept. This framework utilises both qualitative and quantitative metrics to address various financial risks, including credit, liquidity, market, investment, foreign exchange, and interest rate risks. ZB Holdings establishes specific limits, controls, and reporting mechanisms to ensure these risks remain within acceptable thresholds. The Board of Directors oversees the RAF, while senior management implements it, with ongoing monitoring and review processes to adapt to internal and external changes:

Significant risks identified during the reporting period are summarised as follows:

Cyber Risk

Risk Description

Potential threats and vulnerabilities associated with digital assets and information systems. This includes risks of data breaches, cyberattacks, and fraud that could compromise sensitive customer information, disrupt operations, and lead to significant financial losses or reputational damage.

Mitigation Measures

- Disaster Recovery Planning.
- Strengthening Information Security Infrastructure.
- Independent Cybersecurity Testing.
- Employee Cybersecurity Training.
- Incident Response Planning.
- Regular Security Audits.
- Multi-Factor Authentication.
- Data Backup Solutions.

Risk Management (continued)

Market Risk

Risk Description
Financial losses due to fluctuations in market prices, including changes in interest rates, stock prices, foreign exchange rates, and commodity prices. It encompasses the risk of declines in the value of our investments or assets because of broader market movements.

Mitigation Measures
- Diversifying Investment Portfolios.
- Conducting Stress Testing and Scenario Analysis.
- Regular Market Risk Assessments.
- Implementing Hedging Strategies.
- Setting and Monitoring Market Risk Limits.

Financial Risk

Risk Description
Possibility of losing money on an investment or business operation due to various factors, including market fluctuations, credit defaults, liquidity issues, or economic changes.

Mitigation Measures
- Maintaining Adequate Liquidity Buffers.
- Diversifying Funding Sources.
- Conducting Regular Liquidity Stress Tests.
- Establishing Contingency Funding Plans.
- Monitoring Cash Flow Projections.
- Setting Liquidity Risk Limits.

Operational Risk

Risk Description
Potential for loss resulting from inadequate or failed internal processes, systems, people, or external events. This includes risks related to fraud, legal issues, technology failures, and disruptions in operations that can adversely affect the Group's ability to conduct business effectively.

Mitigation Measures
- Establishing internal controls and procedures.
- Conducting regular internal audits and risk assessments.
- Providing ongoing employee training and development.
- Implementing incident reporting mechanisms.
- Enhancing process documentation and standardisation.

Risk Management (continued)

Credit Risk

Risk Description
Risk that borrowers may default on their loans or fail to fulfil contractual obligations, which could negatively impact our financial performance and stability.

Mitigation Measures
- Implementing Strong Credit Underwriting Standards.
- Diversifying the Investment Portfolio.
- Closely Monitoring Credit Exposures.
- Conducting Regular Credit Risk Assessments.
- Establishing Clear Credit Limits for Borrowers.

Compliance Risk

Risk Description
The possibility for legal penalties, financial losses, or reputational damage resulting from non-compliance with laws, regulations, and internal policies.

Mitigation Measures
- Conducting Regular Compliance Training for Employees.
- Maintaining a Strong Compliance Program.
- Continuously Monitoring Regulatory Changes.
- Implementing Clear Compliance Policies and Procedures.
- Performing Regular Compliance Audits.
- Establishing a Dedicated Compliance Officer Role.

Underwriting Risk

Risk Description
Risks arising from potential for losses due to inadequate pricing of risks or misjudgements in assessing the likelihood of claims.

Mitigation Measures
- Technical Training on Underwriting Risks.
- Geographical and Sectoral Diversification.
- Periodic Review of Underwriting Criteria.
- Enhanced Risk Assessment Tools.
- Regular Data Analysis and Reporting.
- Collaboration with Industry Experts.
- Implementation of Advanced Actuarial Methods.

Strategic Risk

Risk Description
Risk of adverse outcomes due to flawed business strategies, ineffective implementation of decisions, or failure to adapt to market changes. This risk can arise from poor planning, execution failures, or shifts in consumer preferences and competitive dynamics.

Mitigation Measures
- Data-Informed Decision Making.
- Innovation Initiatives and Talent Development Strategies.
- Agile Response to Market Changes.
- Continuous Performance Monitoring.
- Stakeholder Engagement and Communication.

Risk Management (continued)

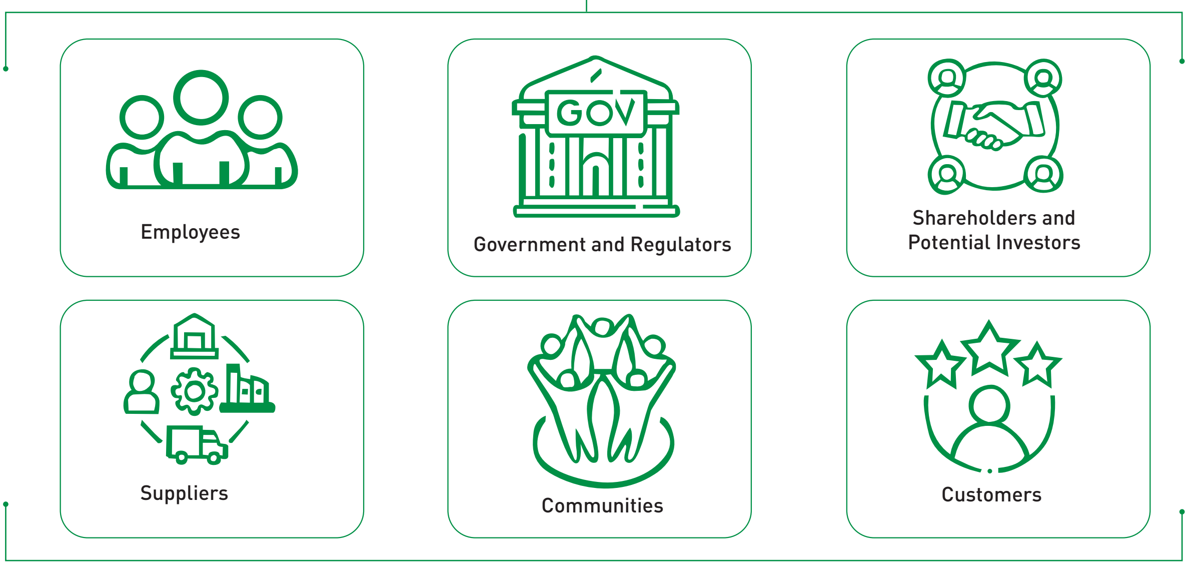
Sustainability Related Risks and Opportunities (SRRO)

Approach to Managing Sustainability Related Risks and Opportunities

The Group incorporates sustainability risk management into its operations by identifying risks associated with Environmental, Social, and Governance (ESG) factors, assessing their potential impact over the short, medium, and long term, and prioritising mitigation actions that support the Group's broader sustainability goals.

Our stakeholders for the reporting period were as follows:

Stakeholder Group



RESOURCE SCARCITY

Resource Scarcity refers to the limited availability of essential natural resources, such as water, energy, and raw materials that is relative to the growing demand for them with our clients.

Risk

- Failure to meet stakeholder expectations on sustainability.

Financial Implications

- Loss of stakeholder trust reduces the revenue because customers will shift to other service providers.
- Increased brand trust will attract more customers resulting increased cash inflows, revenue and profits.

Opportunities

- Building brand trust through transparent ESG disclosures.

Affected Stakeholders

Risk Management (continued)

REPUTATION

Reputation refers to the overall perception of the Group's credibility, reliability, and conduct, shaped by its past actions and stakeholder opinions.

Risk

- Failure to meet stakeholder expectations on sustainability.

Financial Implications

- Loss of stakeholder trust reduces the revenue because customers will shift to other service providers.
- Increased brand trust will attract more customers resulting increased cash inflows, revenue and profits.

Opportunities

- Building brand trust through transparent ESG disclosures.

Affected Stakeholders

REGULATIONS

Regulations refers to the authoritative rules or directives established by a governing body to control or guide the actions and operations of organisations.

Risk

- Non- compliance with ZSE Practice Note 16 on Sustainability reporting requirements and other (EMA).

Financial Implications

- Non-compliance with sustainability regulations will result in penalties and fines which will reduce profits and negatively impact our cashflow position.
- Being compliant results in cost saving through avoiding non-compliance related penalties and fines. This increases profits and reduces operational expenditure.

Opportunities

- Establishing leadership in sustainability reporting and achieving regulatory compliance.

Affected Stakeholders

Risk Management (continued)

WORKFORCE TRANSITION

Workforce Transition refers to the process of reskilling, upskilling, or redeploying employees to adapt to changes.

Risk
- Resistance to sustainability-related operational changes.

Financial Implications
- Resistance by employees can result in operational inefficiency which will impact revenue and may result in customers dissatisfaction.
- Training employees will result in increased training expenditure and reduce profits, but the benefits in the long-run will increase profits due to efficiency.
- Training employees may results in less resistance which will improve operational efficiency, cut expenditure related to inefficiency and improve profits.

Opportunities
- Training employees on sustainability initiatives and fostering a culture of innovation.

Affected Stakeholders

CARBON EMISSIONS

Carbon Emissions refers to the release of carbon dioxide (CO_2) into the atmosphere, primarily from burning fossil fuels.

Risk
- Increased scrutiny on corporate carbon footprint.

Financial Implications
- The Group may lose sustainability conscious customers and investors due to a high carbon footprint. This affects the Group's access to capital and reduces revenue and profits.
- Transitioning to low-carbon operations can result in high initial capital expenditure (e.g. acquisition of solar panel or vehicles that use less petrol and diesel) but attracts green capital in the long run. The Group will be able to attract sustainability-conscious customers and investors.

Opportunities
- Transitioning to low-carbon operations and promoting green technologies.

Affected Stakeholders

Sustainability

- Our Sustainability Approach
- Stakeholder Engagement
- Sustainability Materiality Assessment

Sustainability

Our Sustainability Approach

Our approach to sustainability is rooted in integrating responsible practices, policies, and decisions that create long-term value. As we deliver financial solutions, we are committed to incorporating sustainable practices in all our operating segments. We reflect inclusivity, support of poverty alleviation, empowerment, and equality across all stakeholders.

Stakeholder Engagement

In the highly competitive financial sector, building strong stakeholder relationships is vital to long-term success. As ZB, we engage a broad spectrum of stakeholders through our Stakeholder Management Plan for Sustainability (STAMPS), ensuring their views are integrated into our High Impact Goals. Led by a multidisciplinary Stakeholder Management Task Force, this initiative fosters trust, enhances confidence, and provides a competitive advantage by aligning strategies to emerging challenges and opportunities.

ZB is aware of its stakeholder groups but continues to enhance the engagement process by evaluating potential stakeholders through brainstorming and categorisation. We continue to research our customers, employees and regulators needs for continued alignment of objectives. Our stakeholders interest continues to influence our decision making as we thrive to merge expectations.

Key stakeholder groups:

Internal Stakeholders

- Employees
- Shareholders & Potential Investors

External Stakeholders

- Government and Regulators
- Communities
- Suppliers
- Customers

Why do we engage with our stakeholders?

The primary objective of stakeholder engagement is to build trust and mutual understanding, forming a strong foundation for the Group's long-term sustainability. Actively involving stakeholders in decision-making provides valuable insights into their expectations and concerns, enabling us to align our strategies accordingly. This approach supports risk mitigation, regulatory compliance, and improved social and environmental outcomes, while fostering a sense of collaboration that drives innovation and continuous improvement.

How we engage?

We engage with our stakeholders through open, consistent, and structured communication to build trust and create long-term relationships. By actively listening and understanding their needs and expectations, we enhance the quality of our decision-making and align our strategies with stakeholder priorities. This engagement enables us to anticipate and manage risks, drive performance improvements, and encourage innovation across the Group. Through transparent interactions, we strengthen accountability and promote a culture of social responsibility, ensuring our actions contribute meaningfully to sustainable development.

Sustainability (continued)

The following material issues were raised by our stakeholders during the reporting period:

EMPLOYEES

Issues Raised

- Lack of clarity.
- Insufficient information.
- Time constraints.
- Communication barriers.

Mitigation Measures

- Clearly communicate the purpose and goals of any engagement.
- Provide employees with the necessary information and resources.
- Ensure that all processes are inclusive and representative of all employee groups.
- Address all barriers.
- Foster a culture of open communication and feedback.

Engagement Methods

- Emails
- WhatsApp

Frequency of Engagement

- Emails
- WhatsApp

GOVERNMENT AND REGULATORS

Issues Raised

- Limited Resources and Capacity.
- Data Sharing Challenges.
- Cybersecurity Threats.

Mitigation Measures

- Improved data sharing through digital integration to financial institutions to enable real time access to information.
- Develop and enforce mandatory cybersecurity standards for financial institutions to ensure they have robust defences against cyberattacks.

Engagement Methods

- External Media
- Social Media
- Website
- Emails

Frequency of Engagement

- Ad hoc.

Sustainability (continued)

SHAREHOLDERS AND POTENTIAL INVESTORS

Issues Raised

- Lack of understanding and appreciation of non-financial returns (pride and satisfaction of being an investor and shareholder of a truly value driven organisation that delivered unmatchable benefits to all stakeholders).

Mitigation Measures

- Investor relations portal to be managed by investor relations management consultants.
- Sharing of information on the website on investor relations and effective brand communication.

Engagement Methods

- External Media
- Social Media
- Website
- Emails

Frequency of Engagement

- Regularly, aligned with financial reporting schedules.

SUPPLIERS

Issues Raised

- Limited access to decision-makers.
- Lack of transparency.
- High operational cost.
- Regulatory challenges.
- High compliance requirements.
- Limited resources.

Mitigation Measures

- Build strong relationships through brand internalisation workshops and constant engagement.
- Supplier relationship management by seeking feedback and suggestions through open dialogue.
- Offer feedback to suppliers and help them improve their qualifications for future opportunities.
- Discuss pricing and terms in a fair and reasonable manner.
- Train procurement employees on the latest trends in supplier management.
- Procurement committee.

Engagement Methods

- External Media
- Social Media
- Website

Frequency of Engagement

- Continuously.

Sustainability (continued)

COMMUNITIES

Issues Raised

- Quality of lives being affected due to lack of safer, better, and high-paying jobs.
- Insufficient opportunities for becoming entrepreneurs.
- Lack of innovation in addressing the local issues, such as challenges related to local infrastructure, social services, unhealthy food and pollution.

Mitigation Measures

- Collaborate with community organisations and develop targeted financial inclusion programs that provide affordable banking options.
- Organise events and workshops within the community to increase awareness and answer questions.
- Simplify financial products and explain terms clearly to avoid confusion.
- Simplify customer journey especially application processes.

Engagement Methods

- External Media
- Social Media
- Website

Frequency of Engagement

- Continuously.

CUSTOMERS

Issues Raised

- Inadequate information for onboarding.
- Inadequate engagements during and after onboarding process.
- Inadequate after sales support.
- Poor employee customer care.

Mitigation Measures

- Customer segmentation model assists in targeting the right customer and ensures inclusion.
- Customer journey maps assist in understanding the customer, giving the right information at each stage, and providing convenience.
- Develop customer centricity culture.
- Use relevant content and language to suit and attract target audience.
- Consistent brand awareness across all media backed by adequate financial resources.
- Getting the right employee skills.

Engagement Methods

- External Media
- Social Media
- Website

Frequency of Engagement

- Continuously.

Sustainability (continued)

Sustainability Materiality Assessment

We conducted a thorough assessment of sustainability factors to identify and prioritise the most significant Environmental, Social, Economic, and Governance (ESG) issues relevant to our operations. This process was guided by a commitment to transparent sustainability reporting, aligned with the Global Reporting Initiative (GRI) Standards (2021), which follow the principle of double materiality considering both the impact of the business on the environment and society, and how ESG issues affect the Group's performance. We integrated metrics from the Sustainability Accounting Standards Board (SASB) and performed benchmarking against best practices observed in other financial institutions. We incorporated insights from key external stakeholders, drawing on input provided by internal departments to determine which issues might be material from the perspective of customers, investors, regulators, and the broader community. This evaluation process allowed us to identify and focus on material ESG topics that could influence our operational resilience, financial health, reputation, and ability to create long-term value.

Identification

ZB Holdings conducted an internal materiality assessment to identify key sustainability topics for its banking and financial services operations. This involved desktop research, reviewing SASB Indicators, and benchmarking topics reported by similar companies.

Prioritisation

The Group ranks identified sustainability topics as material based on their significance to the business and stakeholder interests. Senior management from all subsidiaries assess the topics through a survey, evaluating their relevance to operations and importance to stakeholders.

Validation

The Group validated the identified material topics by documenting management approaches for the relevant topics within the Group's control. Some topics were excluded for valid reasons.

Topic Selection and Matrix Generation

Final material topics were approved based on their alignment with business activities and plotted them on a matrix to show their significance to the company and external stakeholders.

Sustainability (continued)

Material Topics

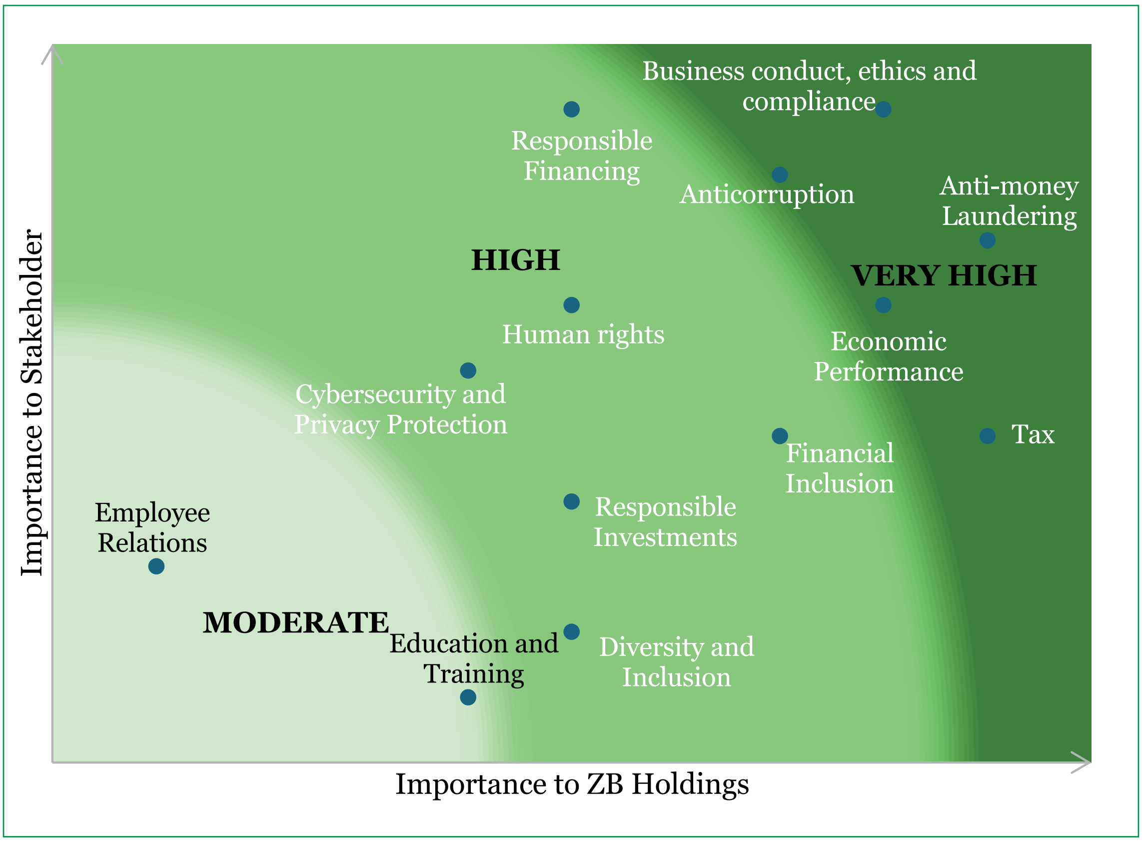
The identified topics were categorised into economic, environmental, social and governance as presented below:

Economic	Environment	Social	Governance
Topics that cover the flow of capital among different stakeholders, and the main economic impacts of the business.	Topics that cover the effects of our operations on both living and non-living elements of the ecosystem.	Topics that cover the impact on communities, societies, and individuals affected by our activities.	Topics that cover the effects on the system of rules, practices, and processes that guide and govern our operations.
Tax Economic Performance Anti-Money Laundering Responsible Financing Responsible Investment Financial Inclusion Supply Chain and Responsible sourcing	Waste Water Energy Climate Change Greenhouse Gas Emissions	Employee Relations Diversity and Inclusion Human Rights Training and Education Occupational Health and Safety Corporate Social Responsibility	Business Ethics and Compliance Digital Transformation Anti-corruption Cybersecurity and Privacy Protection Risk Management

Materiality Matrix

The matrix shown in the scatter graph below illustrates the results of issues identified and prioritized according to their importance to the Group and their potential impact on stakeholder decisions. The issues are plotted based on the total number of topics surveyed, which were narrowed down to the top fifteen (15) topics.

Sustainability (continued)



Very High: Those regarded by the business and stakeholders to be of significant interest.

High: Reflects where measures are in place to manage the impacts while improvements continue to be implemented.

Moderate: Reflects where significant efforts were made to address them.

The following topics were ranked as most significant:

- Anti-Money Laundering
- Business Conduct, Ethics and Compliance
- Anticorruption
- Tax
- Economic Performance

Delivering Responsible Financial Services

- Driving Strategic Growth and Digital Evolution
  - Managing Investments Responsibly
  - Financing with Purpose
  - Optimising Transaction Processing and Efficiency
  - Innovating for Sustainable Digital Solutions
- Placing Customers at the Centre
  - Enhancing Customer Satisfaction and Building Trust
  - Expanding Financial Inclusion
  - Improving Agility Through Self Service Channels
  - Ensuring Access and Affordability of Financial Services

Delivering Responsible Financial Services

Delivering responsible financial services involves prioritising customer protection, ethical lending, and financial inclusion. The Group ensures that its products and services are designed to meet the needs of diverse communities, while maintaining the highest standards of integrity, accountability, and compliance with regulations.

Driving Strategic Growth and Digital Evolution

We focus on leveraging technology to enhance operational efficiency, customer experience, and market competitiveness. The Group embraces digital transformation to expand its offerings, streamline processes, and create innovative solutions, ensuring sustained growth while adapting to evolving market demands.

Managing Investments Responsibly

ZB aims to make investments that create long term value to stakeholders, this is why we have a diversified portfolio of a banking cluster, insurance cluster and investments cluster. This allows us to diversify the risks of our investment portfolio therefore protecting shareholder value during downtowns in certain market segments. The above has been witnessed in our financial performance in the current year as total assets increased by 104% and Net Profit After Tax by 4%.

We have an external focus by providing support to Small and medium-sized enterprises (SMEs) to stimulate local economic growth and job creation. There are other opportunities we look at such as ESG-complaint funds that could accelerate the transition to a low-carbon economy. However, in our drive for value and return we may underinvest in socially beneficial sectors, indirectly supporting activities affecting land rights and vulnerable communities. As a result, the group continues to work on its ESG screening practices.

Our aim is to integrate the ESG criteria as a pre-investment evaluation for all investments across our asset classes. We have adopted mandatory ESG risk assessments before investment approval. This has allowed us to have investee companies that are focused on good corporate governance and positive social impact. We have allocated capital to socially beneficial investments and supported climate adaptation projects.

Processes	Goals	Targets KPIs	Stakeholder Engagement
• The use of ESG performance monitoring tools • Stakeholder and Investee engagement feedback	• Integrate ESG principles across all investment decisions • Reduce exposure to high -risk and non-ESG compliant sectors • Allocate a certain percentage of total portfolio is sustainable or impact investments	• 100% of new investments screened using ESG criteria • Percentage of portfolio ESG screened • Number and Value of sustainable/impact investments	• Regular feedback gathered form investors and shareholders expressed the importance of increasing our sustainable investments • The Group integrated more comprehensive ESG metrics into investment decision-making and enhancing its sustainable investment targets.

Relevant SDG:

8 DECENT WORK AND ECONOMIC GROWTH

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

Delivering Responsible Financial Services (continued)

Financing with Purpose

Qupa Microfinance, as an expansion of the Group's financial services, has successfully tapped into the fast-growing informal market, delivering value to low-income customers and increasing business in areas beyond traditional banking reach. The Group has increased its shareholding in a property company (Mashonaland Holdings Limited) to enhance property delivery for customers. However, rising interest rates pose challenges, discouraging borrowers due to higher repayment burdens.
Each year, the Group allocates a budget for lending to customers, assessing lines of credit before approval in accordance with its defined credit policy. As part of the credit issuance procedures, the Group evaluates potential drawbacks of client proposals, with credit committees composed of individuals from diverse backgrounds to identify any risks related to lending and sustainability requirements. The loan granting team undergoes ongoing training to stay updated on the latest advancements in sustainable lending practices.

Optimising Transaction Processing and Efficiency

Fast, real-time transactions enable efficient payments, remittances, and digital commerce, allowing businesses to maintain efficient transaction flow. Automation of transaction systems reduced processing errors, operational inefficiencies and allowed resources to be directed towards innovation and service delivery. However, this emphasis on automation can also lead to the exclusion of populations without access to technology or internet connectivity particularly the rural population. Technology comes with exposure to vulnerabilities such as hacking and phishing if security measures are not adequate. The Group's dependence on third-party vendors for transaction processing means that any delays or failures in these systems can impact its ability to provide timely services.

Actions	Evaluation Systems	Goals	Targets	KPIs	Assessment
• Upgrading transaction processing infrastructure to ensure that systems can handle large volumes of transactions without compromising speed or efficiency. • Developed offline transaction solutions (e.g., USSD codes, mobile agent networks) for customers in areas with limited or no internet access. • Developed an incident response plan that includes clear steps for diagnosing and resolving transaction processing failures, such as system crashes or payment gateway interruptions. • Actively collaborating with fintech startups, banks, and mobile network operators to expand access to fast payment processing.	• Quarterly internal audits to assess the performance of our transaction systems. These audits focus on transaction processing times, system uptime, error rates, and compliance with internal standards. • The Group regularly collects feedback through customer satisfaction surveys. • Monitoring the number of complaints and support tickets related to delayed transactions.	• Ensure that all transactions, both domestic and international, are processed as quickly as possible without compromising security or customer experience.	• Achieve a system uptime of 99.9% or higher for transaction processing platforms.	• The average time taken to process a transaction, from initiation to completion, across all transaction types. • The percentage of time that transaction systems are fully operational, excluding scheduled maintenance periods.	Our efforts resulted in a significant reduction in processing time, with improvements in both manual and digital transactions.

Delivering Responsible Financial Services (continued)

Key Lesson

Flexibility in process design is essential for adapting to both planned and unplanned operational demands. Investing in continuous training ensures that employees can effectively integrate evolving automation tools, maximising efficiency. Regular performance reviews and feedback loops are critical for identifying and addressing bottlenecks swiftly.

Stakeholder Engagement

Insights from customers highlights the need for faster service and enhanced digital accessibility, driving the acceleration of our digital transformation and automation initiatives. Maintaining ongoing dialogue with regulators has allowed us to ensure compliance with evolving standards while simultaneously improving transaction efficiency.

Relevant SDGs:

Innovating for Sustainable Digital Solutions

ZB Holdings is embracing innovation and digitalisation to transform its communication channels, while enhancing audience engagement. We ensure that all our digital platforms such as mobile banking, online loans and fintech applications have financial services for the low income, remote and underserved population. Due to the data security benefits, we have increased the use of cloud computing and virtual infrastructure. However, customers without internet access, smartphones or digital literacy may have challenges in accessing our services. Our increasing reliance on digital tools may raise the risk of cyberattacks, data breaches and potential misuse of personal financial data. We therefore continue to monitor continuing and emerging risks such as potential cybersecurity breaches, unethical AI use, and violation of data protection laws.

Our digital products and services are designed to be accessible to users across varying levels of digital literacy. We maintain alternative (non-digital) channels to avoid excluding non-digital users. ZB Holdings implemented strategies to appropriately innovate and digitalise such as simplified mobile and web banking platforms, hybrid service models for remote areas, and launching a low-bandwidth mobile banking app for areas with limited internet access.

Processes	Goals	Targets	KPIs	Lessons
• Cybersecurity audits • Digital Engagement metrics monitoring	• Increase financial inclusion through digital services • Ensure ethical and transparent use of technology	• Zero major data breaches • 98%+ customer satisfaction with digital services	• % of customers actively using digital services (web, mobile apps, USSD) • Number of significant cybersecurity breaches per year	• The need to incorporate universal design standards into our digital inclusion policy • We need to conduct mandatory usability testing across diverse demographic groups before launching any new digital products • The need to have a 'Hybrid channel Model' that ensures human support is available alongside digital tools (e.g. mobile agents, call-in canters

Delivering Responsible Financial Services (continued)

Relevant SDGs:

Placing Customers at the Centre

We prioritise our customers' needs by ensuring that every product, service, and strategy is designed to enhance their experience and satisfaction. This is done by focusing on personalised services, continually improving support, evaluating evolving customer expectations and building long-term relationships.

Enhancing Customer Satisfaction and Building Trust

Improved customer satisfaction has resulted in higher customer retention and loyalty, positive business growth and revenue, as customers increasingly utilise convenient and accessible services to manage their finances independently. Inconsistent service quality in certain locations has caused frustration, especially among digitally excluded users. Customers may display dissatisfaction due to system outages which are often due to maintenance schedules and inadequate customer support in remote areas. We also recognise that if digital platforms remain inaccessible to segments such as the elderly or disabled, it could further exacerbate inequality and exclusion.

How we Manage Customer Relations

- Ensuring consistent, responsive, and respectful service across all touchpoints (digital and in-person).
- Use of multi-channel feedback systems (e.g., call centres, in-app surveys, SMS) to detect issues early and respond promptly.
- Developing or enhancing products, including simplified microfinance loan applications and flexible insurance features.

Evaluation System	Goals	Targets	KPIs	Assessment
• Collection and analysis of feedback via surveys, Net Promoter Scores (NPS), in-app ratings, and social media monitoring. • Regular internal reviews of service delivery standards across branches, contact centres, and digital channels. • Continuous tracking of complaint resolution timelines, escalation rates, and customer satisfaction post-resolution.	• Deliver consistent, efficient, and user-friendly services across all platforms. • Strengthen long-term relationships through responsiveness and trust.	• Achieve a 90% satisfaction rate across all service channels.	• Customer Satisfaction Score (CSAT). • First Contact Resolution Rate. • Digital Platform Adoption Rate.	• Implementation of feedback systems, trained service staff, and digital channels has improved service speed and responsiveness across all platforms. • Enhanced complaint resolution processes have reduced average resolution time and improved closure rates building customer trust.

Delivering Responsible Financial Services (continued)

Relevant SDGs:

Expanding Financial Inclusion

The Group is committed to enhancing access to affordable banking services for underbanked and unbanked populations, particularly in rural and low-income urban areas. This contributes to poverty alleviation and reduces income inequality through inclusive lending models and having loans products offered by microfinance institutions that are affordable to lower income brackets. We support women and small and medium projects by providing lending that is within our risk appetite and within their reach. The Group is cautious of potential negative impacts, such as customer over-indebtedness from credit products offered without adequate financial education and the risks associated with partnerships with fintech providers which maybe exposed to unfair lending practices.

Policy	Actions Taken	Evaluation System	Goal	Target	Assessment
• Credit Policy	• Promoting financial inclusion by extending credit to marginalised populations including small farmers, micro-entrepreneurs and low-income households.	• Conducting due diligence on fintech and third-party partners including regular audits and compliance assessment. • This is aligned with our broader mission to support inclusive economic development and reduce barriers to financial access.	• To invest in small and medium enterprises, women businesses, and microfinance to enhance financial inclusion and support diverse customer needs.	• Achieving 80% to 100% facility utilisation.	• We realised the necessity of understanding customer requirements to improve access and affordability

Delivering Responsible Financial Services (continued)

Improving Agility Through Self Service Channels

The adoption of digital self-service platforms has significantly reduced reliance on customer walks in for support, leading to improved customer support. This shift supports long-term sustainability through reduced physical resource usage such as physical paper. While digital solutions offer many advantages, the infrastructure needed to support them, such as data centres, may lead to increased energy consumption if not managed sustainably.

Actions	Processes	Goals	Targets	KPIs
• Ongoing technological upgrades and by ensuring that self-service solutions evolve to meet the changing needs of our customers. • We have expanded access to digital tools for customers in underserved areas through mobile-enabled self-service platforms. • We launched digital literacy initiatives and are working with local communities to offer in-person assistance where necessary. • We have continually refined our self-service platforms to offer customers greater autonomy in managing their accounts, making payments, and accessing financial products.	• Regular internal audits are conducted to evaluate the efficiency and security of our self-service platforms, focusing on system performance, data security, and user experience. • We actively collect customer feedback through surveys, direct user reviews, and social media monitoring.	• Enhance service agility through digital transformation by improving customer self-service platforms and increasing automation. • Empower customers to independently manage their accounts, ensuring a seamless and accessible experience.	• Increase the adoption of self-service channels (e.g., mobile app, online portals) • Reduce the average transaction processing time.	• Percentage increase in the number of users engaging with self-service platforms (mobile apps, websites, etc.). • Customer satisfaction ratings from surveys specifically for self-service platform users (e.g., Net Promoter Score, Customer Satisfaction Score).

Our digital transformation initiatives have significantly increased the agility of our services. Automation of routine processes and the rollout of self-service platforms have improved transaction speed and operational efficiency.

Delivering Responsible Financial Services (continued)

Ensuring Access and Affordability of Financial Services

ZB Holdings has made strides in improving access and affordability of services by expanding affordable products to underserved populations, particularly in rural and low-income areas, thereby supporting economic participation and financial security for the marginalised groups. The availability of 24/7 banking through mobile apps has reduced geographic barriers. We are also monitoring risks on data-driven lending tools that could inadvertently introduce algorithmic bias against minority groups. Artificial intelligence (AI) driven solutions may lead to higher interest rates for demographics with certain risk profiles such as poor credit scores.

Efforts to Improve Access and Affordability	Evaluation Systems	Goal	Target	KPI	Assessment
• The Group invested in low-bandwidth mobile banking solutions and offline access options. This ensures that digital banking services are accessible even in areas with limited internet infrastructure. • We launched extensive financial education programs, both online and in local communities, to enhance the financial literacy of low-income and marginalised groups. • We implemented debt relief programs. This includes loan restructuring, which allows customers to renegotiate loan terms to lower interest rates, extend repayment periods, or temporarily defer payments. • The introduction of a mobile banking app allows customers to manage their accounts, make transfers, and access financial advice from anywhere.	• Reviewing product offerings, customer feedback, and compliance with internal standards on pricing, transparency, and service delivery.	• Offer competitive, low-cost financial products that are affordable for customers at all income levels, especially those in low-income or vulnerable segments.	• Achieve year-over-year growth in digital banking adoption, especially in remote or underserved areas.	• Number of new customers from underserved communities.	• The expansion of financial products, such as microloans, affordable savings accounts, and low fee checking accounts, has successfully increased access to essential financial services for underserved populations.

Strengthening Property and Asset Management

- Our Property Portfolio
- Tenant Satisfaction and Experience
- Managing Resilience to Natural Disasters

Strengthening Property and Asset Management

Effective property and asset management remains a priority to ensure the safety, functionality, and value retention of the Group's infrastructure. Through strategic investments in maintenance, security, and optimisation of physical assets, ZB Holdings supports operational efficiency and long-term sustainability.

Our Property Portfolio

Pillar	Commitment	Goal	2024 Target	2024 Progress
• Managing our real estate assets responsibly.	• In line with United Nations Decent Work and Economic Growth development goals we are committed to creating value for all our stakeholders.	• Optimise portfolio performance by increasing exposure in resilient sectors of the economy so as to generate more sustainable income	• Complete acquisition of Victoria Falls Hotel land (US$3million) • Complete disposal of Mash view Gardens and unlock residual revenue (US$1 million). • Complete construction of Pomona Commercial Centre project (US$15 million).	• Acquisition successfully completed • Disposal successfully completed • Practical completion successfully attained in December 2024

Tenant Satisfaction and Experience

We recognise the importance of maintaining a strong reputation and brand by prioritising the experience of our tenants. We aim for our properties to promote environment friendly practices such as responsible water usage, proper disposal of waste and efficient use of energy. It is our expectation that our properties may experience value increases from a high occupancy rate by satisfied tenants. In our pursuit for continuous property improvement through renovations and additional amenities, we are likely to experience increased waste and increased property operational costs. Tenant satisfaction initiatives may lead to increased energy consumption and carbon emissions as we thrive to provide properties that meet our customers variable needs.

Our processes require a rigorous evaluation and selection process for all our incoming and outgoing tenants. We prioritise provision of high-quality customer service, provision of tenant support and property maintenance. We conduct periodic rent reviews, evaluate third-party service providers and review the feedback provided by our tenants for continuous improvement. Our framework for tenant feedback includes tenant satisfaction surveys and feedback sessions to inform property management strategies and amenities investment.

Strengthening Property and Asset Management (continued)

Processes	Goals	Targets	KPIs	Progress made	Lessons
• Tenant Satisfaction Surveys • Internal Performance Dashboards • Annual Internal Audits • Tenant Retention and Turnover Analysis	• Enhance overall tenant satisfaction across all properties • Improve service response times and maintenance quality • Increase tenant retention and lease renewals	• Achieve and maintain a minimum tenant satisfaction score annually across the property portfolio • Increase lease renewal rate • Respond to 90% of maintenance requests within 24 hours and resolve 80% within 72%	• Overall tenant Satisfaction score • Maintenance response and resolution time • Number of tenant complaints and grievances • Average time to resolve complaints • Property condition score (based on internal inspections and audit reports)	• Achieve 85% overall tenant satisfaction score • 90% of maintenance issues responded to within 24 hours	• Proactive communication to reduce frustration • Speed and quality both matter • Personalisation to improve engagement • Tenant experiences policy enhancement

Relevant SDGs

3 GOOD HEALTH AND WELL-BEING

11 SUSTAINABLE CITIES AND COMMUNITIES

Managing Resilience to Natural Disasters

The Group identifies various effects of natural disasters on different sectors. Natural disasters can lead to increased demand for financial services, such as insurance claims processing and loans for rebuilding, while also accelerating the adoption of digital banking tools in areas where physical branches are inaccessible. Recovery efforts may encourage sustainable rebuilding practices through green financing and promote financial literacy and preparedness. However, challenges include rising insurance claims that may strain finances, disruptions to banking operations due to infrastructure damage, and job losses that can elevate poverty levels. Our activities may contribute to adverse outcomes by lending to or investing in businesses that engage in environmentally harmful practices, increasing the risk of natural disasters.

Strengthening Property and Asset Management (continued)

Disaster Preparedness and Recovery	Monitoring System	Goals	Targets	KPIs	Progress
• Risk Assessment and Management Policy - We assess natural disaster risks as part of our overall risk management framework. • We promote climate-resilient infrastructure and sustainable land-use practices through our financing and investment products. • We have invested in cybersecurity and system redundancies to minimise disruption from disaster-induced outages. • We collaborate with NGOs, governments, and multilateral institutions to co-finance rebuilding initiatives and community resilience programs. • We ensure support is accessible to vulnerable or marginalised groups, especially those disproportionately affected by disaster impacts.	• Regular internal audits are conducted to assess the effectiveness of disaster risk management measures, business continuity plans, and ESG risk controls. • We engage third-party auditors and ESG consultants to independently review the impact and effectiveness of our disaster-related actions and disclosures.	• Enhance the Group's resilience to natural disasters across all operations and service channels. • Support clients and communities in disaster preparedness, response, and recovery. • Integrate climate and disaster risk considerations into all financial products, investments, and underwriting practices.	• Critical business operations covered by updated and tested Business Continuity Plans by the end of each fiscal year. • Reduce average service downtime after a disaster.	• % of business units with tested disaster recovery plans. • Time to restore essential services after a disaster. • % of employees trained in disaster response protocols.	• We introduced a **'Priority Assistance Framework'** to identify and fast-track support for vulnerable customers during disaster events. • After each major disaster event, we conduct targeted surveys and feedback sessions with impacted clients, and 92% of surveyed clients rated our emergency financial relief as "satisfactory" or "very satisfactory," confirming the value and timeliness of our response.

Stakeholder Engagement on Disaster Preparedness and Recovery

Customers

What we heard?
Customers affected by natural disasters stressed the need for faster access to financial relief and simpler claims processes.

Actions Taken
- Introduced streamlined digital claims platforms for insurance pay-outs.
- Launched disaster relief loan deferral programs accessible via mobile and online banking.

What we heard?
- Employees requested clearer protocols and more training for responding to emergencies and serving clients during crisis events.

Actions Taken
- Rolled out mandatory annual training modules on disaster response procedures.
- Provided quick-reference guides and enhanced branch-level business continuity plans.

Human Capital

- How We Manage Employee Matters
- Post Employment Plans
- Creating Strong Employee Relations
- Collective Bargaining Agreements (CBA)
- Enhancing Skills Through Training and Education
- Occupational Health and Safety

Employee Hire	Employee Turnover
Headcount	Headcount
77% ↓	64% ↑
35 in 2024 155 in 2023	97 in 2024 59 in 2023

Human Capital

Skilled, engaged, and empowered employees are essential to drive innovation and operational excellence. The Group continues to prioritise employee development, diversity, and well-being to ensure a resilient and future-ready financial services provider.

How We Manage Employee Matters

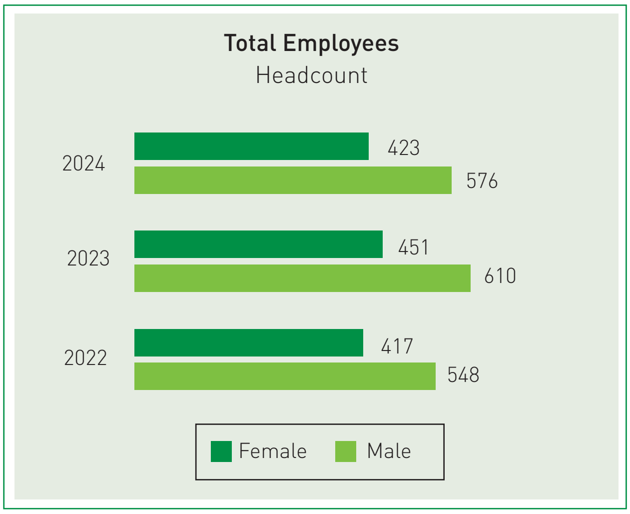
Employment plays an important role in shaping individuals' lives and driving economic growth through providing opportunities for skills development. The Group is committed to recruiting from a diverse pool of candidates, including recent graduates whom we offer graduate trainee programmes. Trainings can be on short-term contracts that enhance their employability and equip them with professional skills. Our trainees receive knowledge of the finance system, interpersonal skills development, financial independence and personal growth. However, challenges arise due to labour market shifts influenced by technology developments such as A.I., which can lead to employees facing job insecurity as certain processes within the Group are automated.

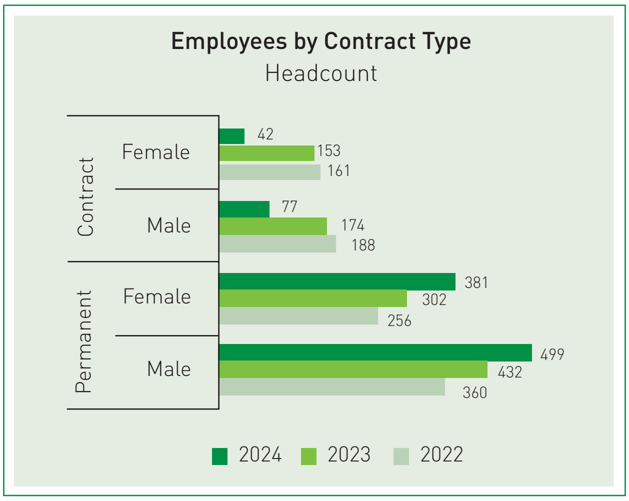
Our employee policies encompass areas such as Talent Management, Capability Building, Compensation and Benefits, and Culture Transformation. The Group promotes a strong commitment to employee wellness, encouraging employees to foster a positive environment for stakeholders. To enhance employee experience and retain key talent, a Culture Transformation Journey has been executed. Ongoing training and development support is provided to facilitate professional growth. A competitive compensation structure has been established to attract and retain top talent, while targeted recruitment efforts aim to improve gender balance.

Goals	Targets	KPIs	Progress
• To retain critical employees. • To ensure engagement levels are high. • Increase women representation at all levels.	• Maintain an Engagement Index of 80% and above. • Target 50/50 overall gender balance across the Group.	• Engagement Index. • Gender equity.	• Positive progress on culture transformation with over 80% initiatives proposed by employees implemented. • Turnover rates are well below 10% indicating a positive retention rate. • Gender balance at 42% women, which is above the market acceptable rate of 35%.

Human Capital (continued)

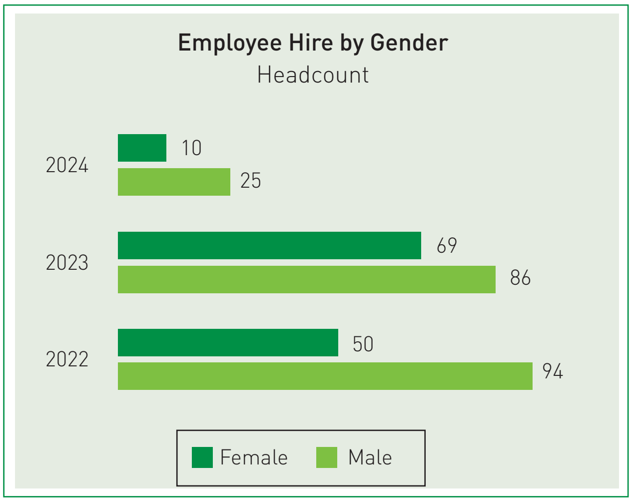
Employee statistics in the reporting period were as follows:

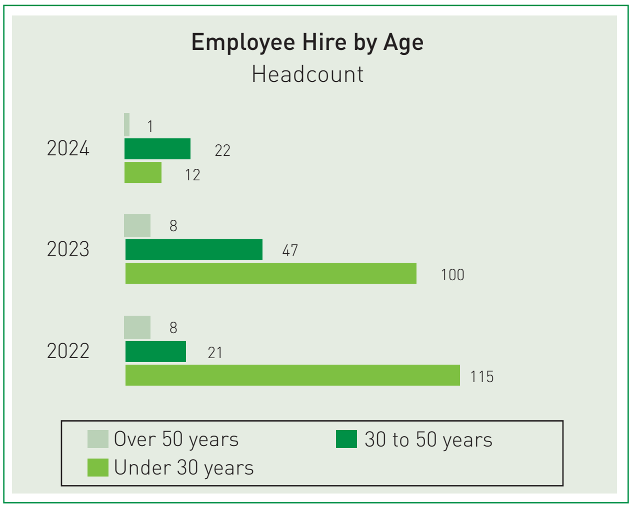




The 6% reduction in headcount was due to the retrenchment of employees.

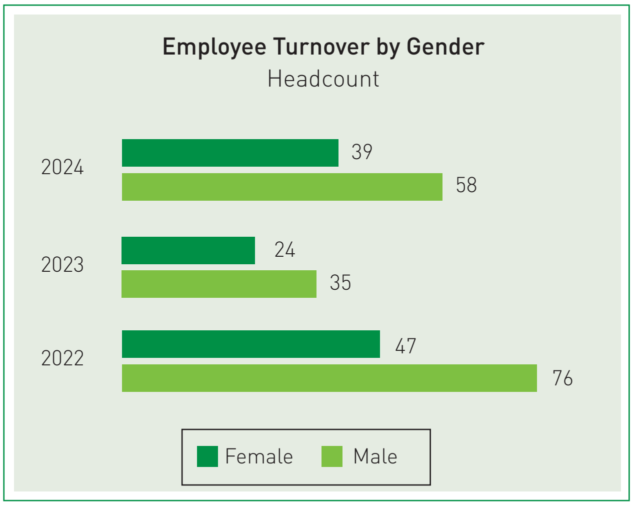
The employee movement was as follows:

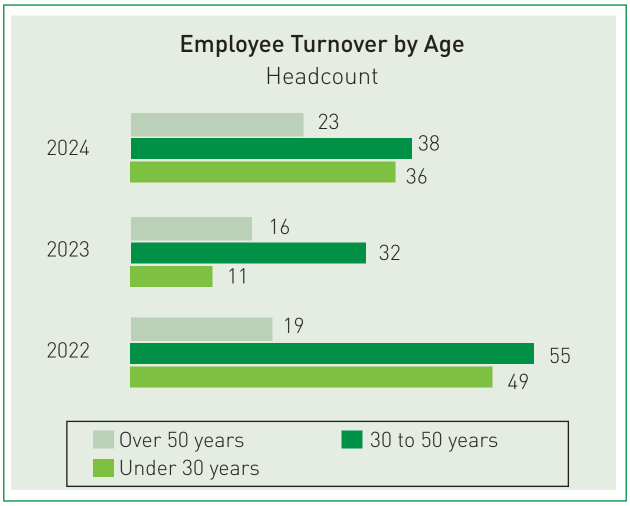




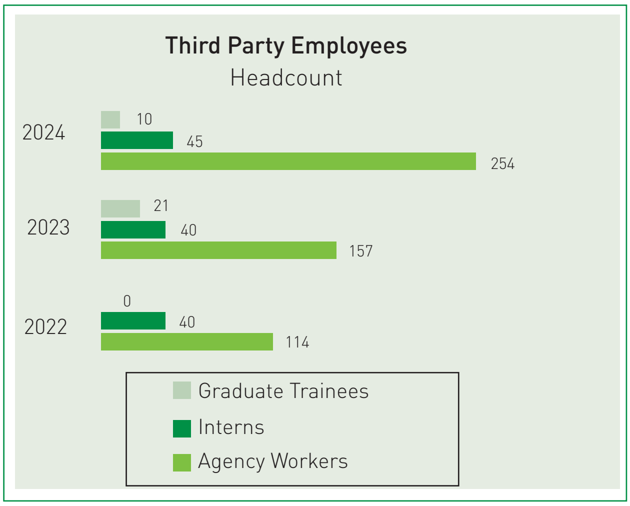
In 2023 the Group went through a restructuring which increased our staffing needs as the Group expanded in size. In the previous year we had already addressed most of our staffing needs hence the 77% decrease in hiring in 2024.

Human Capital (continued)





Third party employees were as follows:



The agency workers increased by 62% due to upscaling of the insurance business across the country.

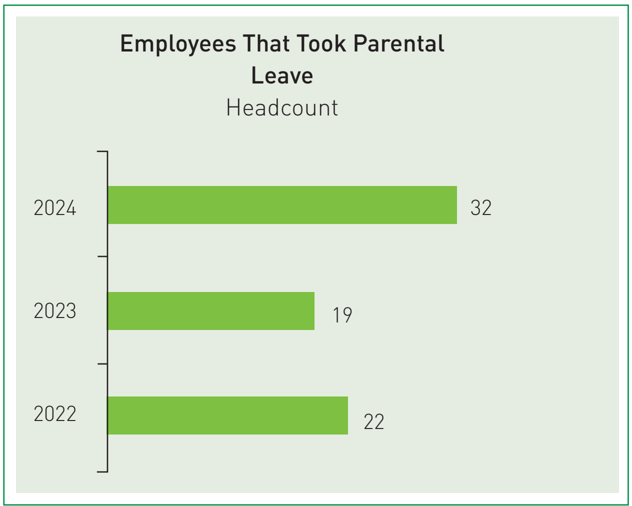
The overall 42% increase in third-party employees was primarily due to hiring employees for the service center.

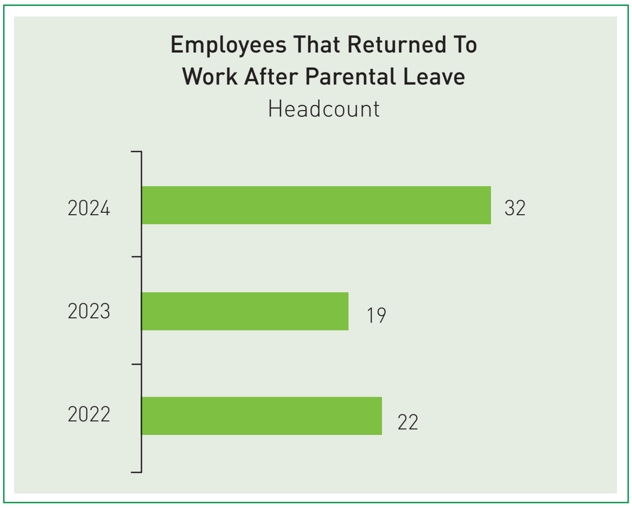
Human Capital (continued)

Parental Leave

We offer maternity and paternity leave. Female employees are entitled to 90 days mandated by the Labour Act [Chapter 28.01]. No male employees applied for paternity leave during the review period. All female employees who took maternity leave returned to work.

Parental leave statistics were as follows:

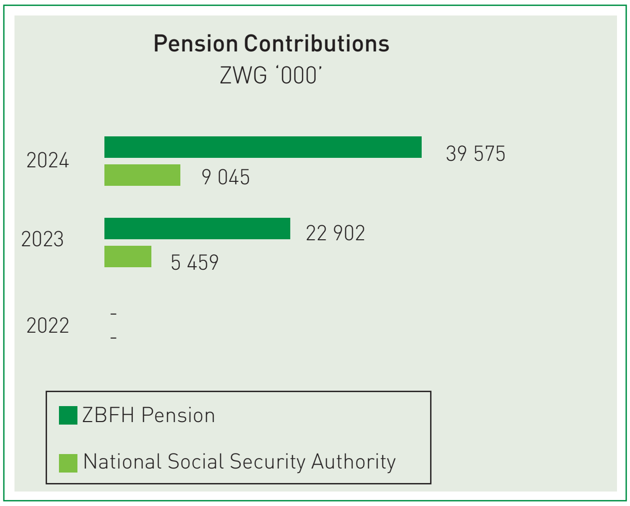




Post-Employments Plans

The Group's ongoing pension contributions are essential in establishing a sustainable retirement income to ensure financial security beyond active employment. Ultimately, the contributions reflect the Group's commitment to the long-term well-being of employees and highlights the importance of planning for a secure financial future.

Pensions in the reporting period were as follows:



Human Capital (continued)

Creating Strong Employee Relations

Effective employee relations are crucial for ensuring a harmonious work environment and enhancing productivity. Key elements include improved collective bargaining agreements, and open social dialogue, which contribute to increased productivity and employee satisfaction. However, challenges such as ineffective communication, failure to recognise employee contributions, and poor management practices can lead to strained relationships, decreased productivity, and reputational damage. A focus on short-term profits at the expense of employee well-being, along with issues like redundancy and job insecurity, can further undermine employee relations.

To strengthen employee relations, the Group conducts quarterly Works Council meetings and facilitates ad hoc engagements as needed, ensuring ongoing dialogue between management and employees. We promote employee wellbeing through wellness programmes such as sports and annual wellness trainings. Confidential employee counselling is provided by independent consultants to support employee mental health. Regular engagement sessions with the Group CEO promote transparency and connection, complemented by constant communication with the workers' committee to ensure that employee voices are heard and considered in decision-making processes.

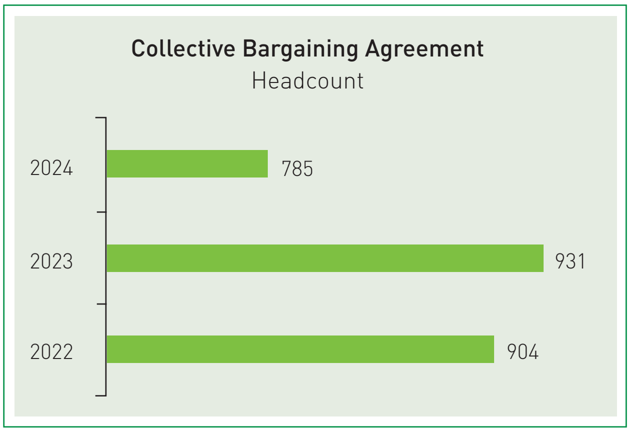
Evaluation System	Goals	Target	KPI	Highlight
• Employee surveys.	• To ensure engagement levels are high.	• 80% on engagement index.	• Quarterly performance reviews using the Balanced Scorecard.	• Employee training on industrial relations was conducted.

Collective Bargaining Agreements (CBA)

Our Collective Bargaining Agreement (CBA) outlines the terms and conditions of employment terms negotiated between management and employee representatives, aimed at promoting fair labour practices and workplace harmony. CBA covers wages, benefits, working hours, and job security, ensuring that employees' rights are protected while addressing management's operational needs. A well-structured CBA can improve productivity and align the goals of employees and management, contributing to growth and reduction in disputes.

The Group's CBA promotes workplace harmony, employee job satisfaction, and morale which enhances productivity. We are committed to holding frequent Works Council meetings to address employee concerns and actively participate at the National Employment Council (NEC) level to influence industry standards. ZB Financial Holdings utilises meetings and minutes review to ensure accountability and transparency in its CBA. If CBA terms are not respected there could be consequences of industrial action.

Employees under CBA within the reporting period were as follows:



The Group's CBA is conducted through the Zimbabwe Banks and Allied Workers Union (ZIBAWU). Non-union working conditions are internally determined by management representatives and the employer.

Human Capital (continued)

Enhancing Skills Through Training and Education

The group has learning and development programs that aim to improve employee competencies and retention by upskilling the skills we need from within. We have knowledge sharing programs and structured trainings that enhance accountability over our employee's development needs. Our programs are structured to empower and drive innovation and quality of decision making. However, potential risks such as bias in content delivery, skill mismatches and loss of talent to competitors require effective management. External training partnerships, while valuable, introduce challenges such as high costs and inconsistent content quality, thereby requiring careful oversight.

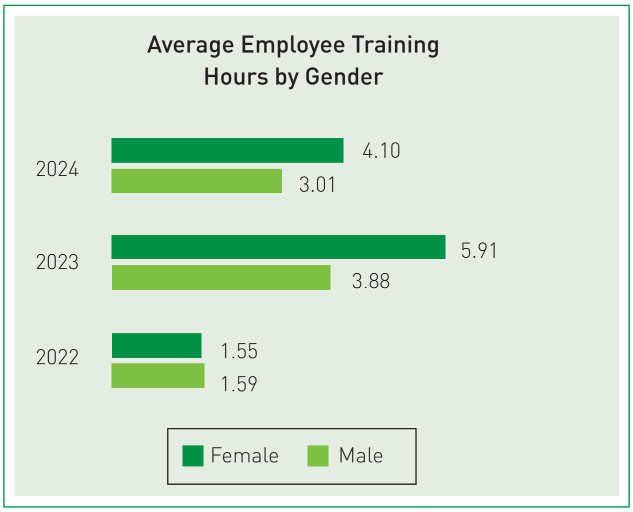
We conduct bias reviews in training materials, ensure accessible learning platforms and perform Training Needs Analyses (TNAs). Remediation efforts include structured leadership development programmes, beneficial educational partnerships, and learning reward systems. Progress is tracked through internal audits, implementation of training reviews, and employee feedback surveys. With a focus on 100% training completion targets, the Group remains committed to fostering a skilled, inclusive and future ready employee base.

Goals	Targets	Progress Made	Policies	Actions
• Annual training completion. • Adequate skill staffing. • Gender parity in training by 2025.	• 100% completion for non-managerial employees. • 100% satisfaction in training needs by 2025. • 100% leadership training achieved.	• Localised content improved employee engagement. • Online training reduced access barriers. • Surveys refined alignment with employee requirements. • Leadership programmes and partnerships (e.g., COP) implemented.	• Equal Opportunity Policy. • Learning and Development Policy.	• Support lifelong training aligned with the Group's strategic goals. • Cater to all business clusters (Banking, Investments, Insurance). • Regular third-party audits and feedback mechanisms.

Relevant SDGs:

Human Capital (continued)

Employee training statistics were as follows:



In 2024, the Group conducted less training sessions due to a significant decrease in new engagements compared to 2023, hence the 31% decrease in total average training hours.

Type and scope of programmes implemented, and assistance provided to upgrade employee skills:
- Leadership development programme for managers.
- Internal courses for Insurance and Banking clusters to support service delivery.
- Support employees who would like to pursue degree programmes relevant to their areas of work.

The Group partners with Small and Medium Enterprises Development Corporation (SMEDCO) to offer training on sustainable business ventures one can engage in after employment.

Occupational Health and Safety

The Group maintains an occupational health and safety (OHS) program that supports both physical and mental wellbeing for all employees. Through our in-house clinic, medical aid coverage, and partnerships with healthcare providers like CIMAS, we deliver preventive care and health awareness programs. The programme has been well-received, with ergonomic improvements including new chairs and proper lighting across workstations. To further support mental health, we provide access to external psychologists and psychometricians, helping employees manage work-related or personal psychosocial challenges.

Despite these efforts, several challenges affect employee health. Prolonged sitting and extended screen time contribute to issues such as eye strain and fatigue. The ongoing transformation created job insecurity, leading to increased stress and anxiety among employees. If unaddressed, these factors could lead to reduced productivity, higher stress related absences, and potential long-term health consequences for employees.

Human Capital (continued)

Goals	Targets	KPIs	Progress	Policies
• Healthy work environment. • Ergonomic safety. • Regulatory compliance. • Minimise occurrence of occupational hazards.	• 90% satisfaction rate for healthy working environment. • 5% outstanding ergonomic issues. • 100% compliance with NSSA regulations. • Number of OHS incidences should be less than 10%.	• Employee health complaints. • Back/eye strain reports. • Positive audit results from NSSA inspections. • Actual number of incidents.	• We have partnered with CIMAS Medical Aid to do branch visitations and health awareness programmes for employees which was. well received. • New desks and ergonomic chairs have been acquired for all employees and office lighting is appropriate. • Fully compliant. • No cases recorded.	• Employee Wellness Policy. • Workplace Safety Policy. • HIV and AIDS Policy. • NSSA and Workman Compensation Policy.

Hazard Identification and Risk Assessment (HIRA)

Our hazard identification and risk assessment processes are conducted by clinic nurses and NSSA inspectors. First aid training covers all departments, while our clinic provides ongoing health monitoring. The financial services environment presents low physical risk but requires continued focus on mental health support and ergonomic best practices to address our high stress operational context. Employees actively engage in OHS through committees, councils and monthly quality circles.

Employees report work-related hazards through their line managers, who escalate the matter to the People and Culture (HR) department for resolution. The HR team ensures remedial action is taken to address risks, supported by the Group's Staff Wellness Policy which promotes physical, emotional and financial well-being through targeted interventions and Workplace Safety Policy. When OHS incidents occur, the People and Culture Department intervenes to implement corrective measures, driving continuous improvements in employee safety and well-being.

Advancing Sustainable Operations

- Managing Water Responsibly
- Minimising Waste and Promoting Circular Practices
- Improving Energy Efficiency

Advancing Sustainable Operations

Our efforts to advance sustainable operations focus on minimising environmental impact through responsible use of resources such as water, energy, and materials. By implementing efficiency measures and waste reduction strategies, the Group aims to enhance its operational resilience while supporting broader environmental goals.

Managing Water Responsibly

The Group implemented a water conservation program that successfully reduced water usage through installation of modern, efficient plumbing systems and employee awareness campaigns. These initiatives have positioned us as a sector leader in sustainable operations while aligning with SDG 6 (Clean Water and Sanitation).

2% increase in Water Consumption

While we have made significant progress, some challenges remain with older plumbing systems in certain buildings and our dependence on municipal water supplies during drought periods. We are addressing these through system upgrades in all owned buildings and the integration of water efficiency standards into new construction projects like our 881 Mt Pleasant development. Our monthly monitoring shows positive results, with reduced water bills and immediate response times to leaks, supported by strong employee engagement in conservation efforts.

Goals	Targets	KPIs	Highlights
• Promote water conservation awareness among employees • Implement modern water systems and equipment • Maintain infrastructure	• 100% employee participation • All owned buildings upgraded • Immediate leak response	• Litres of water used per employee per month. • Number of plumbing upgrades completed • Repair time for reported leaks	• Employee commitment in preserving water has been positive. • In progress • Immediate response achieved

The integration of water efficiency into our procurement processes and building management strategies ensures these improvements are sustained as we expand our facilities. Regular monitoring and employee engagement remain central to our strategy for minimising water footprint across all operations.

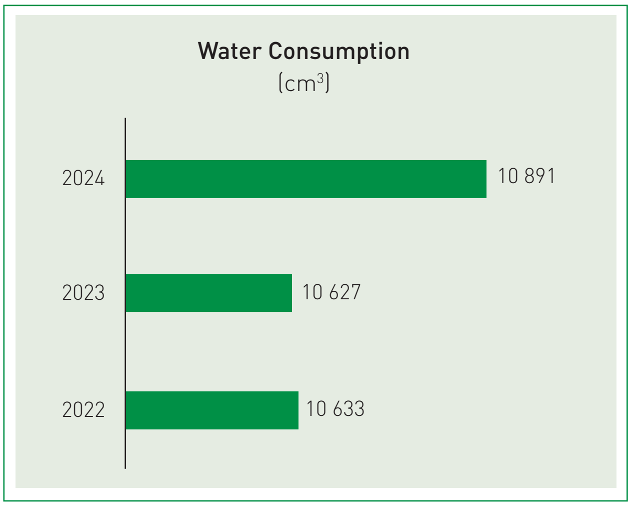
Relevant SDGs:

6 CLEAN WATER AND SANITATION

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Advancing Sustainable Operations (continued)

Water consumption during the year was as follows:



Minimising Waste and Promoting Circular Practices

The Group continue to demonstrated a strong commitment to sustainability and operational efficiency, which has resulted in reduced costs through recycling waste.

A well-structured collection and disposal plan ensures efficient waste management by facilitating proper waste separation at source, timely collection and responsible disposal. By establishing designated collection points ZB Holdings aims to minimise waste accumulation, maintain hygiene and adhere to environmental regulations

Our waste hierarchy follows the following actions:

- **Reduce –** Minimising waste at the source through digital initiatives aimed at reducing paper use and optimising procurement processes to reduce packaging.
- **Reuse –** Encourage the repurposing of materials. This will include office supply repurposing and programs focused on the refurbishment of furniture and IT equipment.
- **Recycle –** Facilitate material recovery by implementing an efficient sorting system. This will be supported by a color-coded bin system to ensure proper separation of waste

How we do it?

Inspection	We have	Tracking Waste Generation
• Conduct quarterly waste audits to estimate waste volume and weight. • Implement digital tracking systems to monitor waste generation trends. • Utilise data-driven decision-making to refine waste handling strategies	• Recycle bins for paper, plastics and packaging waste. • E-Waste recyclers and refurbishment programs for Electronic Waste. • Composting for Organic Waste. • Certified waste handlers for Hazardous Waste. • Specialised treatment for Liquid Waste	• Monthly assessments to identify waste trends and optimisation opportunities. • Digital tracking systems to automate data collection and reporting. • Annual reviews to analyse waste trends and strategy effectiveness.

Advancing Sustainable Operations (continued)

Goals	Targets	Progress Made	Policies	Commitments
• Effective waste management. • Operational alignment. • Stakeholder satisfaction.	• 90% Audit Cure Rate. • Proper waste disposal. • Clean service centres.	• 2024:90% Cure Rate achieved. • 2023: Consistent improvement in Cure Rate. • Adjusted processes with service providers (e.g., access before operating hours). • No negative customer feedback on cleanliness.	• Business Continuity Policy • Environmental Risk Policy • Operational Risk Policy	• Sustainability Standards Certification Initiative (SSCI) • ISO 14001: Environmental Management System (EMS) • Environmental Management Agency Regulations • Municipal Waste Disposal Policies • Incident Management Plan

Relevant SDGs:

Improving Energy Efficiency

The Group is dedicated to managing energy use and mitigating related impacts of inefficient energy use. We adopt renewable energy sources and energy-efficient equipment. However, we recognise that supply chain or partner operations with high energy footprints could indirectly affect our sustainability profile.

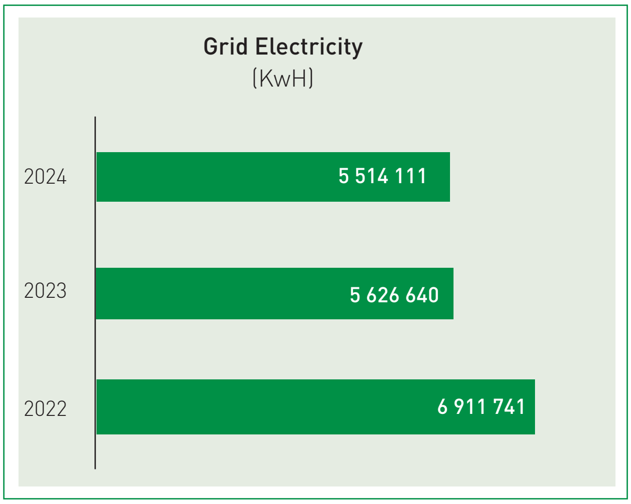
We prioritise the control and systematic monitoring of our energy usage to ensure optimal energy consumption and decrease energy costs. The Group abides by the Environmental Risk Policy and is committed to the Sustainability Standards Certification Initiative (SSCI). We raise awareness to employees through email reminders of the importance of improving energy usage such as recycling reminders.

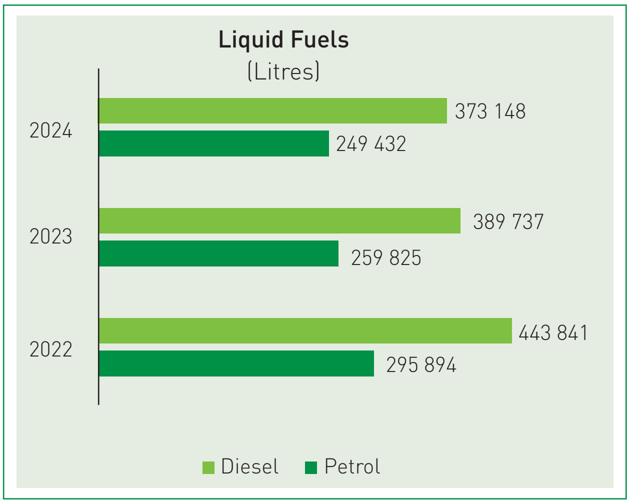
Advancing Sustainable Operations (continued)

Processes	Goals	Targets	KPIs	Progress Made
• Annual sustainable reports. • Energy disclosures. • Monthly energy consumption tracking via utility bill analysis.	• Reduce energy wastage significantly.	• Achieve 100% renewable energy sourcing across operations. • Installation of functional solar systems at all the premises at a rate of 5 systems per year.	• Total energy consumption. • Number of energy-efficient devices installed. • Cost savings from reduced energy consumption.	• 5 service centre locations have solar systems of varying sizes.

Relevant SDGs:

Energy consumption during the year was as follows:





The 2% decrease in electricity consumption was attributed to operational efficiency improvements and increased reliance on renewable energy sources, including expanded solar utilisation.

The 4% decrease in diesel consumption was due to energy efficiency measures, such as optimising generator usage schedules and prioritising operations during grid-available hours. The Group made use of solar power systems and hybrid backup systems at some branches as part of sustainability efforts, thereby reducing diesel dependency.

Petrol usage decreased by 4% because the Group introduced more fuel-efficient cars, Hybrid cars for use as the pool cars. Several Toyota Aquas were bought. Increased use of virtual meetings and digital platforms led to a reduction in employee travel between branches and client visits. Expansion of mobile and online banking reduced the need for physical employee presence in some areas.

Responding to Climate Change

- Addressing Climate Related Risks and Opportunities
- Greenhouse Gas (GHG) Emissions
- Climate Action

Scope 1: Liquid Fuels	Scope 2: Grid Electricity
4% ↓	2% ↓
1,698,933 in FY2023	1,268,561 in FY2023

Responding to Climate Change

In response to the growing impacts of climate change, the Group embeds and integrates environmental considerations across all operations. This includes advancing risk assessment capabilities and driving initiatives that reduce our environmental footprint.

Addressing Climate Related Risks and Opportunities

ZB Holdings strengthened its commitment to sustainability by incorporating climate-related considerations into both underwriting and investment decisions. Climate risk management systems were enhanced with advanced modelling tools to improve risk assessment and pricing accuracy. The Group made significant strides in meeting climate-related financial disclosure requirements through comprehensive reporting frameworks and employee training. Further, initiatives aimed at reducing the carbon footprint such as promoting digital communication, positively impacted operational efficiency and environmental performance.

Changing Weather Patterns

Physical

Risk	Financial Implications	Methods to Manage
Increased frequency and severity of extreme weather events could pose a threat to our loan portfolio.	Increased likelihood of borrower defaults due to crop failures or reduced incomes from extreme weather events.	Diversifying our loan portfolio to less exposed sectors.

Renewable Energy

Transitional

Opportunity	Financial Implications	Methods to Manage
Investing in renewable energy sources such as solar presents an opportunity to reduce our carbon footprint and operational costs while diversifying our revenue streams.	Initial investment costs may be significant, but long-term savings on energy expenses and potential revenue from renewable energy projects could enhance profitability and sustainability.	Partnering with renewable energy developers or investing in renewable energy projects directly.

Changes in Environmental Laws and Regulations

Transitional

Risk	Financial Implications	Methods to Manage
Stringent environmental regulations and carbon pricing schemes may be imposed to mitigate climate change, and failure to comply will result in penalities.	Compliance costs associated with meeting regulatory requirements may increase operational expenses.	Monitoring regulatory developments and ensuring compliance with relevant environmental laws and standards.

Responding to Climate Change (continued)

Green Financing

Transitional

Opportunity	Financial Implications	Methods to Manage
The growing demand for sustainable finance products presents an opportunity to expand our portfolio of green loans and investment funds.	Potential increase in loan volumes and fee income from green finance activities.	Developing specialised financial products tailored to the needs of green projects and business.

Liability

Transitional

Risk	Financial Implications	Methods to Manage
Potential legal action against ZB Financial Holdings for its contribution to climate change or failure to adequately disclose climate related risks.	Potential legal costs and financial settlements if found liable for climate related damages.	Implementing comprehensive environmental due diligence processes and ensuring transparency in reporting our climate related activities and exposures.

Market Reputation

Transitional

Risk	Financial Implications	Methods to Manage
Loss of customer trust due to inadequate climate action.	Reduced customer base and revenue.	Strengthen sustainability initiatives and enhance customer communication.

Greenhouse Gas (GHG) Emissions

We monitor emissions from both stationary and non-stationary sources with the goal of reducing hydrocarbon fuel consumption.

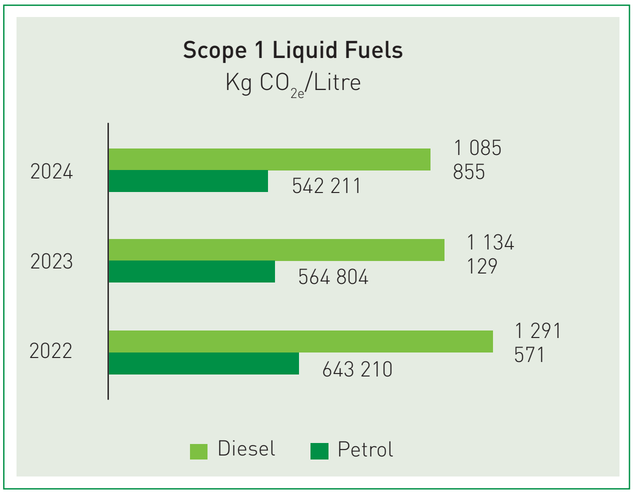
- **Scope 1** Emissions (Direct Emissions): These emissions arise directly from sources owned or controlled by ZB Holdings, including stationary sources like generators and mobile sources such as vehicles.
- **Scope 2** Emissions (Indirect Emissions): These emissions result from the consumption of electricity generated by third parties in our offices and properties, excluding the emissions from the electricity supplier.

Emission Factors and Methodology: We calculated Scope 1 and 2 emissions based on the Group's energy consumption and the relevant emission factors. Energy consumption was converted into carbon emissions equivalence using factors from the Greenhouse Gas (GHG) Protocol. The petrol emission factor was reduced by 5% to account for the ethanol blending ratios in Zimbabwe, while the grid electricity emission factor was increased by 10% to reflect the mix of thermal and hydropower generation in the country.

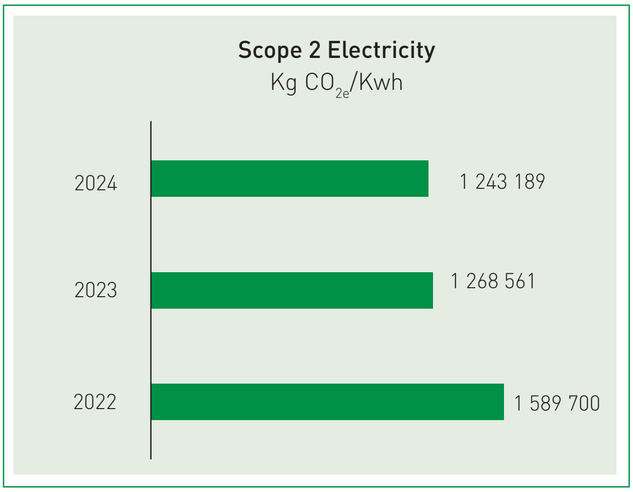
Responding to Climate Change (continued)

Emissions during the year were as follows:

Scope 1



Scope 2



Relevant SDGs:

[1] Emission_Factors_for_Cross_Sector_Tools_V2.0_0.xlsx

Responding to Climate Change (continued)

Climate Action

The Group provides financing for climate-smart agriculture and sustainable energy solutions, helping its customers respond to climate change. Increasingly unpredictable summer rains and worsening droughts threaten Zimbabwe's agricultural sector. These climate shifts disrupt growing seasons and reduce crop yields. The resulting instability demands urgent adaptation in farming practices and financing models to build resilience against these challenges. However, we recognise our indirect contribution to climate risks through financing certain mining and manufacturing operations that emit greenhouse gases.

Goals	Targets	KPIs	Progress	Policies	Commitment
• To ensure that agricultural customers are timely financed in line with agricultural season changes. • Operational sustainability	• 80% successful cropping programs under our funding programmes. • Reduced Chloro - Fluoro Carbons (CFC) emissions.	• Number of successful Agro customers financed. • Reduction rate.	• Assessments still in progress. • AC usage monitoring initiated.	• Environmental Risk Policy.	• SSCI standards compliance.

	Purpose	Beneficiaries	Investments	
Environmental Mindfulness	To mitigate the effects of climate change, protect natural ecosystems and ensure a healthier planet for future generations.	Harare Town Council Kundayi High School Ministry of Women Affairs Small and Medium Enterprises Development Mavuradonha High School Mutare Boys High School Nyanga High School Nyamuzihwe High School Mkushi Training Centre (Morris Depot) St Marks High School Mazowe RDC Kwekwe City Council Zvishavane Town Council	Trees Bee keeping materials Clean-up campaign Bins	13 CLIMATE ACTION 15 LIFE ON LAND

Key challenges remain in fully incorporating climate considerations into all financing decisions and operational policies. Stakeholder engagement processes are pending, while continuous client interactions and covenant implementations help maintain progress towards our zero-impact climate goals. The Group maintains a cautious approach, balancing financial services with growing environmental responsibilities in Zimbabwe's evolving climate landscape.

Our Community Investment

Our Community Investment

ZB Financial Holdings remains committed to meaningful community investment as part of our sustainability agenda. Through targeted initiatives in education, health, and economic empowerment, we strive to uplift communities and contribute to long-term social development.

Our Corporate Social Investment

As ZB Financial Holdings, we aim to make significant contributions to community development through various initiatives. We aim to promote financial inclusion by offering microfinance schemes and having education assistance schemes for the underprivileged and orphans. We intend on hosting activities such as tree planting, wellness days and installing solar streetlights as a way of interacting and appreciating our communities. We anticipate participating in the trade events and associations and making charity donations. We anticipate having internal and external awareness campaigns quarterly and conscientize our employees, customers and the public.

Targets	KPIs	What we could achieve
• US$5 million towards donations/ sponsorships.	• Amount donated.	• ZWG 1.167 billion in 2024.

Our Community Investment (continued)

Our Corporate Social Investment

Education

Purpose

Enhance education and equip individuals with knowledge and skills on informed financial decision making.

Beneficiaries

Zhawari Primary School
Triangle SMEs EXPO
Midlands SMEs EXPO
CAMFED Nyanga
Hombwe High School (hosted 14 schools in Makonde)
Masikana Primary School
Monte Cassino Girls High
Ran Mine Primary School

Investments

Computers for a School lab
Financial Literacy Training
Career guidance
Stationery

4 QUALITY EDUCATION

Philanthropy

Purpose

Support the underprivileged in meeting their basic needs.

Beneficiaries

Danai Children's Home
Cerebral pulse patient
People with disabilities
Bumhudzo Old Peoples Home
Zimburi Secondary School ZPS
Hwahwa Prison

Investments

Grocery humpers
Dignity kits
Clothes and shoes

2 ZERO HUNGER

Health and Wellness

Purpose

Improve overall wellbeing to foster healthier communities.

Beneficiaries

Lake Harvest Kariba
SDA Health Expo
HAC 20
Bernard Mzeki Golf Day

Investments

Golf exhibition material
Expo material
Participating and sponsoring marathon

3 GOOD HEALTH AND WELL-BEING

Sustainable Development Goals (SDGs)

ZB Holdings is dedicated to promoting Sustainable Development Goals (SDGs) through a systematic prioritisation process. The process starts by ensuring alignment of SDGs with the Group's long-term vision and core operations. We engage with stakeholders, to identify essential areas of need. The Group evaluates societal and environmental challenges in Zimbabwe, focusing on issues such as poverty alleviation, healthcare, and education. ZB FH prioritises goals based on their feasibility and potential impact, ensuring that resources and expertise are utilised effectively for maximum positive outcomes.

Our Community Investment (continued)

Our priority SDGs for the period under review were as follows:

- SDG 3 - Good Health and Well-being.
- SDG 8 - Decent Work and Economic Growth.
- SDG 13 - Climate Action.

For the period under review the Group contributed toward the following SDGs:

SDGs	Targets	Goals	Impacts
Zero Hunger	Target 2.1	To eliminate hunger and ensure access for all individuals, especially the vulnerable.	Orphanages, old people's homes and schools supported.
Quality Education	Target 4.1 Target 4.6	To ensure that all youth achieve quality education with proficiency in computer skills while promoting literacy and numeracy among adults and youth for lifelong learning opportunities.	Primary Schools, Secondary Schools and communities supported.
Life on Land	Target 15.2	Ensure the conservation of biodiversity and ecosystems.	Supported tree planting initiatives of town councils, rural district councils and schools.

Driving Sustainable Economic Development

- Financial Performance
- Responsible Sourcing and Supply Chain Integrity
- Transparent and Responsible Tax Practices

Driving Sustainable Economic Development

Driving sustainable economic development is central to our long-term strategy and economic growth. We are committed to creating shared value by supporting inclusive growth, financial resilience and aligning our operations with the broader development goals of Zimbabwe.

Financial Performance

ZB Financial Holdings generates its economic value through the provision of a diverse range of products and services. This value is then distributed to various stakeholders, through tax contributions, dividend payments and employee remunerations. The direct economic value generated and distributed by the Group for the 2024 financial year is presented in detail in our financial statements. This information allows stakeholders to clearly understand how the Group's business activities translated into economic impacts, both in terms of the value created and the distribution of that value to key stakeholders. Our financial performance has significant impacts to national economic growth.

Responsible Sourcing and Supply Chain Integrity

ZB Financial Holdings recognises the importance of building a sustainable and responsible supply chain as an integral part of delivering high-quality service while upholding environmental, social, and ethical standards. The Group's approach to procurement is anchored in responsible sourcing practices that promote supplier accountability, support local economic development, and reduce environmental impact. Through strong supplier relationships and clear quality expectations, ZB has seen a notable improvement in the consistency, freshness, and cleanliness of supplied products. The Group boosts local communities by prioritising the procurement of goods from Small to Medium Enterprises (SMEs). However, we remain aware of potential negative impacts associated with our supply chain including the procurement of non-biodegradable packaging materials, which contribute to landfill waste and undermine environmental efforts. There is a risk of indirectly supporting suppliers who have unsustainable production practices, such as excessive emissions or improper waste disposal. Sourcing from unethical suppliers could expose the Group to risks such as negative media coverage, reputational damage, and the inadvertent promotion of unfair labour practices.

The Group adheres to its Quality Policy and Procurement Procedure Manual, which outlines supplier standards and sourcing protocols. We conduct regular supplier site visits to assess sustainability, hygiene, occupational health, and safety (OHS) compliance and overall supplier reputation. The Group only works with registered suppliers who have passed this vetting process. When products do not meet set standards, ZB returns them and may suspend the supplier altogether. These actions help uphold quality and reduce risk. We continuously educate suppliers on our quality expectations and conducts evaluations to ensure adherence. This focus on quality assurance helps to maintain a consistent and reliable supply of goods and services.

Relevant SDGs:

Driving Sustainable Economic Development (continued)

Transparent and Responsible Tax Practices

ZB Holdings contributes to the national fiscus through timely tax payments while ensuring full compliance with all applicable tax laws and obligations, including the timeous obtaining of tax clearance certificates. This approach protects shareholder value and minimises operational tax risks. The Group proactively identifies and discloses any compliance gaps, whether internal or raised by external auditors, to avoid tax penalties and interest charges. However, we continuously monitor challenges such as high compliance costs, potential delays in certificate acquisition and risks of tax penalties, interest or payment discrepancies, both overpayment and underpayment. A dedicated tax accountant oversees daily tax matters, supported by half-yearly and annual external audits. To minimise risks, ZB Holdings employs a tax risk management methodology, ensuring compliance with statutory requirements and maintaining a document retention policy aligned with regulatory standards.

Stakeholder Engagement in Tax Matters

We seek advance tax rulings from ZIMRA to confirm tax implications of potential transactions, ensuring clarity and certainty. We strictly adhere to all filing deadlines by submitting tax returns and making payments before their due dates. Any identified compliance gaps are disclosed voluntarily to maintain transparency and rectify issues on time. Stakeholder engagement is managed by the Public Officer, who fosters transparent relationships with revenue authorities, external advisors and industry bodies. The Group resolves disputes constructively and withholds 30% tax on payments to suppliers without valid tax clearance certificates. Financial statements are published for transparency, and external tax advisors are consulted for complex transactions.

Our Internal Tax procedures are guided by our:

Tax Policy and Procedure Manual

Goals	Targets	KPIs	Progress Made
• Complying taxpayer, minimising tax liability and maximising shareholders' values.	• To be a good corporate citizen. • Making timely tax remittances. • Zero tolerance to non-compliance on tax matters.	• Valid Tax clearance certificate. • Good external tax auditors' report. • 100% tax compliance at any given point.	• No disputes with tax authority for the year ended 31 December 2024. • ZB Life Assurance, ZB Reinsurance, ZB Bank, and ZB Building Society secured 2024 clearances.

Driving Sustainable Economic Development (continued)

Tax compliance strengthens business operations, minimises tax risks, and fosters positive relationships with both ZIMRA and other stakeholders. This is achieved by implementing tax auditors' recommendations to address identified gaps, while ongoing engagement with tax authorities helps clarify outstanding compliance issues and prioritise corrective actions.

Tax Payments in the reporting period were as follows:

Tax	FY2024 (ZWG)	FY2023 (ZWG)	FY2022 (ZWG)
Corporate Tax Subsidiaries	67,505,867	5,477,456	971,471
Value Added Tax (VAT)	48,443,282	3,704,560	239,062
PAYE	177,388,966	183,420,059	29,321,919
Withholding Tax-10%	358,332	221,098	170,114
WHT on NRTF and NRTRoy	11,853,039	127,662,383	95,746,787
Aids Levy	5,321,669	5,502,602	879,658
IMTT	404,879,466	34,768,321	3,168,948
Other taxes	5,067,819	1,301,375	769
Grand Total	720,818,441	362, 057,854	129,706,674

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ZB Investing in the Community

ZB stands as a cornerstone of community development in Zimbabwe in line with its purpose to improve lives through service. The Group is committed to enable its stakeholders and communities to "Rise to Excellence" by investing in various projects that impact the economic development of the country.

Building a Better Tomorrow through Education

ZB has left it's footprit in the education sector by consistently providing financial services to schools, colleges and universities, that have propelled them to higher levels in terms of quality of education and consistency. It has financed essential infrastructure projects, including school buses, administrative buildings and classroom facilities.

Connecting Communities, Breaking Barriers to financial inclusion

To broaden its service footprint and enhance financial inclusion, ZB has answered to the call of the community and strategically opened Service Centres in Mutoko, Murambinda, Chegutu and Filabusi. ZB presence reaches far flung areas such as Gwanda, Sanyati, Mount Darwin, Nyanga, Beitbridge, Karoi and Plumtree.

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Financial Reports

Report of the Directors

For the year ended 31 December 2024

The directors have pleasure in presenting their report to shareholders for the year ended 31 December 2024.

Share capital

The authorised and issued share capital of the Company remained unchanged at 1 000 000 000 shares and 175 190 642 shares, respectively, at a nominal value of ZWG0.0000221 each.

Consolidated financial results

The Group posted a profit after taxation of ZWG 1.167 billion in 2024 compared to profit after taxation ZWG 1.124 billion in 2023.

The increase in equity arising from other comprehensive of equity amounted to ZWG 2.367 billion in 2024 compared to an other components of equity loss of ZWG 1.370billion in 2023.

Total assets as at 31 December 2024 amounted to ZWG 14.383 billion compared to total assets as at 31 December 2023 of ZWG 7.062 billion.

Going concern

The directors have assessed the sustainability of business operations of the Company and its subsidiaries and believe that the Company and its subsidiaries remain a going concern for the foreseeable future.However, as disclosed in note 40.1, ZBBS is currently is the process of surrendering its banking license. The going concern basis has, therefore, been adopted for the preparation of these financial statements.

Directorate

Mr Luxon Zembe resigned from the Board on 12 April 2024. I would like to extend my gratitude and appreciation to him for his distinguished service to the Group as both Director and Chairman.

I, Agnes Makamure was subsequently appointed as Acting ZBFH Chairman with effect from 20 March 2024 and subsequently as the substantive ZBFH Chairman with effect from 27 June 2024. The Board pledges support to Mrs Agnes Makamure and wish her an enjoyable and successful terms of office.

Shepherd T Chimutanda was appointed to ZB Financial Holdings Board as an Independent Non-Executive Director with effect from 08 November 2024. I wish him a successful term in office.

The following director held shares, directly or indirectly, in the company as at 31 December 2024:

Directors name	Number of shares held
S.T. Fungura	3 503 815

Auditors

Messrs Ernst & Young Chartered Accountants (Zimbabwe) were selected to provide audit services to the Group and have met the Banking Act requirements for the provision of those services. Shareholders will be requested to confirm their appointment in respect of the audit for the year ended 31 December 2025.

Report of the Directors (continued)

For the year ended 31 December 2024

Shareholders will be requested to approve the Auditors remuneration for their service with respect to the year ended 31 December 2024.

By order of Board

A. Makamure	**S. T. Fungura**	**T. F. A. Masiiwa**
(Chairman)	**(Group Chief Executive Officer)**	**(Group Secretary)**

Harare
28 March 2025

BOARD OF DIRECTORS

Mrs. A. Makamure (Chairman)
Mr. S. T. Fungura (Group Chief Executive Officer)
Mrs. E. N. Mungoni (Chief Finance Officer)
Ms. T. Sibanda
Mr. P. M. V. Wood
Mr. S. Dimairho
Mr. S. Chimutanda

Directors' Statement of Responsibility

The directors of the Group take full responsibility for the preparation and the integrity of the consolidated and separate financial statements and other supplementary financial information included in this report. The Directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements of ZB Financial Holdings Limited, comprising the consolidated and separate statement of financial position as at 31 December 2024, and the consolidated and separate statement of profit or loss and other comprehensive income, consolidated and separate statement of changes in equity and the consolidated and separate statement of cashflows for the year then ended, and the notes to the financial statements which include a summary of material accounting policies and other explanatory notes. The consolidated and separate financial statements as at 31 December 2024 have been prepared in accordance with IFRS Accounting Standards, the Companies and Other Business Entities Act (Chapter 24:31), the Banking Act (Chapter 24:20), the Building Societies Act (Chapter 24:02), the Insurance Act (Chapter 24:07), The Securities and Exchange Act (Chapter 24:25), Microfinance Act (Chapter 24:29) and relevant statutory instruments made there under.

The directors' responsibility includes designing, implementing, and maintaining internal controls relevant to the preparation and fair presentation of the consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

In designing and implementing the systems of internal control the directors aim to provide reasonable but not absolute assurance as to the reliability of the consolidated and separate statements, to adequately safeguard, verify and maintain accountability of assets, and to prevent and detect material misstatements and losses. The systems are implemented and monitored by suitably trained personnel with an appropriate segregation of authority and duties. Nothing has come to the attention of the directors to indicate the occurrence of any material breakdown in the functioning of these controls, procedures, and systems during the year under review.

All members of the Group Board Audit Committee are non-executive directors. The committee meets regularly with the Group's internal and external auditors and executive management to review accounting, auditing, internal control and financial reporting matters.

The internal and external auditors have unrestricted access to the Audit Committee. The external auditor is responsible for reporting on whether the consolidated and separate financial statements are fairly presented in accordance with the applicable financial reporting framework.

The consolidated and separate financial statements of ZB Financial Holdings Limited and its subsidiaries which appear on pages 106 to 302, were approved by the Board on 28 March 2025.

The Group's independent external auditor, EY (Zimbabwe), has audited the consolidated and separate financial statements and its report is attached to these consolidated and separate financial statements on pages 106 to 302.

Preparer of consolidated and separate financial statements.
These consolidated and separate financial statements have been prepared under the supervision of E. N. Mungoni and have been audited as required by the Companies and Other Business Entities Act (Chapter 24:31).

E.N. Mungoni CA (Z)
Registerd Public Accountant number 3585

A. Makamure	**S. T. Fungura**	**T. F. A. Masiiwa**
(Chairman)	**(Group Chief Executive Officer)**	**(Group Secretary)**

Harare
28 March 2025

Group Company Certification

In my capacity as Group General Counsel of ZB Financial Holdings Limited and its subsidiaries, I confirm that, in terms of the Companies and other Business Entities Act (Chapter 24:31), the Company lodged with the Registrar of Companies all such returns as are required of a public quoted company and private limited liability companies in terms of this Act, and that all such returns are true, correct and up to date.

TINASHE F.A MASIIWA
GROUP GENERAL COUNSEL
28 May 2025

Shape the future
with confidence

Chartered Accountants (Zimbabwe)
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Email: admin@zw.ey.com
www.ey.com

Independent Auditor's Report

To the Shareholders of ZB Financial Holdings Limited

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated and separate financial statements of ZB Financial Holdings Limited and its subsidiaries ('the Group and company) set out on pages 106 to 302 which comprise of the consolidated and separate statements of financial position as at 31 December 2024, and the consolidated and separate statements of profit or loss and other comprehensive income, the consolidated and separate statements of changes in equity and the consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including material accounting policy information.

In our opinion, except for the effects of the matters described in the 'Basis for Qualified Opinion' section of our report, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of the group and company as at 31 December 2024, and their consolidated and separate financial performance and consolidated and separate cash flows for the year then ended, in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies and Other Business Entities Act (Chapter 24:31), the Banking Act (Chapter 24:20), the Building Society Act (Chapter 24:02), the Insurance Act (Chapter 24:07), the Securities and Exchange Act (Chapter 24:25) and the Microfinance Act (Chapter 24:29).

Basis for Qualified Opinion

Non-compliance with IAS 21 "The Effects of Changes in Foreign Exchange Rates"

As explained in note 3.1.1.1 to the consolidated and separate financial statements, the functional currency of the Group and its subsidiaries is the United States Dollar (USD). The consolidated and separate financial statements are presented in Zimbabwe Gold currency, ZWG.

Mashonaland Holdings Limited, "Mash", a subsidiary of the Group, changed its functional currency from Zimbabwean Dollars (ZWL) to USD effective 1 January 2023. All the other subsidiaries within the Group changed their functional currencies from ZWL to USD effective 1 January 2024. International Accounting Standards (IAS) 21, Effects of Changes in Foreign Exchange Rates requires the change in functional currency to be applied prospectively. Further, the procedures set out in IAS 21 would have required all ZWL inflation adjusted balances as of 31 December 2022 (for Mashonaland Holdings) and as of 31 December 2023 (for all other subsidiaries) to be converted to USD at the spot rate ruling on that date.

Independent Auditor's Report (Continued)

ZB Financial Holdings Limited

The directors followed an IAS 21 compliant approach for all financial statement elements with the exception of the following:

- **Group:** Investment properties – Mashonaland Holdings – The Directors adopted the USD valuations of the assets as at the date of change in functional currency on 1 January 2023, instead of translating the ZWL inflation adjusted numbers to USD numbers as at that date.
- **Group:** Investment properties and Property and equipment - All other subsidiaries except for Mashonaland Holdings – The Directors restated the fair values of the investment properties and property and equipment as of 31 December 2023 taking into account the USD valuations of the assets as at that date, instead of translating the ZWL inflation adjusted numbers as at 31 December 2023 to USD.
- **Company:** Investments in subsidiaries – The Directors restated the 2023 fair values by recomputing the net asset value of the subsidiaries after having recorded the above adjustments to Investment properties, Property and equipment, and retained earnings. This contradicts the IAS 21 requirements wherein the reported fair value as of 31 December 2023 should have been translated to USD at the spot exchange rate at that date.

As a result, the following consolidated financial statement elements are impacted:

Consolidated Statement of Profit or Loss and other comprehensive income

- Fair value adjustments are overstated by ZWG 230 870 237: (2023: understated by ZWG 230 870 237)
- Gains on property and equipment revaluation are overstated by ZWG 264 296 153 (2023: understated by ZWG 264 296 153)
- Deferred tax movement included under Income tax expense is understated by ZWG56 531 518 (2023: overstated by ZWG56 531 518)
- Depreciation included in Operating expenses is understated by ZWG 21 333 476

Separate statement of profit or loss and other comprehensive income

- Fair value adjustments is overstated by ZWG285 042 328 (2023: understated 285 042 328)

Further, corresponding amounts for Investments in subsidiaries, Investment Properties, Property and Equipment, Deferred tax, Retained Income, Revaluation Reserve and Non-controlling interests in the consolidated statement of financial position are impacted. Corresponding Effects of translation to presentation currency reconciling items in the disclosures on these line items are also impacted. Our audit report is therefore modified due to the possible effects of this matter on the comparability of the current period's figures and the corresponding figures.

The misstatements are material however not pervasive to the consolidated and separate financial statements.

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the consolidated and separate financial statements section of our report. We are independent of the group and company in accordance with the International Code of Ethics for Professional Accountants (including International independence standards) (IESBA Code) and other requirements applicable to performing audit of financial statements in Zimbabwe. We have fulfilled our other ethical requirements in accordance with those requirements and the IESBA Code. We believe that the audit evidence we obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Independent Auditor's Report (Continued)

ZB Financial Holdings Limited

Key Audit Matters

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

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

The key audit matters relate to the consolidated financial statements only.

Independent Auditor's Report (Continued)

ZB Financial Holdings Limited

Key Audit Matter	How our audit addressed the matter
Valuation of expected credit losses on financial assets	
As disclosed in notes 6 and 7 to the financial statements, the carrying amount of treasury bills and loans and advances amounts to ZWG 1,087,422,572 and ZWG 4,151,584,123 respectively. These financial assets constitute a substantial proportion of the total assets of the Bank. The Expected Credit Losses (ECL) determined for treasury bills and loans and advances amount to ZWG208,622,743 and ZWG162,905,078 respectively. as disclosed on note 6.1 and 7.1 respectively. The bank provides for impairment on treasury bills and loans and advances based on the expected credit losses model (ECL) in terms of IFRS 9 – Financial Instruments. Management developed model methodologies and determined the inputs that should be implemented in the models to estimate the ECL. The determination of ECL requires significant judgements such as: • The estimation of the key components of the expected credit loss ('ECL') provisions, that is, the probability of default (PD), loss given default (LGD) and exposure at default (EAD). • The allocation of assets to stage 1, 2 or 3 on a timely basis using criteria in accordance with IFRS 9. This includes allocation of appropriate credit grade ratings to customers. • Determination of staging migration criteria that reflects significant increase in credit risk (SICR). • Determination of appropriate forward-looking information (FLI) to incorporate in ECL model considering the current economic environment. • Estimation of the loss rates for non-performing loans. The significant judgements above, which present areas of estimation uncertainty and complexities in determining expected credit losses resulted in the audit team spending more time in performing audit procedures on the balance. We have thus designated valuation of expected credit losses on financial assets as a key audit matter. Management's approach and key assumptions are included on accounting policy note 2.2.2.5 and 3.4.1.5 of the financial statements.	Our procedures to address the matter included the following: • We reviewed documents and enquired of management to understand management's process for credit origination, monitoring, and appraisal. • We identified relevant controls for the ECL risks and assessed their design and implementation. • We conducted a general assessment of the ECL provision levels by stage to evaluate their reasonableness, taking into account the overall credit quality of the banks' portfolios and risk profile. • We evaluated the Bank's SICR methodology and the calibrations of its ECL models. For a sample of exposures, we examined the loan staging process, confirming the classification into stages 1, 2, and 3 in accordance with IFRS 9 requirements by reviewing the last payment date. For treasury bills, we examined both the coupon payments and the settlement pattern of the principal amounts. • We assessed and evaluated whether the disclosure effectively communicates the key judgments and assumptions made by management in the present economic landscape. For model-based procedures; with the assistance of our specialists, we performed the following: • We evaluated the governance processes established by the Bank to review and approve the economic scenarios and the models used in the determination of the expected credit losses. In relation to the expected credit loss computation and the models, we performed the following: • Methodology Review (MR) - We evaluated the conceptual soundness of the ECL model methodology to ensure that the adopted approaches align with best practices and IFRS 9 requirements. • Validation Testing (VT) – We performed independent validation of the developed models by performing various statistical tests on the ECL parameters in order to test the performance of the models (PD, LGD, & EAD). We also performed model backtesting tests on the ECL inputs.

Independent Auditor's Report (Continued)

ZB Financial Holdings Limited

<table>
<tr><th>Key Audit Matter</th><th>How our audit addressed the matter</th></tr>
<tr><td colspan="2">Valuation of expected credit losses on financial assets (continued)</td></tr>
<tr><td></td><td>

Model Implementation Testing (MIT) - We tested and validated that the model inputs developed and documented in the model methodology are the ones implemented in the ECL code / system used to estimate the ECL.
Model Reperfomance Testing (MRT)- We independently recalculated ECL and performed impact assessments and compared with management output.
We evaluated the forward-looking information and assessed the macroeconomic scenario forecasts generated for reasonableness.

</td></tr>
<tr><td colspan="2">Valuation of Insurance contracts</td></tr>
<tr><td>
As of December 31, 2024, the Group, through ZB Life Assurance and ZB Reinsurance Limited, holds insurance contract liabilities totalling ZWG268, 691,070. The valuation of these liabilities relies on significant judgments and assumptions which include the following:

Determination of the present value of future cash flows (PVFCF).
Determination of the Contractual Service Margin (CSM).
Estimation of the risk adjustment.

Expert judgment, integrated within complex actuarial models, is essential, drawing from subjective assumptions regarding forthcoming events, including mortality rates, persistency, and economic conditions.

Given the complexity and subjective nature of the measurement of the insurance contract liabilities, we have identified the area as a key audit matter.

Management's approach and key assumptions are included on accounting policy note 3.20 of the consolidated financial statements.
</td><td>
Our procedures regarding insurance contract liabilities included, among others:

We obtained an understanding of and evaluated the design and implementation of management's controls over the significant estimates and assumptions used in determining the insurance contracts, including model data inputs.

With the support of our actuarial specialists:

we evaluated the key assumptions used in the determination of PVFCF, CSM and risk adjustment. We assessed their reasonableness considering experience studies, our knowledge of the entities, the products offered, and available market and macroeconomic data.
We tested the methodology and logic of models used through independent recalculations on a sample of models and compared the calculation logic to industry-comparable models.
We assessed the appropriateness of management's data and assumptions applied in determining the insurance contract liabilities, including the reasonableness of coverage units.
We reviewed the analysis of actual experience over expected results for any unusual or unexpected results.
We assessed whether the associated disclosures comply with IFRS 17 – Insurance contracts.

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Independent Auditor's Report (Continued)

ZB Financial Holdings Limited

Other Information

The Directors are responsible for the Other information. The other information consists of the information included in ZB Financial Holdings Annual Report other than the financial statements and our auditor's report thereon. We obtained the Chairman's statement, the group Executive Report, the Report of the Directors and the Directors' Responsibility Statement prior to the date of our auditor's report. It also includes information included in the Annual Report expected to be received after the date of our auditor's report. The other information does not include the consolidated and separate financial statements and our audit report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. As described in the Basis for qualified opinion section above, we have concluded that the other information is materially misstated for the same reasons with respect to non-compliance with IAS 21 "Effects of changes in foreign exchange rates".

Responsibilities of the Directors for the Consolidated and Separate Financial Statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements, in accordance IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies and Other Business Entities Act (Chapter 24:31), the Banking Act (Chapter 24:20), the Building Society Act (Chapter 24:02), the Insurance Act (Chapter 24:07), the Securities and Exchange Act (Chapter 24:25) and the Microfinance Act (Chapter 24:29), and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

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

Independent Auditor's Report (Continued)

ZB Financial Holdings Limited

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

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group and company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group and/or the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated and separate financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partner on the audit resulting in this independent auditors' report is Mrs. Elina Bvurere (PAAB Practising Number 0462).

Ernst & Young

Ernst & Young
Chartered Accountants (Zimbabwe)
Registered Public Auditors
Harare

Date: 31 March 2025

Consolidated Statement of Financial Position

As at 31 December 2024

	Notes	Audited 31 Dec 2024 ZWG	**Restated 31 Dec 2023 ZWG	**Restated 1 Jan 2023 ZWG
ASSETS				
Cash and cash equivalents	5	2 902 848 808	1 036 478 989	1 223 027 115
Treasury bills	6	878 799 829	330 157 187	332 196 152
Mortgages and other advances	7	3 988 679 045	2 104 055 481	1 185 670 047
Financial assets held at fair value through profit or loss	8.1	668 559 857	309 322 895	316 957 240
Financial assets held at amortised cost	8.2	83 650 095	35 105 924	21 938 031
Inventories	10	37 594 100	7 905 534	6 078 892
Trade and other receivables	11	442 995 745	341 006 854	224 040 346
Assets held for sale	12	-	47 466 296	-
Reinsurance contract assets	22	110 925 292	124 745 943	10 490 033
Insurance contract assets	22	-	112 805 955	81 030 682
Investments in associates	9.1	72 472 415	102 034 437	25 907 753
Property and equipment	15	1 412 673 553	744 998 846	816 091 385
Investment properties	13	3 543 156 990	1 696 614 680	1 866 599 800
Intangible assets	16	198 322 082	23 842 987	29 062 604
Right of use assets	14	26 941 617	42 392 526	31 310 303
Deferred tax asset	24	15 094 576	3 293 477	19 834 477
Total assets		14 382 714 004	7 062 228 011	6 190 234 860
LIABILITIES				
Deposits and other accounts	17	5 483 003 415	2 488 251 026	2 164 244 535
Trade and other payables	19	1 231 398 440	759 347 774	495 824 123
Investment contract liabilities	18	175 413 650	96 481 041	85 706 735
Current tax liabilities	20	93 665 129	18 963 005	11 951 526
Long term borrowings		-	41 509	352 642
Offshore borrowings	23	234 531 818	221 920 345	133 062 093
Reinsurance contract liabilities	22	-	13 606 449	36 060 810
Insurance contract liabilities	22	268 691 070	322 458 869	218 834 236
Lease liabilities	25	33 662 559	27 481 249	16 292 418
Deferred tax liabilities	24	221 756 974	166 136 735	152 383 155
Total liabilities		7 742 123 055	4 114 688 002	3 314 712 273
EQUITY				
Share capital	26.1	3 878	4 288 875	7 961 853
Share premium	26.2	285 183	66 645 368	123 077 568
Other components of equity	26.3	2 553 261 736	791 496 111	710 165 431
Retained income	26.4	2 226 061 786	1 081 369 692	930 437 318
Equity Reserve	26.6	70 645 182	-	-
Attributable to equity holders of parent		4 850 257 765	1 943 800 046	1 771 642 170
Non-controlling interests	26.5	1 790 333 184	1 003 739 963	1 103 880 417
Total equity		6 640 590 949	2 947 540 009	2 875 522 587
Total equity and liabilities		14 382 714 004	7 062 228 011	6 190 234 860

A. Makamure	**S. T. Fungura**	**T. F. A. Masiiwa**
(Chairman)	**(Group Chief Executive Officer)**	**(Group Secretary)**

28 March 2025

*The comparative statement of financial position as at 31 December 2023 which was previously presented in the Zimbabwean Dollar (ZW$) after adjustments for inflation in accordance with IAS 29- Financial Reporting in Hyperinflationary Economies, was translated to the USD (functional currency) with the prevailing rate of 31 December 2023 and thereafter, the ZWG (presentation currency) with the rate of ZWG13.5616 as at 5 April 2024 when ZWG was introduced.
**The comparative statement of financial position as at 1 January 2023 which was previously presented in the Zimbabwean Dollar (ZW$) after adjustments for inflation in accordance with IAS 29- Financial Reporting in Hyperinflationary Economies, was translated to the USD (functional currency) with the prevailing rate of ZW$684.3339 at 31 December 2022.

Separate Statement of Financial Position

As at 31 December 2024

	Notes	Audited 31 Dec 2024 ZWG	**Restated 31 Dec 2023 ZWG	**Restated 1 Jan 2023 ZWG
ASSETS				
Cash and cash equivalents	5	44 713 106	3 398 690	3 262 944
Financial assets at fair value through profit or loss	8	6 777 235	6 096 212	6 299 077
Trade and other receivables	11	44 540 834	40 949 200	16 838 171
Investment in associates	9.1	72 472 415	102 034 437	25 907 753
Investments in subsidiaries	9.2	4 762 168 895	1 823 016 615	1 942 037 572
Investment properties	13	13 183 034	6 618 158	8 025 977
Right of use assets	14	71 141 385	55 977 606	17 928 693
Property and equipment	15	27 536 366	8 926 929	14 448 400
Deferred tax asset	24	1 279 141	-	19 167 726
Total assets		5 043 812 411	2 047 017 847	2 053 916 313
LIABILITIES				
Trade and other payables	19	204 497 114	88 270 682	80 893 553
Long term borrowings		-	41 521	352 649
Lease liabilities	25	75 779 947	35 456 900	38 663 145
Deferred tax liability	24	-	4 649 831	-
Total liabilities		280 277 061	128 418 934	119 909 347
EQUITY				
Share capital	26.1	3 878	4 288 875	7 961 850
Share premium	26.2	285 183	66 645 368	123 077 575
Other components of equity	26.3	1 782 745 816	24 652 346	13 514 625
Retained income	26.4	2 909 855 291	1 823 012 324	1 789 452 916
Equity Reserve	26.7	70 645 182	-	-
Total equity		4 763 535 350	1 918 598 913	1 934 006 966
Total equity and liabilities		5 043 812 411	2 047 017 847	2 053 916 313

A. Makamure	S. T. Fungura	T. F. A. Masiiwa
(Chairman)	(Group Chief Executive Officer)	(Group Secretary)

28 March 2025

*The comparative statement of financial position as at 31 December 2023 which was previously presented in the Zimbabwean Dollar (ZW$) after adjustments for inflation in accordance with IAS 29- Financial Reporting in Hyperinflationary Economies, was translated to the USD (functional currency) with the prevailing rate of 31 December 2023 and thereafter, the ZWG (presentation currency) with the rate of ZWG13.5616 as at 5 April 2024 when ZWG was introduced.

**The comparative statement of financial position as at 1 January 2023 which was previously presented in the Zimbabwean Dollar (ZW$) after adjustments for inflation in accordance with IAS 29- Financial Reporting in Hyperinflationary Economies, was translated to the USD (functional currency) with the prevailing rate of ZW$684.3339 at 31 December 2022.

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2024

	Notes	Audited 31 Dec 2024 ZWG	*Restated 31 Dec 2023 ZWG
ASSETS			
Interest income calculated using the effective interest rate method	27.1	588 551 881	504 972 821
Other interest and related income	27.1	9 749 451	4 297 251
Interest expense calculated using the effective rate method	27.2	(122 740 814)	(90 949 191)
Other interest and related expense	27.2	(1 038 336)	(887 279)
Net interest income		474 522 182	417 433 602
Loan impairment charges, net recoveries	27.3	(104 285 670)	(125 797 950)
Net income from lending activities		370 236 512	291 635 652
Insurance revenue	28.1	424 303 215	442 102 781
Insurance service expense	28.2	(328 391 413)	(838 937 295)
Allocation of Reinsurance Premiums	28.3	(108 878 194)	(71 590 461)
Amounts recoverable from reassurers for incurred claims	28.3	5 808 418	128 008 047
Insurance service result		(7 157 974)	(340 416 928)
Insurance finance (expenses) / income from insurance contracts	28.4	(108 539 394)	194 297 321
Reinsurance finance income from reinsurance contracts	28.4	114 474	78 985
Net Insurance Financial Result		(108 424 920)	194 376 306
Fair value of financial liabilities at fair value through profit or loss	18	839 123	(79 620 402)
Commissions and fees	29	1 157 775 376	658 196 629
Other operating income	30	1 582 595 140	948 312 821
Fair value adjustments	31	214 945 311	635 341 254
Total income		3 210 808 568	2 307 825 332
Operating expenses	32	(1 784 850 496)	(1 625 760 087)
Profit from ordinary activities		1 425 958 072	682 065 245
Share of associate companies (loss) / profit net of tax	9.1	(124 789 243)	72 944 142
Effects of inflation adjustments		-	483 362 343
Profit before taxation		1 301 168 829	1 238 371 730
Income tax expense	33	(134 134 584)	(114 061 523)
Net profit for the year		1 167 034 245	1 124 310 207
Profit attributable to:			
Owners of parent		1 149 405 162	1 012 439 882
Non-controlling interests		17 629 083	111 870 325
Profit for the year		1 167 034 245	1 124 310 207

Consolidated Statements of Profit or Loss and Other Comprehensive Income (continued)

For the year ended 31 December 2024

	Notes	Audited 31 Dec 2024 ZWG	*Restated 31 Dec 2023 ZWG
****Other comprehensive income:**			
Items that will not be reclassified to profit or loss			
Gains on property and equipment revaluation, net of tax	26.3.2	108 714 701	367 438 690
Associate's share of gains on Property and Equipment revaluation, net of tax	26.3.2	8 309 160	13 265 688
Effects of translation to presentation currency	26.7	2 367 239 792	(1 370 048 668)
Items that may be subsequently reclassified to profit or loss			
Fair value losses on financial assets at FVTOCI, net of tax	26.3.3	(22 033 328)	(19 670 035)
Currency translation differences on foreign subsidiary	26.3.4	(5 538 415)	2 405 383
Associate's share of foreign currency translation differences, net of tax	26.3.5	93 057 370	1 868 460
Other comprehensive income for the year, net of tax		2 549 749 280	(1 004 740 482)
Total comprehensive income for the year		3 716 783 525	119 569 725
Total comprehensive income attributable to:			
Owners of parent		3 019 496 570	119 132 223
Non-controlling interests		697 286 955	437 502
Total comprehensive income for the year		3 716 783 525	119 569 725
Earnings per share			
Basic and fully diluted earnings per share (ZWG cents)	34	730	643

*The comparative statement of profit or loss and other comprehensive income for the year ended 31 December 2023 which was previously presented in the Zimbabwean Dollar (ZW$) after adjustments for inflation in accordance with IAS 29- Financial Reporting in Hyperinflationary Economies, was translated to the USD (functional currency) and thereafter, the ZWG (presentation currency) in line with IFRS Accounting Standards. Refer to note 3.1.1 for details of the translation procedures performed.

**Some items of Other comprehensive income were presented gross of tax in the prior year. In the current all items of Other Comprehensive Income are presented net of tax.

Separate Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2024

	Notes	Audited 31 Dec 2024 ZWG	*Restated 31 Dec 2023 ZWG
Other operating income	30	439 458 786	301 483 724
Fair value adjustments	31	1 282 360 298	(111 918 930)
Total income		1 721 819 084	189 564 794
Operating expenses	32	(508 282 417)	(288 316 321)
Profit from ordinary activities		1 213 536 667	(98 751 527)
Share of associate companies (loss) / profit after tax	9.1	(124 789 243)	72 944 141
Effects of inflation adjustments		-	(24 093 749)
Profit before taxation		1 088 747 424	(1 713 637)
Income tax credit/ (expense)	33	11 175 677	(3 505 504)
Net profit for the year		1 099 923 101	(5 219 141)
****Other comprehensive income:**			
Items that will not be reclassified to profit or loss			
Gains on property and equipment revaluation, net of tax	26.3.2	3 030 682	2 509 499
Associate's share of gains on property and equipment revaluation reserve net of tax	26.3.2	2 169 852	13 265 688
Items that may be subsquently reclassified to profit or loss			
Associate's share of Foreign Currency translation differences	26.3.5	93 057 370	1 868 460
Effects of translation to presentation currency	26.3.4	1 659 835 566	(19 544 491)
Other comprehensive income for the year, net of tax		1 758 093 470	(1 900 844)
Total comprehensive income for the year		2 858 016 571	(7 119 985)
Earnings per share			
Basic and fully diluted earnings per share (ZWG cents)		698	(3)

*The comparative statement of profit or loss and other comprehensive income for the year ended 31 December 2023 which was previously presented in the Zimbabwean Dollar (ZW$) after adjustments for inflation in accordance with IAS 29- Financial Reporting in Hyperinflationary Economies, was translated to the USD (functional currency) and thereafter, the ZWG (presentation currency) in line with IFRS Accounting Standards. Refer to note 3.1.1 for details of the translation procedures performed.

**Some items of Other comprehensive income were presented gross of tax in the prior year. In the current all items of Other Comprehensive Income are presented net of tax.

Consolidated Statements of Changes in Equity

For the year ended 31 December 2024

	Share capital ZWG	Share premium ZWG	Functional currency translation reserve ZWG	Foreign subsidiary currency translation reserve ZWG	Equity reserve ZWG	General reserve ZWG	Revaluation reserve ZWG	Financial assets at FVTOCI ZWG	Retained income ZWG	Attributable to equity holders of parent ZWG	Non controlling interests ZWG	Total ZWG
***Restated balance 1 January 2023**	7 961 853	123 077 568	-	-	-	1 438 514	759 429 576	(50 702 659)	930 437 318	1 771 642 170	1 103 880 417	2 875 522 587
Changes in equity for 2023												
Profit for the year	-	-	-	-	-	-	-	-	1 012 439 882	1 012 439 882	111 870 325	1 124 310 207
Other comprehensive income, net tax												
Revaluation of property	-	-	-	-	-	-	78 131 750	-	-	378 131 750	2 572 628	380 704 378
Effects of translation of foreign subsidiary	-	-	-	2 405 383	-	-	-	-	-	2 405 383	-	2 405 383
Associate's share of effects of translating to presentation currency	-	-	1 868 460	-	-	-	-	-	-	1 868 460	-	1 868 460
Effects of change in presentation currency	(3 672 978)	(56 778 360)	548	(36)	-	244 237 540	(417 665 179)	(108 464 769)	(914 040 817)	(1 256 384 051)	(113 664 617)	(1 370 048 668)
Fair value gain on financial assets at FVTOCI	-	-	-	-	-	-	-	(18 574 545)	-	(18 574 545)	(1 095 490)	(19 670 035)
Transaction with owners of the parent												
Dividends	-	-	-	-	-	-	-	-	(8 634 229)	(8 634 229)	(8 264 911)	(16 899 140)
Other movements												
Transfer to retained income (note 26.3.2)	-	-	-	-	-	-	(608 472)	-	608 472	-	-	-
Transfer to share premium from FCTR	-	346 160	-	-	-	-	-	-	-	346 160	78 947	425 107
Acquisition of non-controlling interests	-	-	-	-	-	-	-	-	60 559 066	60 559 066	(91 637 336)	(31 078 270)
***Restated balance at 31 December 2023**	4 288 875	66 645 368	1 869 008	2 405 347	-	245 676 054	719 287 675	(177 741 973)	1 081 369 692	1 943 800 046	1 003 739 963	2 947 540 009

Consolidated Statements of Changes in Equity (continued)

For the year ended 31 December 2024

	Share capital ZWG	Share premium ZWG	Functional currency translation reserve ZWG	Foreign subsidiary currency translation reserve ZWG	Equity reserve ZWG	General reserve ZWG	Revaluation reserve ZWG	Financial assets at FVTOCI ZWG	Retained income ZWG	Attributable to equity holders of parent ZWG	Non controlling interests ZWG	Total ZWG
Changes in equity for 2024												
Transfer to Equity Reserve (note 26.6)	(4 284 997)	(66 360 185)	-	-	70 645 182	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	-	-	-	-	1 149 405 162	1 149 405 162	17 629 083	1 167 034 245
Other comprehensive income, net of tax												
Revaluation of property	-	-	-	-	-	-	(455 189 394)	-	-	(455 189 394)	572 213 255	117 023 861
Fair value gain on financial assets at FVTOCI	-	-	-	-	-	-	-	(22 486 078)	-	(22 486 078)	452 750	(22 033 328)
Effects of translation of foreign subsidiary	-	-	-	(5 538 415)	-	-	-	-	-	(5 538 415)	-	(5 538 415)
Associate's share of effects of translating to presentation currency	-	-	93 057 370	-	-	-	-	-	-	93 057 370	-	93 057 370
Effects of translating to presentation currency	-	-	2 153 551 710	-	-	-	-	-	-	2 153 551 710	213 688 082	2 367 239 792
Transaction with owners of the parent												
Dividends	-	-	-	-	-	-	-	-	(13 080 134)	(13 080 134)	(1 982 917)	(15 063 051)
Other movements												
Transfer to retained income (note 26.3.2)	-	-	-	-	-	-	(1 629 568)	-	1 629 568	-	-	-
Acquisition of non-controlling interests (note 9.6)	-	-	-	-	-	-	-	-	6 737 498	6 737 498	(15 407 032)	(8 669 534)
Balance at 31 December 2024	3 878	285 183	2 248 478 088	(3 133 068)	70 645 182	245 676 054	262 468 713	(200 228 051)	2 226 061 786	4 850 257 765	1 790 333 184	6 640 590 949

*The comparative statement of changes in equity for the year ended 31 December 2023 which was previously presented in the Zimbabwean Dollar (ZW$) after adjustments for inflation in accordance with IAS 29- Financial Reporting in Hyperinflationary Economies, was translated to the USD (functional currency) and thereafter, the ZWG (presentation currency) in line with IFRS. Refer to note 3.1.1 for details of the translation procedures performed.

Separate Statements of Changes in Equity

For the year ended 31 December 2024

	Ordinary shares ZWG	Share premium ZWG	Foreign currency translation reserve ZWG	Equity reserve ZWG	Property revaluation reserve ZWG	Retained income ZWG	Total ZWG
***Restated Balance at 1 January 2023**	7 961 850	123 077 575	-	-	13 514 625	1 789 452 916	1 934 006 966
Changes in equity for 2023							
Profit for the year	-	-	-	-	-	(5 219 141)	(5 219 141)
Other comprehensive income, net of tax							
Revaluation of property	-	-	-	-	15 775 187	-	15 775 187
Associate's share of effects of translating to presentation currency	-	-	1 868 460	-	-	-	1 868 460
Effects of change in presentation currency	(3 672 975)	(56 778 368)	-	-	(6 505 926)	47 412 778	(19 544 491)
Transaction with owners of the parent							
Dividends	-	-	-	-	-	(8 634 229)	(8 634 229)
Transfer to share premium from FCTR	-	346 161	-	-	-	-	346 161
***Restated balance at 31 December 2023**	4 288 875	66 645 368	1 868 460	-	22 783 886	1 823 012 324	1 918 598 913
Changes in equity for 2024:							
Transfer to Equity reserve	(4 284 997)	(66 360 185)	-	70 645 182	-	-	-
Profit for the year	-	-	-	-	-	1 099 923 101	1 099 923 101
Other comprehensive income, net of tax							
Revaluation of property	-	-	-	-	5 200 534	-	5 200 534
Associate's share of effects of translating to presentation currency	-	-	93 057 370	-	-	-	93 057 370
Effects of translating to presentation currency	-	-	1 659 835 566	-	-	-	1 659 835 566
Transaction with owners of the parent							
Dividends	-	-	-	-	-	(13 080 134)	(13 080 134)
Balance at 31 December 2024	3 878	285 183	1 754 761 396	70 645 182	27 984 420	2 909 855 291	4 763 535 350

*The comparative statement of changes in equity for the year ended 31 December 2023 which was previously presented in the Zimbabwean Dollar (ZW$) after adjustments for inflation in accordance with IAS 29- Financial Reporting in Hyperinflationary Economies, was translated to the USD functional currency) and thereafter, the ZWG (presentation currency) in line with IFRS. Refer to note 3.1.1 for details of the translation procedures performed.

Consolidated Statement of Cash Flows

For the year ended 31 December 2024

	Notes	Audited 31 Dec 2024 ZWG	*Restated 31 Dec 2023 ZWG
Cash generated from / (used in) operating activities	35	(102 424 332)	(1 171 724 676)
Interest and related income received	27.1	598 301 332	509 270 072
Dividends received	30	14 062 978	9 655 767
Interest and related expense paid	27.2	(123 779 150)	(91 836 470)
Income tax paid	20	(82 251 874)	(46 004 376)
Interest paid lease liability	25	(1 778 869)	(8 087 253)
Interest expense on offshore borrowings		(25 792 694)	(29 219 086)
Net cash generated from operating activities		276 337 391	(827 946 022)
Cash flows from investing activities			
Purchase of investment property	13	(266 162 811)	(65 958 324)
Purchase of intangible assets	16	(158 774 316)	(9 942 222)
Purchase of property and equipment	15	(162 926 480)	(78 685 361)
Proceeds on disposal of property and equipment		18 003 908	4 216 692
Proceeds on disposal of investment property		47 466 296	20 346 468
Purchase of investment securities	8.3	(150 104 629)	(95 358 658)
Proceeds on disposal of investment securities	8.3	153 060 738	44 157 526
Net cash used in investing activities		(519 437 294)	(181 223 879)
Cash flows from financing activities			
Dividends paid		(15 063 051)	(16 899 140)
Lease capital payments		(4 195 526)	(8 197 291)
Proceeds from offshore borrowings	23	281 438 182	991 090 218
Repayments on offshore borrowings	23	(259 278 086)	(1 145 779 655)
Acquisition of non-controlling interests		(8 669 534)	(31 078 270)
Net cash generated used in financing activities		(5 768 015)	(210 864 138)
Net (decrease) / increase in cash and cash equivalents		(248 867 918)	(1 220 034 039)
Cash and cash equivalents at beginning of year		1 036 478 989	1 223 027 115
Effects of changes in presentation currency on cash and cash equivalents		681 608 984	(420 867 948)
Effects of exchange rates fluctuating on cash and cash equivalents		1 433 628 753	862 829 778
Effects of inflation adjustments on cash and cash equivalents		-	591 524 083
Cash and cash equivalents at end of year		2 902 848 808	1 036 478 989
Cash and cash equivalents comprise:	5		
Cash		972 973 154	465 325 366
Local bank accounts		540 847 872	208 599 060
Foreign bank accounts		1 389 027 782	362 554 563
		2 902 848 808	1 036 478 989

*The comparative statement of cash flows for the year ended 31 December 2023 which was previously presented in the Zimbabwean Dollar (ZW$) after adjustments for inflation in accordance with IAS 29- Financial Reporting in Hyperinflationary Economies, was translated to the USD (functional currency) and thereafter, the ZWG (presentation currency) in line with IFRS. Refer to note 3.1.1 for details of the translation procedures performed.

Separate Statement of Cash Flows

For the year ended 31 December 2024

	Notes	Audited 31 Dec 2024 ZWG	*Restated 31 Dec 2023 ZWG
Cash generated from operating activities	35	35 810 837	23 096 446
Dividends received	30	27 190 931	26 343 012
Interest expense lease liability	25	(4 409 425)	(39 290 609)
Net cash generated from operating activities		58 592 343	10 148 849
Cash flows from investing activities			
Purchase of property and equipment	15	(13 199 658)	(4 139 001)
Proceeds on disposal of property and equipment		32 208	36 278
Proceeds on disposal of investment securities	8.3	15 072 820	423 883
Investment in subsidiaries		(26 728 491)	(6 513 445)
Net cash used in from investing activities		(24 823 121)	(10 192 285)
Cash flows from financing activities			
Dividends paid		(13 080 134)	(8 634 229)
Lease capital payments	25	(12 358 680)	(3 340 343)
Net cash used in financing activities		(25 438 814)	(11 974 572)
Net increase / (decrease) in cash and cash equivalents		8 330 408	(12 018 008)
Cash and cash equivalents at beginning of the year		3 398 690	3 262 944
Effects of Exchange rate fluctuating on cash and cash equivalents		131 942 796	(2 011 420)
Effects of changes in presentation currency on cash and cash equivalents		(98 958 788)	(721 141)
Effects of inflation adjustments on cash and cash equivalents		-	14 886 315
Cash and cash equivalents at end of the year		44 713 106	3 398 690
Cash and cash equivalents comprise:			
Cash	5	44 713 106	3 398 690

*The comparative statement of cash flows for the year ended 31 December 2023 which was previously presented in the Zimbabwean Dollar (ZW$) after adjustments for inflation in accordance with IAS 29- Financial Reporting in Hyperinflationary Economies, was translated to the USD (functional currency) and thereafter, the ZWG (presentation currency) in line with IFRS. Refer to note 3.1.1 for details of the translation procedures performed.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2024

1. NATURE OF BUSINESS

ZB Financial Holdings Limited, "the Company", which is incorporated and domiciled in Zimbabwe, and is listed on the Zimbabwe Stock Exchange, acts as a holding company for a group of companies whose business is the provision of commercial banking, merchant banking, home mortgages, property research & development and management insurance and other financial services (together, "the Group"). The address of its registered office and principal place of business is 21 Natal Road Avondale, Harare, Zimbabwe.

2 CHANGES IN ACCOUNTING POLICIES, CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

2.1 Application of new and revised International Financial Reporting Standards (IFRS)

2.1.1 New and revised IFRS Accounting Standards in issue but not yet effective

New standard	Effective date	Major requirements
Lack of exchangeability - Amendments to IAS21	1 January 2025	The amendment to IAS 21 specifies how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. A currency is exchangeable into another currency when an entity can obtain the other currency within a time frame that allows for a normal administrative delay and through a market or exchange mechanism in which an exchange transaction would create enforceable rights and obligations. If a currency is not exchangeable into another currency, an entity is required to estimate the spot exchange rate at the measurement date. An entity's objective in estimating the spot exchange rate is to reflect the rate at which an orderly exchange transaction would take place at the measurement date between market participants under prevailing economic conditions. The amendments note that an entity can use an observable exchange rate without adjustment or another estimation technique. When an entity estimates a spot exchange rate because a currency is not exchangeable into another currency, it discloses information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position, and cash flows. For the transition requirements the amendments must be applied prospectively. Early application is permitted and must be disclosed. The Group and the company has not yet been able to reliably estimate the impact from adoption of amendments on the consolidated and separate financial statements.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

2.1.1 New and revised IFRS Accounting Standards in issue but not yet effective (continued)

New standard	Effective date	Major requirements
IFRS 18 Presentation and Disclosure in Financial statements	1 January 2027	IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new. It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements (PFS) and the notes. In addition, narrow-scope amendments have been made to IAS Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards. The Group and the company has not yet been able to reliably estimate the impact from adoption of amendments on the consolidated and separate financial statements.
IClassification and Measurement of Financial Instruments- Amendments to IFRS 9 and IFRS 7	1 January 2026	The amendments in Amendments to the classification and measurement of financial Instruments (Amendments to IFRS 9 and IFRS 7) are: Derecognition of a financial liability settled through electronic transfer: The amendments to the application guidance of IFRS 9 permit an entity to deem a financial liability (or part of it) that will be settled in cash using an electronic payment system to be discharged before the settlement date if specified criteria are met. An entity that elects to apply the derecognition option would be required to apply it to all settlements made through the same electronic payment system. Classification of financial assets: Contractual terms that are consistent with a basic lending arrangement. The amendments to the application guidance of IFRS 9 provide guidance on how an entity can assess whether contractual cash flows of a financial asset are consistent with a basic lending arrangement. To illustrate the changes to the application guidance, the amendments add examples of financial assets that have, or do not have, contractual cash flows that are solely payments of principal and interest on the principal amount outstanding. Assets with non-recourse features. The amendments enhance the description of the term 'non-recourse'. Under the amendments, a financial asset has non-recourse features if an entity's ultimate right to receive cash flows is contractually limited to the cash flows generated by specified assets.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

2.1.1 New and revised IFRS Accounting Standards in issue but not yet effective (continued)

New standard	Effective date	Major requirements
Classification and Measurement of Financial Instruments- Amendments to IFRS 9 and IFRS 7 (Continued)	1 January 2026	Contractually linked instruments. The amendments clarify the characteristics of contractually linked instruments that distinguish them from other transactions. The amendments also note that not all transactions with multiple debt instruments meet the criteria of transactions with multiple contractually linked instruments and provide an example. In addition, the amendments clarify that the reference to instruments in the underlying pool can include financial instruments that are not within the scope of the classification requirements. Disclosures: Investments in equity instruments designated at fair value through other comprehensive income. The requirements in IFRS 7 are amended for disclosures that an entity provides in respect of these investments. In particular, an entity would be required to disclose the fair value gain or loss presented in other comprehensive income during investments derecognised in the period and the fair value gain or loss that relates to investments held at the end of the period. Contractual terms that could change the timing or amount of contractual cash flows. The amendments require the disclosure of contractual terms that could change the timing or amount of contractual cash flows on the occurrence (or non-occurrence) of a contingent event that does not relate directly to changes in a basic lending risks and costs. The requirements apply to each class of financial asset measured at amortised cost or fair value through other comprehensive income and each class of financial liability measured at amortised cost. The amendments also include amendments to IFRS 19 Subsidiaries without Public Accountability: Disclosures, which limit the disclosure requirements for qualifying subsidiaries. The Group will adopt the ammendments from 1 January 2026. The directors are still assessing the impact these ammendments will have on the financial statements.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

2.1.1 New and revised IFRS Accounting Standards in issue but not yet effective (continued)

New standard	Effective date	Major requirements
Annual improvements to IFRS Accounting Standards- Volume **11 Standard**	1 January 2026	The pronouncement comprises the following amendments:
		Subject of amendment
IFRS 1 First-time Adoption of International Financial Reporting Standards		Hedge accounting by a first-time adopter. The amendment addresses a potential confusion arising from an inconsistency in wording between paragraph B6 of IFRS 1 and requirements for hedge accounting in IFRS 9 Financial Instruments.
IFRS 7 Financial Instruments: Disclosures		Gain or loss on derecognition. The amendment addresses a potential confusion in paragraph B38 of IFRS 7 arising from an obsolete reference to a paragraph that was deleted from the standard when IFRS 13 Fair Value Measurement was issued.
IFRS 7 Financial Instruments: Disclosures (implementation guidance only)		Disclosure of deferred difference between fair value and transaction price. The amendment addresses an inconsistency between paragraph 28 of IFRS 7 and its accompanying implementation guidance that arose when a consequential amendment resulting from the issuance of IFRS 13 was made to paragraph 28, but not to the corresponding paragraph in the implementation guidance.
IFRS 7 Financial Instruments: Disclosures (implementation guidance only)		Introduction and credit risk disclosures. The amendment addresses a potential confusion by clarifying in paragraph IG1 that the guidance does not necessarily illustrate all the requirements in the referenced paragraphs of IFRS 7 and by simplifying some explanations.
IFRS 9 Financial Instruments		"Lessee derecognition of lease liabilities. The amendment addresses a potential lack of clarity in the application of the requirements in IFRS 9 to account for an extinguishment of a lessee's lease liability that arises because paragraph 2.1(b)(ii) of IFRS 9 includes a cross-reference to paragraph 3.3.1, but not also to paragraph 3.3.3 of IFRS 9."
IFRS 9 Financial Instruments		Transaction price. The amendment addresses a potential confusion arising from a reference in Appendix A to IFRS 9 to the definition of 'transaction price' in IFRS 15 Revenue from Contracts with Customers while term 'transaction price' is used in particular paragraphs of IFRS 9 with a meaning that is not necessarily consistent with the definition of that term in IFRS 15.
IFRS 10 Consolidated Financial Statements		Determination of a 'de facto agent'. The amendment addresses a potential confusion arising from an inconsistency between paragraphs B73 and B74 of IFRS 10 related to an investor determining whether another party is acting on its behalf by aligning the language in both paragraphs.
IAS 7 Statement of Cash Flows		Cost method. The amendment addresses a potential confusion in applying paragraph 37 of IAS 7 that arises from the use of the term 'cost method' that is no longer defined in IFRS Accounting Standards.
		The amendments are effective for annual reporting periods beginning on or after 1 January 2026 with earlier application permitted. The amendments do not include transition requirements, other than that an entity is required to apply the amendment to IFRS 9:2.1(b)(ii) to lease liabilities that are extinguished on or after the beginning of the annual reporting period in which the entity first applies that amendment.
		The directors are still assessing the impact these ammendments will have on the financial statements.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

2.1.1 New and revised IFRS Accounting Standards in issue but not yet effective (continued)

New standard	Effective date	Major requirements
Power Purchase Agreements- Amendments to IFRS 9 and IFRS 7	1 January 2026	The amendments include: - clarifying the application of the 'own-use' requirements; - permitting hedge accounting if these contracts are used as hedging instruments; and - adding new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial performance and cash flows. The directors are still assessing the impact these ammendments will have on the financial statements.
IFRS 19- Subsidiaries without Public Accountability: Disclosures	1 January 2026	"IFRS 19 permits an eligible subsidiary to provide reduced disclosures when applying IFRS Accounting Standards in its financial statements. A subsidiary is eligible for the reduced disclosures if it does not have public accountability and its ultimate or any intermediate parent produces consolidated financial statements available for public use that comply with IFRS Accounting Standards. IFRS 19 is optional for subsidiaries that are eligible and sets out the disclosure requirements for subsidiaries that elect to apply it. " An entity is only permitted to apply IFRS 19 if, at the end of the reporting period: - it is a subsidiary (this includes an intermediate parent) - it does not have public accountability, and its ultimate or any intermediate parent produces consolidated financial statements available for public use that comply with IFRS Accounting Standards. A subsidiary has public accountability if: - its debt or equity instruments are traded in a public market or it is in the process of issuing such instruments for trading in a public market (a domestic or foreign stock exchange or an over-the-counter market, including local and regional markets), or - it holds assets in a fiduciary capacity for a broad group of outsiders as one of its primary businesses (for example, banks, credit unions, insurance entities, securities brokers/dealers, mutual funds and investment banks often meet this second criterion). Eligible entities can apply IFRS 19 in their consolidated, separate or individual financial statements. An eligible intermediate parent that does not apply IFRS 19 in its consolidated financial statements may do so in its separate financial statements. The new standard is effective for reporting periods beginning on or after 1 January 2027 with earlier application permitted. If an entity elects to apply IFRS 19 for a reporting period earlier than the reporting period in which it first applies IFRS 18, it is required to apply a modified set of disclosure requirements set out in an appendix to IFRS 19. If an entity elects to apply IFRS 19 for an annual reporting period before it applied the amendments to IAS 21, it is not required to apply the disclosure requirements in IFRS 19 with regard to Lack of Exchangeability. The directors are still assessing the impact these ammendments will have on the financial statements.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

2.1.1 New and revised IFRS Accounting Standards in issue but not yet effective (continued)

New standard	Effective date	Major requirements
Sale or Contribution of assets between and Investor and its Associate or Joint venture- Amendments to IFRS 10 and IAS 28	Effective date is yet to to be determined	The amendments to IFRS 10 and IAS 28 deal with situations where there is a sale or contribution of assets between an investor and its associate or joint venture. Specifically, the amendments state that gains or losses resulting from the loss of control of a subsidiary that does not contain a business in a transaction with an associate or a joint venture that is accounted for using the equity method, are recognised in the parent's profit or loss only to the extent of the unrelated investors' interests in that associate or joint venture. Similarly, gains and losses resulting from the remeasurement of investments retained in any former subsidiary (that has become an associate or a joint venture that is accounted for using the equity method) to fair value are recognised in the former parent's profit or loss only to the extent of the unrelated investors' interests in the new associate or joint venture. The effective date of the amendments has yet to be set by the IASB. The directors of the parent company anticipate that the application of these amendments may have an impact on the group's consolidated financial statements in future periods should such transactions arise. The directors are still assessing the impact these ammendments will have on the financial statements.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

2.1.2 New and revised IFRS Accounting Standards in issue and Adopted.

The following new and revised IFRSs have been applied in the current year and have had no material effect on the amounts reported in these financial statements.

New standard	Effective date	Major requirements
Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7	1 January 2024	(a) The terms and conditions of the arrangements (for example, extended payment terms and security or guarantees provided). However, an entity is required to disclose separately the terms and conditions of arrangements that have dissimilar terms and conditions. (b) As at the beginning and end of the reporting period: (i) The carrying amounts, and associated line items presented in the entity's statement of financial position, of the financial liabilities that are part of a supplier finance arrangement, (ii) The carrying amounts, and associated line items, of the financial liabilities disclosed under (i) for which suppliers have already received payment from the finance providers, (iii) The range of payment due dates (for example, 30-40 days after the invoice date) for both the financial liabilities disclosed under (i) and comparable trade payables that are not part of a supplier finance arrangement. Comparable trade payables are, for example, trade payables of the entity within the same line of business or jurisdiction as the financial liabilities disclosed under If ranges of payment due dates are wide, an entity is required to disclose explanatory information about those ranges or disclose additional ranges (for example, stratified ranges)
Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7	1 January 2024	(c) The type and effect of non-cash changes in the carrying amounts of the financial liabilities disclosed under (b) (i). Examples of non-cash changes include the effect of business combinations, exchange differences or other transactions that do not require the use of cash or cash equivalents. Under the existing Application Guidance in IFRS 7, an entity is required to disclose a description of how it manages the liquidity risk resulting from financial liabilities. The amendments include as an additional factor whether the entity has accessed, or has access to, supplier finance arrangements that provide the entity with extended payment terms or the entity's suppliers with early payment terms. In the Guidance on implementing IFRS 7, the amendments add that concentrations of liquidity risk and market risk may arise from supplier finance arrangements resulting in the entity concentrating with finance providers a portion of its financial liabilities originally owed to suppliers. There was no material impact on the consolidated and separate financial statements as at and for the year ended 31 December 2024 as a result of the adoption of the amendments.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

2.1.2 New and revised IFRS in issue but adopted (continued)

New standard	Effective date	Major requirements
Classification of Liabilities as Current or Non-Current Amendments to IAS1	1 January 2024	The amendments to IAS 1 affect only the presentation of liabilities as current or non-current in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items. The amendments clarify that the classification of liabilities as current or non- current is based on the rights that are in existence at the end of the reporting period. It specifies that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets, or services. There was no material impact on the consolidated and separate financial statements as at and for the year ended 31 December 2024 as a result of the adoption of the amendments, as the Group applies liquidation basis of presenting the Statement of Financial Position.
Lease Liability in a Sale and Leaseback - Amendments to IFRS 16	1 January 2024	The amendments add subsequent measurement requirements for sale and leaseback transactions that satisfy the requirements in IFRS 15-Revenue from Contracts with Customers to be accounted for as a sale. The amendments require the seller-lessee to determine 'lease payments' or 'revised lease payments' such that the seller-lessee does not recognise a gain or loss that relates to the right of use retained by the seller-lessee, after the commencement date. The amendments do not affect the gain or loss recognised by the seller-lessee relating to the partial or full termination of a lease. Without these new requirements, a seller-lessee may have recognised a gain on the right of use it retains solely because of a re-measurement of the lease liability modification or change in the lease term) applying the general requirements in IFRS 16. This could have been particularly the case in a leaseback that includes variable lease payments that do not depend on an index or rate. There was no material impact on the consolidated and separate financial statements as at and for the year ended 31 December 2024 as a result of the adoption of the amendments as the group does not have such transactions/ arrangements.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

2.2 Critical accounting judgements and key sources of estimation uncertainty

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

In the process of applying the Group's accounting policies, which are described in note 3, the directors have made the following judgements that have the most material effect on the amounts recognised in the financial statements (apart from those involving estimations, which are dealt with under note 2.2.2 below):

- The parent company and its subsidiaries will continue operating as a going-concern into the future, being able to generate or access resources to meet both regulatory and operational capital requirements. ZB Building Society (ZBS) did not meet the regulated minimum capital requirement as at 31 December 2024. The Group has applied for the surrender of the banking license for ZBS to RBZ. The Directors are currently working towards meeting conditions set by the regulator for the surrender of the licence.
- The directors have assessed the Group's total asset holdings relative to its cash-flow requirements and the practicality of trading in those assets and have confirmed the Group's constructive intention and ability to extract value from the assets on a "best use" basis on all non-monetary assets and a "best case" basis in the case of monetary assets. The total portfolio of non-monetary assets amounted to ZWG5.459 billion (2023: ZWG 2.892 billion) whilst non-cash monetary assets amounted to ZWG 6.021 billion (2023: ZWG 3.119 billion);

2.2.2 Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the statement of financial position date, that have a material risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below:

2.2.2.1 Fair value for unquoted investments

Subject to contractual provisions, the fair value of unquoted investments is established with reference to the earnings capacity of the underlying business using dividend growth model, net asset value and earnings valuation techniques. Valuation on the earnings and dividend model basis is calculated as the sustainable earnings of the investee multiplied by adjusted comparable Price Earnings ratio of a comparable quoted company with similar operations in a similar environment. The comparative price earnings ratio will be adjusted for different risk metrics such as balance sheet size, volume of transactions, economic outlook and country risk.

Net asset value method was used for unquoted investments which comprise primarily of assets predominantly carried at fair value at reporting date such as investment properties and other investments.

The earnings valuation techniques use unobservable inputs which requires material judgement and estimation.

- The valuation of investments in subsidiary companies carried in the separate financial statements of the holding company has been based on the net asset values of the investee companies (note 9). Net asset value method is used as representative of fair value for investments in subsidiaries as the underlying assets and liabilities of subsidiaries are the predominately carried at their fair value at reporting date.

- The Group uses all information available about the Performance and operations of its subsidiaries to check indicators that Net asset value might not be used as representative of fair value.

As at reporting date, there were no indicators that Net asset value might not be representative of fair value.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

2.2.2.2 Fair value adjustments for financial liabilities

Financial liabilities are carried at amortised cost which approximates the fair value. The amortised cost is applied using the effective interest rate method.

Information about assumptions and estimations uncertainties at the reporting date that have a material risk of resulting in a material adjustment to the carrying amounts of liabilities within the next financial year include the following: -

- Measurement of life fund liability: key actual assumptions.
- Recognition and measurements of Key assumptions about likelihood and magnitude of an outflow of resources.

2.2.2.3 Valuation of property and equipment and investment properties (IAS 16 & IAS 40)

In the current year assets were revalued as at 31 December 2024 on the basis of valuations done by Southbay Real Estate (2023- Southbay Real Estate) who are independent valuers not related to the Group and are members of the Royal Institution of Chartered Surveyors (RICS) and possess appropriate qualifications and recent experience in the valuation of similar assets. The valuation, which conforms to RICS Appraisal and Manual was arrived at by reference to market evidence of transactions for similar assets at the time of valuation after application of the following broad methodology.

The fair values of the property and equipment are categorized into Level 3 of the fair value hierarchy.

- The Investment Method was applied on all income producing properties. Market capitalization rates were derived from market sales evidence and were determined in consultation with other investors and property brokers in the market.

- Real Estate. Identified various properties that have been sold or which were on sale and situated in comparable areas using the Main Space Equivalent (MSE) principle. The total MSE of comparable areas was then used to determine the value per square meter of MSE.
- Rental and investment yield assumptions where as follows:

	2024		2023	
	Average rentals per square meter	Average investment yield	Average rentals per square meter	Average investment yield
Office	130- 400	8.2%- 11.2%	14.66-36.64	8.5%- 10%
Retail	130-400	8%- 8.5%	9.77-19.54	7.8%- 13%
Industrial	130-400	9.5%-11.5%	7.33-12.21	8.5%-13%

- The Residual Value Method was used for the Group's investment in a large undeveloped freehold property. Residual Value is determined from deducting imputed project costs and an allowance for a developer's profit from the Gross Realization Value of the presumed alternative best use of the property.

In the case of the Group's 60% share in a substantial peri-urban property measuring 598 hectares, it was assumed that the best alternative use for the land is development for residential settlement on the various use cases for the land acquired.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

2.2.2.3 Valuation of property and equipment and investment properties (IAS 16 & IAS 40) (continued)

Other valuations assumptions made were as follows: -

	31 Dec 2024 ZWG	31 Dec 2023 ZWG
Land selling price per square meter after development	115 150	23 339
Cost of servicing land per square meter	8590	1787
Imputed finance cost during development term	100%	150%
Imputed developers profit	30%	30%

The property market has generally been unstable and characterized by low volumes of recorded transactions thus affecting the development of valuation assumptions (note 13.3).

There was professional judgment on the valuation of equipment to adjust the market evidence taking cognisance of the fact that the revalued assets were not exactly comparable in terms of quality and life span. Average prices were obtained from various relevant shops, auction houses, local newspapers and the internet. However, due care was applied were necessary to moderate the prices.

It was also assumed that the assets being revalued were fit for the purpose and complied with all the by laws and statutory regulations.

The financial effect of the revaluation exercise is indicated below:

	31 Dec 2024 ZWG	31 Dec 2023 ZWG
Group		
Fair value adjustment on investment properties (note 13)	42 093 868	557 316 219
Revaluation adjustment on property and equipment (note 15)	136 503 889	404 477 907
Total increase in property values	178 597 757	961 794 126

	31 Dec 2024 ZWG	31 Dec 2023 ZWG
Company		
Fair value adjustment on investment properties (note 13)	593 181	4 825 845
Revaluation adjustment on property and equipment (note 15)	4 081 729	3 379 797
Total increase in property values	4 674 910	8 205 642

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

2.2.2.4 Useful lives and residual values of property and equipment and intangibles

As indicated in note 3.7, depreciation is provided on qualifying property and equipment over the useful life of the asset in order to progressively write the asset down to its residual value. The useful lives of the assets are reviewed on an annual basis. In the current year, a review of the useful lives was carried out and the directors are of the view that for all asset categories, there were no material developments during the year and up to the reporting date, requiring the shortening or extension of the previously assessed useful lives.

All assets were assessed for residual values that the Group will be able to obtain as at year end if the assets were aged based on their use. A nil residual value has been ascribed to assets known to have limited resell potential, such as custom-specific partitioning, carpeting, software and certain components of hardware.

The maximum useful lives were determined as follows:

	31 Dec 2024	31 Dec 2023
Freehold properties	33 years	33 years
Leasehold improvements	15 years	15 years
Motor vehicles and mobile agencies	4 years	4 years
Equipment, furniture and fittings	10 years	10 years
Computer equipment	3 years	3 years

The financial effect of the aforementioned estimates on assets is expressed in note 15 as the charge for depreciation in the current year.

2.2.2.5 The computation of expected credit losses (IFRS 9)

The measurement of impairment losses under IFRS 9 on amortised cost and debt under FVTOCI requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a material increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The Group's expected credit loss (ECL) calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

The Group's internal credit grading model, which assigns probability of default (PDs) to the individual grades.

The Group's criteria for assessing if there has been a material increase in the credit risk so that the allowances for financial assets should be measured on a lifetime expected credit losses (LTECL) basis and the qualitative assessment. The segment (corporate, retail, treasury bills and other financial assets) of financial assets when their ECL is assessed on a collective basis

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

2.2.2.5 The computation of expected credit losses (IFRS 9) (continued)

Development of ECL models, including the various formulae and the choice of inputs. Determination of associations between macroeconomic scenarios and economic inputs, such as unemployment levels and collateral values, and the effect on PDs, exposure at default (EADs) and loss given default (LGDs). The Group only have the right to dispose the collateral when the owner defaults. There were no material changes in the quality of collateral or enhancement as a result of determination or changes in the collateral policies during the year ended 31 December 2024.

- into the ECL models refer to note 39.2.4.
- a very large number of small balances. Loss rates are based on actual credit loss experience over the past five years. These rates are multiplied by scalar factors to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

2.2.2.6 Assessment of control in investments (IFRS10 & IAS 28)

Assessment of control on investee companies in terms of IFRS 10 Consolidated Financial Statements is inherently a subjective process. The guidance provided in the standard is not always prescriptive particularly in complex situations where assessment tends to be a result of persuasive arguments. The Group has assessed the level of control in its investee companies resulting in some investments being classified as associate companies and others as subsidiary companies as described more fully in note 9.

2.2.2.7 Estimation of effective lease terms and lease discount rates

Leases as lessee

a) Lease terms:

The Group considers the non-cancellable lease period of each individual lease contract in calculating the lease period. Any option to renew or early terminate is considered as part of the lease term.

b) Estimation of applicable lease discount rates (incremental borrowing rate)

The incremental borrowing rate is determined based on the interest a lessee would pay to borrow for a similar term, similar security, funds necessary to obtain asset of a similar value to the ROUA in a similar economic environment. The rate has been determined for each lease and the Group's borrowing rate throughout the year was 35% and this has been reviewed for the individual leases and determined as appropriate.

c) Estimation of applicable lease discount rates of foreign denominated leases

Due to the volatility of the ZWG lease payments, the Group has some leases denominated in USD despite the fact that the payment is made in ZWG at the prevailing exchange rate. These leases have been designated as USD leases.

"The lease liability is recalculated at every year end using closing spot rate. Changes in rentals due to exchange rate movements are accounted for as foreign exchange gains or losses."

d) Extension options

Some property leases contain extension options by the Group up to one year before the end of non-cancellable contract period. The extension options held are exercisable only by the Group and not by the lessors.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

2.2.2.8 Assessment of significance of insurance risk:

The Group applies its judgement in assessing whether a contract transfers to the issuer significant insurance risk. A contract transfers significant insurance risk only if an insured event could cause the Group to pay additional amounts that are significant in any single scenario and only if there is a scenario that has commercial substance in which the issuer has a possibility of a loss on a present value basis upon an occurrence of the insured event, regardless of whether the insured event is extremely unlikely. The assessment of whether additional amounts payable on the occurrence of an insured event are significant and whether there is any scenario with commercial substance in which the issuer has a possibility of a loss on a present value basis involves significant judgement and is performed at initial recognition on a contract-by-contract basis. The type of contracts where this judgement is required are those that transfer financial and insurance risk and result in the latter being the smaller benefit provided. The Acturial specialists conducts all these judgemental classifications under IFRS 17 to maintain consistency. This assessment is performed after separation of non- closely related derivatives, distinct investment components and promises to transfer distinct goods and non-insurance services.

Combination of insurance contracts: 2

Determining whether it is necessary to treat a set or series of insurance contracts as a single contract involves significant judgement and careful consideration. In assessing whether a set or series of insurance contracts achieve, or are designed to achieve, an overall commercial effect, the Group determines whether the rights and obligations are different when looked at together compared to when looked at individually and whether the Group is unable to measure one contract without considering the other.

Investment Component Identification:

Judgement was applied in defining the characteristics and purpose of investment components within contracts. The Group considers all terms of contracts it issues to determine whether there are amounts payable to the policyholder in all circumstances, regardless of contract cancellation, maturity, and the occurrence or non-occurrence of an insured event. Some amounts, once paid by the policyholder, are repayable to the policyholder in all circumstances. The Group considers such payments to meet the definition of an investment component, irrespective of whether the amount repayable varies over the term of the contract as the amount is repayable only after it has first been paid by the policyholder.

Separation of non-insurance components from insurance contracts:

The Group issues some insurance contracts that have several elements in addition to the provision of the insurance coverage service, such as an investment management service. Some of these elements need to be separated and accounted for by applying other Standards, while other elements remain within the insurance measurement model. In assessing whether components meet the separation criteria and should be separated, the Group applies significant judgement. For example, the Prime Plan is a clear investment contract but where it has a The Seed rider attached to it, it was necessary to separate the two and account the Seed in terms of IFRS 17 whilst the Prime Plan was accounted for in terms ofIFRS 9.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

2.2.2.8.1 Determination of the contract boundary:

The measurement of a group of insurance contracts includes all the future cash flows arising within the contract boundary. In determining which cash flows fall within a contract boundary, the Group considers its substantive rights and obligations arising from the terms of the contract, from applicable law, regulation and customary business practices. Cashflows are considered to be outside of the contract boundary if the Group has the practical ability to reprice existing contracts to reflect their reassessed risks, and if the contract's pricing for coverage up to the date of reassessment only considers the risks until the next reassessment date. The Group applies its judgement in assessing whether it has the practical ability to set a price that fully reflects all the risks in the contract or portfolio. The Group considers contractual, legal and regulatory restrictions when making its assessment and applies judgement to decide whether these restrictions have commercial substance.

2.2.2.8.2 Identification of portfolios:

The Group defines a portfolio as insurance contracts subject to similar risks and managed together. Contracts within the same product line are expected to be in the same portfolio as they have similar risks and are managed together. The assessment of which risks are similar and how contracts are managed requires the exercise of judgement. For investment-linked insurance policies, the Group considers groups of contracts participating in different pools of underlying items to be in different portfolios, because they are subject to different risks from underlying items. However, where different products participate in the same pool of underlying items (e.g. investment-linked insurance policies and investment contracts with scretionary participating features), these are also considered separate portfolios due to different insurance risks.

2.2.2.8.3 Level of aggregation:

The Group applies judgement when distinguishing between contracts that have no significant possibility of becoming onerous and other profitable contracts.

2.2.2.8.4 Assessment of directly attributable cash flows:

The Group uses judgement in assessing whether cash flows are directly attributable to a specific portfolio of insurance contracts. Insurance acquisition cash flows are included in the measurement of a group of insurance contracts only if they are directly attributable to the individual contracts in a group, or to the group itself, or the portfolio of insurance contracts to which the group belongs. When estimating fulfilment cash flows, the Group also allocates fixed and variable overheads fulfilment cash flows directly attributable to the fulfilment of insurance contracts.

2.2.2.8.5 Assessment of eligibility for PAA:

For contracts with a coverage period of less than one year, the Group elects to apply the PAA if at the inception of the group of contracts, the Group reasonably expects that it will provide a liability for remaining coverage that would not differ materially from the General Model. The Group exercises judgement in determining whether the PAA eligibility criteria are met at initial recognition.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

2.2.2.8.5 Assessment of eligibility for PAA (continued):

Direct participating contracts are considered to be sufficiently different from other participating contracts due to the enforceable link to the underlying items, the significance of policyholders' share in the pool and the significance of those returns to the overall policyholder payments. The Group assesses whether a contract meets the definition of a direct participating contract using the Group's expectations existing at inception of the contract. This assessment is performed, on a contract-by-contract basis, for all insurance contracts with direct participating features and investment contracts with discretionary participating features (investment contracts with DPF). In assessing the significance of the policyholder's share of returns from the underlying items and the degree of variability in total payments to the policyholder, the Group applies significant judgement. The Group applies significant judgement in determining the policyholder share of returns. The Group considers that variable annual charges applied to the policyholder amount reduce the policyholder share of fair value returns. At inception, in considering the expected degree of variability in total payments to the policyholder with the changes in fair value of underlying items, the Group considers the range of possible scenarios and estimates their probabilities.

2.2.2.8.6 Selecting a method of allocation of coverage units:

IFRS 17 establishes a principle for determining coverage units, not a set of detailed requirements or methods. The selection of the appropriate method for determining the amount of coverage units is not an accounting policy choice. It involves the exercise of significant judgement and development of estimates considering individual facts and circumstances. The Group selects the appropriate method on a portfolio-by-portfolio basis. In determining the appropriate method, the Group considers the likelihood of insured events occurring to the extent that they affect expected period of coverage in the group, different levels of service across the period and the quantity of benefits expected to be received by the policyholder. For contracts providing both insurance coverage and investment-related services or both insurance coverage and investment-return services, the Group exercises judgement in determining the scaling factor applied in the weighting of benefits determined at initial recognition. The weights are recalculated in each subsequent period, reflecting historical experience and changes in assumptions for future periods that are determined at the reporting date.

The following are key estimations that the directors have used in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in financial statements.

2.2.2.8.7 Future cash flows

- Discount rates
- Allocation rate for insurance finance income or expenses
- Risk adjustment for non-financial risk
- Allocation of asset for insurance acquisition cash flows to current and future groups of contracts

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

2.2.2.8.8 Technique for estimation of future cash flows

In estimating fulfilment cash flows included in the contract boundary, the Group considers the range of all possible outcomes in an unbiased way specifying the amount of cashflows, timing and probability of each scenario reflecting conditions existing at the measurement date, using a probability-weighted average expectation. The probability weighted average represents the probability-weighted mean of all possible scenarios. In determining possible scenarios, the Group uses all the reasonable and supportable information available to them without undue cost and effort, which includes information about past events, current conditions and future forecasts.

Cash flow estimates include both market variables directly observed in the market or derived directly from markets and non-market variables such as mortality rates, accident rates, average claim costs, probabilities of severe claims, policy surrender rates. The Group maximises the use of observable inputs for market variables and utilises internally generated group-specific data. For life insurance contracts, the Group uses national statistical data for estimating the mortality rates as the national statistical data is more current than internal mortality statistics.

In measuring investment-linked life insurance contracts' cash flows or a portion of those cash flows, the Group uses a fair value of a 'replicating asset' or a 'replicating portfolio of assets' where cash flows exactly match the cash flows (or some of the cash flows) of a group of insurance contracts in all scenarios in terms of timing, amount and uncertainty. The fair value of the asset reflects both the expected present value of the cash flows and their associated risk, and this matches the characteristics of the group of insurance contracts in all scenarios.

2.2.2.8.9 Determination of exchange rates before 5 April 2024

The Group and the Company converted its Hyper inflated balances as at 31 December 2023 to USD by applying the guidance from the Institute of Chartered Accountants Zimbabwe (ICAZ). ZW$ balances were translated to USD using the balance sheet exchange rate at 31 December 2023 (USD1:ZW$6104). In converting from USD to ZWG, the exchange rate as at 5 April 2024 was used (USD1:ZWG13,56). Manangement elected to use this exchange rate as it was the earliest available exchange rate. Manangement did not convert directly from ZW$ to ZWG (as per IAS 21) as the ZWG currency did not exist in the prior year.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The principal accounting policies adopted in the consolidated and separate financial statements, which are set out below, have been consistently followed in all material respects (except for matters disclosed under note 3.1.1.1) and are in accordance with IFRS Accounting Standards.

Where reference is made to "the Group" or "Company" in the accounting policies, it should be interpreted as referring to the "consolidated" or "separate" respectively, where the context requires, unless otherwise noted.

3.1 Basis of preparation

The principal accounting policies adopted in the financial statements, which are set out below, are consistent with the most recent financial statements for the year ended 31 December 2023 except for the change in functional currency as stated in note 3.1.1.

3.1.1 Functional and presentation currency

3.1.1.1 Change in functional currency

Following the enactment of Statutory Instrument ("SI") 185 of 2020 on 24 July 2020, the Group witnessed a gradual increase in the use of foreign currency across its operations. Subsequently, in June 2022, the government established the multi-currency system into law until 31 December 2025 through Statutory Instrument 118A of 2022. Moreover, on 27 October 2023, Statutory Instrument 218 of 2023 (SI 218/23) extended the settlement of transactions in foreign currency until 31 December 2030, assuring businesses regarding the continuity of the multi-currency system. This has since been confirmed through the Finance Act No.13 of 2023. This announcement facilitated access to foreign currency and long-term loans critical for working capital and business expansion.

As a result of these developments, the company re-evaluated its functional currency in accordance with IAS 21 ("The Effects of Changes in Foreign Exchange Rates").

In assessing functional currency for the businesses, the following factors were considered:

(i) the currency that mainly influences sales prices for goods and services (the currency in which sales prices for goods and services are denominated and settled)
(ii) the currency which influences labour, material and other costs of providing goods and services.
(iii) the currency in which funds from financing activities are generated
(iv) the currency in which receipts from operating activities are usually retained

Based on the above factors, ZB Financial Holdings Limited and its subsidiaries concluded that there has been a change in functional currency from Zimbabwe Dollar (ZW$) to United States Dollars ("USD") with effect from 1 January 2024.

The business reporting framework has undergone transformation by changing its functional and presentation currency to USD and ZWG respectively, as explained above.

It is important to highlight that the financial balances may exhibit notable disparities when viewed from a market perspective due to the disparities in exchange rates and the levels of hyperinflation experienced during the prior period.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

3.1.1.2 Change in presentation currency

The Group and the Company elected to use ZWG as a presentation currency to comply with the Reserve Bank of Zimbabwe (RBZ) and Zimbabwe Stock Exchange (ZSE) directives to report in ZWG.

The group and company's presentation currency (ZWG) is a currency of a hyperinflationary economy.

In prior years, the Group and the Company's presentation currency was the Zimbabwe Dollar (ZW$), which was also the group and company functional currency. The ZW$ was a currency of a hyperinflationary environment, as a result, in prior year, financial statements were prepared based on the requirements of International Accounting Standard (IAS) 29 - Financial Reporting in Hyperinflationary Economies. IAS 29 requires financial statements prepared in the currency of a hyperinflationary economy to be stated in terms of the measuring unit current at the statement of financial position, and that corresponding figures for previous years be restated in the same terms. The ZW$ currency was discontinued on 5 April 2024.

Statement of financial position line items for the 2024 reporting period were translated using the closing rate at 31 December 2024 while the income statement lines were translated using average rates for 2024.

All resulting exchange differences were recognised in other comprehensive income and taken to a separate component of equity, that is the Foreign Corrency Translation Reserve (FCTR).

Equity components of Share Capital and Share Premium have been translated using historical exchange rates. For this purpose, historical rates are defined as the exchange rates prevailing as at 1 January 2024 (Being the earliest available ZWG exchange rate of 5 April 2024). This date corresponds to the point at which management ceased the application of International Accounting Standard (IAS) 29, Financial Reporting in Hyperinflationary Economies.

The financial statements for the year to 31 December 2023 were inflation adjusted and translated to USD using the December 2023 closing rate of USD1:ZW$6104.7226. The December 2022 inflation adjusted numbers were translated to USD at the prevailing closing rate of USD1:ZW$684.3339. The restatement and translation effect of the above has been recognised in other comprehensive income.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

3.1.1.3 Conversion of Comperative numbers to the presentation currency

Following the adoption of the ZWG as the group and company's Presentation Currency. The group and company converted their comparative financial statements as follows:

Conversion Methodology

Given that ZWG did not exist as a currency in the prior reporting period (2023), a two-step conversion process was employed for all amounts in the financial statements except for Property & Equipment (PE), Investment Property (IP), Right of Use (ROU) and related income and expenses. First, the hyperinflation-adjusted ZW$ balances as of 31 December 2023 were converted to US Dollars (USD) using the exchange rate of 1:6104.7226, as per guidance from the Institute of Chartered Accountants Zimbabwe (ICAZ). Secondly, these USD balances were then converted to ZWG using the exchange rate of 1:13.5616, which was the earliest available exchange rate, dated 5 April 2024".

The decision to use this two-step process, rather than a direct ZW$ to ZWG conversion, was necessitated by the non-existence of ZWG for reporting period before 5 April 2024 The resulting translation and restatement gains and losses are treated by management as translation gains and losses recognised in OCI.

Specific Treatment of Certain Asset Categories

Exceptions to the general conversion methodology were made for Investment Property, Equipment, and Right-of-Use Assets, where directors determined that a more accurate representation of these assets would result from alternative methods.

Investment property - The Group and Company adopted figures from the 2023 US Dollar valuation report which was done by the Independent Professional Valuers.

Equipment - The Group and Company adopted figures from the 2023 US Dollar valuation report which was done by the Independent Professional Valuers.

Right of use asset - The Group and Company mantains its right of use assets in US Dollars. Instead of converting the 2023 IAS 29 value, the USD computation was used so as to align utilisation of the right of use asset to the related lease liability.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

3.1.1.3 Conversion of Comparative numbers to the presentation currency (continued)

The impact of these exceptions is disclosed below:

Consolidated	*As previously reported in 2023 ZWG ZWG	As Reported ZWG	Impact on property and equipment ZWG
Property and equipment			
Freehold properties	495 915 416	478 912 431	(17 002 985)
Leasehold improvements	49 672 612	48 797 439	(875 173)
Equipment furniture & fittings	68 580 422	48 113 137	(20 467 285)
Computer equipment	167 421 372	124 707 132	(42 714 240)
Marine assets and motor vehicles	60 327 605	42 470 808	(17 856 797)
Capital WIP	2 182 284	1 997 900	(184 384)
Total	844 099 711	744 998 847	(99 100 864)

	*As previously reported in 2023 ZWG ZWG	As Reported ZWG	Impact on Investment Property ZWG
Investment properties	2 005 522 928	1 696 614 680	(308 908 248)
Total	2 005 522 928	1 696 614 680	(308 908 248)

Deferred Tax	*As previously reported in 2023 ZWG	As Reported	Impact on Deferred Tax
Deferred Tax liabilities	(225 345 010)	(166 136 735)	59 208 275
Deferred Tax Assets	5 970 234	3 293 477	(2 676 757)
Total	(219 374 776)	(162 843 258)	56 531 518

	*As previously reported in 2023 ZWG	As Reported	Impact on Other Comprehensive Income
Gains on property and equipment revaluation	103 142 537	367 438 690	264 296 153
Total	103 142 537	367 438 690	264 296 153

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

3.1.1.3 Conversion of Comparative numbers to the presentation currency (continued)

Equity and reserves	*As previously reported in 2023 ZWG	As Reported	Impact on Equity and reserves
Property and equipment revaluation reserve	786 617 477	719 287 675	(67 329 802)
Retained Income	1 372 558 812	1 081 369 692	(291 189 120)
Total Equity	2 159 176 289	1 800 657 367	(358 518 922)

*Converted at the 31 December 2023 rates of USD 1: ZW$ 6104.7226 and USD 1: ZWG13.5616

Separate	*As previously reported in 2023 ZWG ZWG	As Reported ZWG	Impact on property and equipment ZWG
Property and equipment			
Leasehold improvements	14	-	(14)
Equipment furniture & fittings	7 354 323	13 856 767	6 502 444
Computer equipment	5 145 927	9 197 205	4 051 278
Marine assets and motor vehicles	815 426	4 482 394	3 666 968
Total	13 315 690	27 536 366	14 220 676

	*As previously reported in 2023 ZWG ZWG	As Reported ZWG	Impact on Assets ZWG
Investment in subsidiaries	2 149 046 129	1 823 016 615	(326 029 514)
Investment properties	9 149 327	6 618 158	(2 531 169)
Total	2 158 195 456	1 829 634 773	(328 560 683)

Deferred Tax	*As previously reported in 2023 ZWG	As Reported	Impact on Deferred Tax
Deferred Tax liabilities	3 393 177	-	(3 393 177)
Deferred Tax Assets	-	4 649 831	4 649 831
Total	3 393 177	4 649 831	1 256 654

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

3.1.1.3 Conversion of Comparative numbers to the presentation currency (continued)

Other comprehensive income	*As previously reported in 2023 ZWG	As Reported	Impact on Other Comprehensive Income
Gains on property and equipment revaluation	1 117 712	2 509 499	1 391 787
Total	1 117 712	2 509 499	1 391 787

Equity and reserves	*As previously reported in 2023 ZWG	As Reported	Impact on Equity and reserves
Property and equipment revaluation reserve	23 055 329	27 984 420	4 929 091
Retained Income	2 163 732 721	1 823 012 324	(340 720 397)
Total Equity	2 186 788 050	1 850 996 744	(335 791 306)

*Converted at the 31 December 2023 rates of USD 1: ZW$ 6104.7226 and USD 1: ZWG13.5616

3.1.1.4 Foreign Currency Transactions and Balances

In preparing the financial statements of the Group and Company, transactions in currencies other than the United States Dollar are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

3.1.2 Statement of compliance

The consolidated and separate annual financial statements as at, and for the year ended 31 December 2024, have been prepared under the supervision of E Mungoni CA (Z), Chief Finance Officer of ZB Financial Holdings Limited. The consolidated and separate financial statements are prepared based on accounting records maintained under the historical cost convention and modified by the revaluation of property and equipment, investment properties and financial instruments carried at fair value.

The consolidated and separate fiancial statements have been prepared in accordance with IFRS Accounting Standards promulgated by the International Accounting Standards Board (IASB) which includes standards and Interpretations approved by IASB, the International Financial Reporting Interpretations Committee (IFRIC) interpretations except for International Accounting Standard 21 (IAS 21) and International Accounting Standard 29 (IAS 29) which were not fully complied with on conversion of opening balances. The consolidated and separate fiancial statements were prepared in the manner required by the Companies and Other Business Entities Act (Chapter 24:31), the Banking Act (Chapter 24:20), the Building Societies Act (Chapter 24:02), the Insurance Act (Chapter 24:07), Secutrirties and Exchange Act (Chapter 24:25), Microfinance Act (Chapter 24:29) and relevant regulations made there under.

The consolidated and separate financial statements were authorised for issue by the Board of Directors on 28 March 2025.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

3.1.3 Assessment of Insurance liabilities

Method of estimating discount rates

In determining discount rates for different products, the Group uses the top-down approach for cash flows of non participating contracts that do not depend on underlying items. Applying this approach, the Group uses the yield curve created by market rates of return implied in the fair value of a reference portfolio of assets. One of the key sources of estimation uncertainty is estimating the market risk premiums for credit risk of the underlying items that are only relevant to assets included in the reference portfolio, but not to the non-participating contracts (and are accordingly excluded).

The key source of estimation uncertainty is determining discount rates beyond the last observable period for which credit derivatives are available. The other key source of estimation uncertainty is estimating the effect of the differences in timing, amount, and uncertainty of the cash flows of items in the reference portfolio and the cash flows of the group of insurance contracts.

To derive the yield curve from the reference portfolio of items, the Group noted that there is no observable yield curve in Zimbabwe, and fixed interest securities do not have active market. We thus relied on USA yield curve which has been adjusted for country risk and other adjustments. Selecting an appropriate discount rate reflecting risks and time value of money was a key source of estimation.

Estimation of allocation rate for insurance finance income or expenses

The Group uses either the constant or crediting rate in the systematic allocation of insurance finance income or expenses.

The constant rate used in a period is calculated applying the formula which uses three variables: the estimate of future cash flows at the end of the reporting period (not discounted), the present value of future cash flows brought forward discounted by the constant rate used in the previous period, and the expected duration of the group contracts. In determining the constant rate, the Group estimates the expected insurance finance income or expenses over the remaining duration of the group that is partly implicit in the estimated cash flows.

For direct participating contracts for which the Group does not hold the underlying items, the Group uses the crediting rate for the systematic allocation of insurance finance income or expenses. In determining the crediting rate, the Group estimates the constant factor.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

3.1.5 Risk adjustment for non-financial risk

The risk adjustment for non-financial risk is the compensation the Group requires for bearing the uncertainty about the amount and timing of the cash flows arising from insurance risk and other non-financial risks such as lapse risk and expense risk. It measures the degree of variability of expected future cash flows and the Group -specific price for bearing that risk and reflects the degree of the Group's risk aversion. The Group determines the risk adjustment for non-financial risk at the entity level and then allocates it to all the groups of insurance contracts. In estimating the risk adjustment, the Group adopt a confidence level technique. The confidence level is determined based on Group's level of risk appetite for bearing the non-financial risk arising from the uncertain amount and timing of cash flows. The resulting risk adjustment corresponds to an 75% confidence level.

The confidence level technique is determined with reference to a particular target confidence level. The risk adjustment is a new concept in IFRS 17, with similarities to the risk margin under risk-based capital frameworks. However, the method of calculation is quite different. At present, ZB Life did not specify its risk appetite in terms of a confidence level consistent with the requirement of a risk adjustment. We have therefore relied on emerging industry practice to set the risk adjustment at the 75% confidence level.

Allocation of asset for insurance acquisition cash flows to current and future groups of contracts The Group allocates the asset for insurance acquisition cash flows to an associated group of contracts and to any future groups that include the contracts that are expected to arise from the renewals of the contracts in that group using a systematic and rational method. In doing so, the Group estimates the expected contracts to be included within a future group or the number of renewals that may arise from an original group when allocating the asset.

Actuarial Assumptions, Model Accuracy and Limitations

Determination of mortality rates, morbidity rates, lapse rates, expense escalation rates and the accuracy of these assumptions significantly impacts CSM and long-term financial projections. Actuarial models used for projections and risk assessments may have inherent limitations and require periodic review and adjustments.

Economic conditions like inflation and unemployment can influence investment returns and policyholder behaviors, leading to uncertainties in cashflows.

3.2 Basis of consolidation

Subsidiaries

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

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

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

3.2 Basis of consolidation (continued)

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.

3.2.1 Goodwill

Goodwill arising on the acquisition of subsidiaries is measured at cost less impairment losses.

Goodwill is reviewed for impairment at least annually in December. Any impairment is recognised immediately in profit or loss and is not subsequently reversed.

On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

3.2.2 Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

3.2.3 Associates

An associate is an entity over which the Group or the Company is in a position to exercise material influence, but not control or joint control, through participation in the financial and operating policy decisions of the investee.

The Group and company account for interests in associates using the equity method of accounting except when the investment has been classified as held for sale upon which it is measured at the lower of carrying amount and fair value less costs to sell. They are recognised initially at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated and separate financial statements include the Group and holding company's share of the profit or loss and other comprehensive income (OCI) of associates, until the date on which material influence ceases. Losses of the associates in excess of the Group's interest in those associates are not recognised.

Unrealised profits and losses are eliminated to the extent of the Group's interest in the relevant associate. Losses may provide evidence of an impairment of the asset transferred, in which case appropriate provision is made for impairment.

3.3 Revenue recognition

The Group and Company recognise revenue from contracts with customers when or as it transfers control over a service to a customer.

The Group and Company recognises revenue from contracts with customers as follows:

a) Over time- revenue is recognised as the services are provided, that is where the customer simultaneously receives and consumes the benefits provided by the Group and Company's performance.

b) At point in time- when the transaction takes place, that is when the Group and Company have satisfactorily discharged the performance obligation.

c) Revenue contracts outside the scope of IFRS 15 such as financial instruments, insurance contracts and leases are measured according to applicable standards.

3.3.1 Net interest income

Interest income arises from the Group and Company's lending and money market activities.

The Group recognises interest income in profit or loss using the effective interest method.

For credit impaired financial assets, the Group applies the effective interest rate to the amortised cost of the financial assets in subsequent reporting periods. When the credit impaired financial instruments improve, the interest revenue is recognised by the Group by applying the effective interest rate to the gross carrying amount.

3.3.1.2 Interest expense

Interest expense arises from the Group's funding and money market borrowing activities.

The Group recognises interest expense in profit or loss using the effective interest method.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

3.3.1.3 Effective interest method

The effective interest method is a method of calculating the amortised cost of financial assets net of ECL and financial liabilities by allocating interest income / expenses over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) to the gross carrying amount of the financial assets or the amortised cost of the financial liability, through the expected life of the financial asset and financial liabilities or, where appropriate, a shorter period.

3.3.2 Fees and commission income

Fee and commission income from contracts with customers is measured based on the consideration specified in a contract with a customer. The Group and Company recognise revenue when it transfers control over a service to a customer.

Fees and commission income that are an integral part to the effective rate of a financial asset are included in the measurement of the effective interest rate, and specifically excluded from IFRS 15.

Revenue from account service and servicing fees is recognised over time as the services are provided.

Fees and commissions related to transactions arise when the transaction takes place and are recognised at the point in time.

3.3.3 Dividends

The Group and Company recognise dividends in the separate and consolidated financial statements when its right to receive the dividends is established.

3.3.4 Insurance revenue

The Group's insurance revenue depicts the provision of services arising from a group of insurance contracts at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those services. Insurance revenue from a group of insurance contracts is therefore the relevant portion for the period of the total consideration for the contracts, (i.e., the amount of premiums paid to the Group adjusted for financing effect (the time value of money) and excluding any investment components). (note 3.20.2.9).

3.4 Financial instruments

The Group and Company recognise financial assets and financial liabilities on its consolidated and separate statement of financial position when it becomes a party to the contractual provisions of the financial instrument.

Investments are recognised and derecognised on trade date where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the time frame established by the market concerned, and are initially measured at fair value. Financial assets classified as at fair value through profit or loss, are initially measured at fair value. Transaction costs are included in the initial measurement of financial assets and financial liabilities, except for those measured at FVTPL and trade receivables initially measured at the transaction price as defined in IFRS15.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

3.4.1 Classification of financial assets

Financial assets are classified into the following specified categories:

- financial assets at fair value through profit or loss (FVTPL)
- financial assets at fair value through other comprehensive income (FVTOCI) and
- financial assets at amortised cost (AMCO)

The classification of debt instalments depend on the business model for managing the financial assets and the contractual cashflow characteristics at the time of initial recognition. Financial assets are subsequently measured at either amortised cost or fair value. Equity instalments are classified as financial assets at FVTPL, except for those equity investments for which the Group has irrevocably elected to present subsequent changes in the investments fair value in other comprehensive income.

3.4.1.1 Financial assets at FVTPL

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

This category includes derivative instruments and listed equity investments which the Group had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are recognised as other income in the statement of profit or loss when the right of payment has been established.

On initial recognition, the Group and Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI as at FVTPL if doing so eliminates or materially reduces any accounting mismatch that would otherwise arise. These financial assets are neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets.

3.4.1.2 Financial assets at FVTOCI

The Group and Company apply the category under IFRS 9 of debt instruments measured at FVTOCI when both of the following conditions are met:

- The instrument is held within a business model, the objective of which is achieved by both collecting contractual cash flows and selling financial assets;
- The contractual terms of the financial asset meet the SPPI test.

Gains and losses arising from changes in fair value are recognised directly in other comprehensive income in the financial assets at FVTOCI reserve with the exception of impairment losses, interest calculated using the effective interest method and foreign exchange gains and losses on monetary assets, which are recognized directly in profit or loss.

The fair value of monetary assets at FVTOCI denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the reporting date. The change in fair value attributable to translation differences is recognised in other comprehensive income.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

3.4.1.3 Financial assets at amortised cost

This includes amounts due from banks, loans and other receivables, bills of exchange and debentures with fixed or determinable payments and fixed maturity debts that the Group and Company has the positive intent and ability to hold to maturity. Investments are recorded using the effective interest method less any impairments with revenue being recognised on an effective yield basis.

The Group and Company only measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold the financial assets in order to collect contractual cash flows,
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

The details of these conditions are outlined below: -

a) Business model assessment: -

The Group and Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Group and Company's business model is not assessed on an instrument -by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as portfolio performance evaluation basis, risks inherent in the assets in the portfolio, basis of compensation to management and the frequency, value and timing of sales from the portfolio.

The assessment is based on reasonably expected scenarios without taking 'worst case' or' stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Group and Company's original expectations, the Group and Company do not change the classification of the remaining financial assets held in that business model but incorporate such information when assessing newly originated or newly purchased financial assets going forward.

b) The SPPI test: -

Principal for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).

The most material elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Group and Company apply judgement and consider relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.

In contrast, contractual terms that introduce a more than de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVTPL.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

3.4.1.4 Cash and cash equivalents

"Cash and cash equivalents" include notes and coins on hand, unrestricted balances held with central banks and highly liquid financial assets with original maturities of three months or less from the acquisition date that are subject to an inmaterial risk of changes in their fair value and are used by the Group and Company in the management of short-term commitments.

3.4.1.5 Impairment of financial assets

The Group and Company are recording the allowance for expected credit losses for all loans and other debt financial assets not held at FVTPL, together with loan commitments and financial guarantee contracts, all referred to as 'financial instruments'. No impairment loss is recognised on equity assets.

The measurement of ECL reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money; and
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

Detailed forward looking information is presented in note 39.2.4. Due to the country's economic landscape, it is difficult to present a detailed forward looking and micro economic disclosures in relation to ECL.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LTECL), unless there has been no material increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss (12mECL).

The 12mECL is the portion of LTECLs that represents the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Both LTECL and 12mECL are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments.

The Group and Company have established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased materially since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

3.4.1.5 Impairment of financial assets (continued)

Based on the above process, the Group and Company place loans and receivables into Stage 1, Stage 2, Stage 3 and POCI, as described below:

- **Stage 1:** refers to a financial instrument that is not credit-impaired on initial recognition. Its credit risk is continuously monitored by the Group and all repayments are current and within 30 days. Financial instruments in Stage 1 have their expected credit loss (ECL) measured at an amount equal to the portion of lifetime expected credit losses that result from default events possible within the next 12 months. Interest income is accrued on gross carrying amount.

- **Stage 2:** If a material increase in credit risk ('SICR') since initial recognition is identified, the financial instrument is moved to 'Stage 2' but is not yet deemed to be credit-impaired. Debt is past due for more than 30 days but less than 90 days and there is an increased possibility of credit risk developing. Instruments in Stages 2 have their ECL measured based on expected credit losses on a lifetime basis. Interest income is accrued on gross carrying amount.

- **Stage 3:** If the financial instrument is credit-impaired, the financial instrument is then moved to 'Stage 3'. The debt is past due for more than 90 days. Instruments in Stages 3 have their ECL measured based on expected credit losses on a lifetime basis. Interest income is accrued on net carrying amount. A pervasive concept in measuring ECL in accordance with IFRS 9 is that it should consider forward-looking information.

- **POCI:** Purchased or originated credit impaired (POCI) assets are financial assets that are credit impaired on initial recognition. POCI assets are recorded at fair value at original recognition and interest income is subsequently recognized on a credit adjusted EIR. ECLs are only recognized or released to the extent that there is subsequent change in the ECLs.

The following diagram summarises the impairment requirements under IFRS 9:

The following diagram summarises the impairment requirements under IFRS 9:

Change in credit quality since initial recognition		
Stage 1	**Stage 2**	**Stage 3**
(Initial recognition) and not credit impaired	(Material increase in credit risk since initial recognition)	(Credit-impaired assets)
12-month expected credit losses	Lifetime expected credit losses	Lifetime expected credit losses

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

3.4.1.5 Impairment of financial assets (continued)

The calculation of ECLs

The Group and Company calculates ECLs based on the probability of default, the exposure to default and loss given default to measure the expected cash shortfalls discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive.

The key elements in the ECL calculations are:

PD: The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio.

EAD: The Exposure at Default is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.

LGD: The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD.

When estimating LTECLs for undrawn loan commitments, the Group estimates the expected portion of the loan commitment that will be drawn down over its expected life.

For credit cards and revolving facilities that include both a loan and an undrawn commitment, ECLs are calculated and presented together with the loan using the amortised cost on the balance outstanding at any given time. The Group measures ECL for credit cards over a period longer than the maximum contractual period of 3 months. The Group contractual ability to demand repayment and cancel the unknown commitment does not limit the Group's exposure to credit losses to the contractual notice period. The ECL for credit cards therefore ranges from 3 months to 12 months. ECLs related to loan commitments and letters of credit as well as financial guarantee contracts are recognised within provisions.

For certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis.

In making the above assessments, the Group adheres to the provisions of the Reserve Bank of Zimbabwe's prudential guidelines on risk provisioning, and any general provision raised in accordance with such provisions, which is not directly associated with a specific loan or loan portfolio, is dealt with through the statement of changes in equity as a charge or credit on the general reserves.

The carrying amount of trade receivables is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, the gross carrying value and the allowance account will be written off. Subsequent recoveries of amounts previously written off would be recognized in the impairment loss line in profit or loss. Changes in the carrying amount of the allowance account are recognised in profit or loss.

In subsequent reporting periods, if the amount of the impairment decreases, the previously recognised impairment is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

3.4.1.6 Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire; or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and any associated liabilities for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset, the difference between the carrying amount of the asset and the sum of:
the consideration received and
any cumulative gain or loss that has been recognised in other comprehensive income is recognised in profit or loss.

3.4.2 Financial liabilities and equity instruments issued by the Group

3.4.2.1 Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

3.4.2.2 Equity instruments

Equity instruments are instruments that meet the definition of equity from the issuer's perspective; that is, instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets.

3.4.2.3 Treasury shares

Where the Group purchases its own equity share capital, the consideration paid, including any attributable incremental external costs net of income taxes, is deducted from total shareholders' equity as treasury shares until they are cancelled. Where such shares are subsequently sold or reissued, any consideration received is included in shareholders' equity. No gain or loss is recognised in income or loss on the purchase, sale, issue or cancellation of an entity's own equity instruments.

3.4.2.4 Financial guarantee contract liabilities

Financial guarantee contract liabilities are measured initially at fair values and are subsequently measured at the higher of:

- the amount of the loss allowance determined in accordance with IFRS 9; and the amount initially recognised less, where appropriate, cumulative amount of income recognised in accordance with the principles of IFRS 15.

3.4.2.5 Financial liabilities

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities at 'AMCO'.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

3.4.2.6 Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL where the financial liability is designated as at FVTPL.

The Group has designated financial liabilities as at FVTPL in either of the following circumstances:

- The liabilities are managed, evaluated and reported internally on a fair value basis; or
- The designation eliminated or materially reduces on accounting mismatch that would otherwise arise.

Gains or losses on financial liabilities classified at FVTPL are split between OCI and Profit or Loss movement in the fair value due to changes in the credit risk will be recognized in OCI and the remaining amount of the changes in the fair value will be recognized in profit or loss. Fair value is determined in the manner described in note 3.4.4.

3.4.2.7 Borrowings, including preference shares

Borrowings are recognised initially at fair value, being their issue proceeds (fair value of consideration received) net of transaction costs incurred. Borrowings are subsequently measured at amortised cost and any difference between net proceeds and redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

When convertible borrowings are issued, the fair value of the conversion option is determined. This amount is recorded separately in shareholders' equity. The Group does not recognise any change in the value of this option in subsequent periods. The remaining obligation to make future payments of principal and interest to bond-holders is calculated using a market interest rate for an equivalent non-convertible bond and is presented on the amortised cost basis in other borrowed funds until extinguished on conversion or maturity of the bonds.

Preference shares which carry a mandatory coupon or are redeemable on a specific date or at the option of the shareholder, are classified as financial liabilities and presented together with other borrowings. The dividends on these preference shares are recognised in profit or loss as interest expense on an amortised cost basis using the effective interest method.

If the Group purchases its own debt, it is removed from the consolidated statement of financial position and the difference between the carrying amount of a liability and the consideration paid is included in net operating income.

3.4.2.8 Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired.

3.4.3 Offsetting financial instruments

The Group offsets financial assets and liabilities and reports the net balance in the consolidated statement of financial position where:

- there is a legally enforceable right to set off;
- there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

There was no offsetting of financial instruments during the year under review.

3.4.4 Fair values of financial instruments

Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of liability reflects its non-performance risk.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

3.4.4 Fair values of financial instruments (continued)

The fair values of financial assets and financial liabilities are determined as follows: -

- the fair value of financial assets and liabilities with standard terms and conditions and traded on active liquid markets is determined with reference to quoted market prices, and;
- the fair value of other financial assets and financial liabilities is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments.

The valuation technique used depends on the nature of the financial instrument (see note 2.2.2).

Fair value hierarchy

IFRS 13 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources; unobservable inputs reflect the Group's market assumptions. These two types of inputs have created the following fair value hierarchy:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities that an entity has access at the measurement date.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs). This category includes instrument that have no active market. The Group used various valuation techniques that includes discounted cash flow valuation techniques by applying risk discounted rate for comparative risk profiles, the dividend growth model, maintainable earnings model, and the net asset value to some of its investments.

The net asset value valuation is used for its subsidiaries in order to track the value created by its investments. The assets of investments are normally exposed to fair value adjustments on a yearly basis and the net asset value represents the reasonable valuation of Company's subsidiaries and associates.

The hierarchy requires the use of observable market data when available. The Group considers relevant and observable market prices in its valuations where possible.

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

3.5 Contingent liabilities

Contingent liabilities are disclosed when the Group:

- has a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group, or
- has a present obligation that arises from past events but is not recognised because:
  - o it is not probable that an outflow of resources will be required to settle an obligation; or
  - o the amount of the obligation cannot be measured with sufficient reliability.

3.6 Inventories

Inventories are stated at the lower of cost and net realisable value. Weighted average cost is used to determine the value of inventory. Inventories include consumables, stationery, ATM spares, fuel, housing stands and other sundries as described fully in note 10.

3.7 Property and equipment

Property and equipment held for use in the supply of goods or services, or for administrative purposes are stated in the consolidated statement of financial position at their revalued amounts, being the fair value at the date of revaluation, determined from market-based evidence by appraisal undertaken by or with assistance of professional valuers, less any subsequent accumulated depreciation and subsequent accumulated impairment. Revaluations are performed with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair values at the statement of financial position date.

Any revaluation increase arising on the revaluation of such property and equipment is credited to the revaluation reserve, except to the extent that it reverses a revaluation decrease for the same asset previously recognised as an expense, in which case the increase is credited to profit or loss to the extent of the decrease previously charged. A decrease in carrying amount arising on the revaluation of such property and equipment is charged as an expense to the extent that it exceeds the balance, if any, held in the revaluation reserve relating to a previous revaluation of that asset.

If an item of property and equipment is revalued, the entire class of property and equipment to which that asset belongs is revalued. A class of property and equipment is a grouping of assets of a similar nature and use in the Group's operations. All classes of property and equipment are revalued except for leasehold improvements and capital work in Progress.

Upon the derecognition of an item of property and equipment, the related accumulated revaluation surplus Is transferred directly to retained earnings.

At the date of revaluation, the revalued amount will be the carrying amount of the asset. The accumulated depreciation is adjusted to the equal difference between the gross carrying amount of the asset after taking into account the accumulated impairment losses.

Depreciation on revalued property and equipment is recognised in profit or loss. On the subsequent sale or retirement of a revalued asset, the attributable revaluation surplus remaining in the revaluation reserve is transferred directly to accumulated profit.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

3.7 Property and equipment (continued)

Properties in the course of construction for production, rental or administrative purposes, or for purposes not yet determined, are carried at cost, less any recognised impairment. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Depreciation of these assets is on the same basis as other property assets and commences when the assets are ready for their intended use.

Depreciation is charged so as to write off the cost or valuation of assets, other than land and properties under construction, over their estimated useful lives, to their residual amounts using the straight-line method. Depreciation is calculated over the estimated useful life of the asset which is reassessed on an annual basis. (note 2.2.2.4).

All assets are assessed to determine whether there is indication of impairment at the end of the reporting period. The recoverable amount is only determined where there is indication of impairment. The recoverable amount is determined as the higher of an assets or cash generating unit's fair value less costs of disposal and its value in use. Impairment is charged to the consolidated and separate statement of profit or loss.

The gain or loss arising from disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

3.8 Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group companies at exchange rates at the dates of the transactions. At each statement of financial position date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the reporting date. Non-monetary items carried at fair value that are denominated in foreign currencies are re-translated at rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange profits or losses are recognised in the profit or loss in the period in which they arise.

For the purposes of the consolidated financial statements, the assets and liabilities of the Group's foreign operations are expressed in Zimbabwean dollars using exchange rates prevailing at the reporting date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuated materially during the period, in which circumstances the exchange rates at the dates of transactions are used. Exchange differences arising from the translation process are classified as equity and recognised in the Group's foreign currency translation reserve until the foreign operation is disposed of, at which point the reserve is recognised in profit or loss.

Any goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

3.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax. The tax currently payable is based on taxable income for the year. Taxable income differs from net income as reported in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable income will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax income nor the accounting income.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. For investment property that is measured at fair value, the presumption that the carrying amount of the investment property will be recovered through sale has not been rebutted.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which it can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

3.10 Pension funds

The Group and Company's obligations under the schemes are equivalent to those arising in a defined contribution retirement benefit scheme.

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due. Payments made to state-managed retirement benefit schemes are dealt with as payments to defined contribution schemes where the Group's obligations under the schemes are equivalent to those arising in a defined contribution retirement benefit scheme.

3.11 Leases

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right- of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

3.11.1 The Group acting as lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

Contingent rents are recognised as revenue in the period in which they are earned.

The following table sets out a maturity analysis of lease receivable, showing the undiscounted lease payments to be received after the reporting date.

	31 Dec 2024 ZWG	31 Dec 2023 ZWG
CONSOLIDATED		
Within 1 year	101 268 105	124 127 040
After 1 year but not more 5 years	405 072 420	496 508 159

All operating lease contracts contain market clauses to ensure continued alignment of rentals to market conditions.

3.11.2 The Group as acting lessee

The Group leases various office buildings and premises for lease terms between five and ten years and the majority of the lease agreements are renewable at the end of the lease period at market rate.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the consolidated statement of financial position. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

3.11.2 The Group as acting lessee (continued)

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under IAS 37. The costs are included in the related right-of-use asset, and the costs are excluded when they are incurred to produce inventories.

The right-of-use assets are depreciated over their shorter period of lease term and useful life of the underlying asset. If a lessee transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the consolidated statement of financial position.

The Group applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, plant and equipment' policy (note 3.7).

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line 'other expenses' in the statement of profit or loss.

3.12 Dividends on ordinary shares

Dividends on ordinary shares are recognised in equity in the period in which they are declared. Dividends for the year, which are declared after the reporting date, are dealt with in the subsequent events note.

3.13 Fiduciary activities

Assets and income arising thereon together with related undertakings to return such assets to customers are excluded from these financial statements where the Group acts in a fiduciary capacity such as a nominee, trustee or agent.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

3.14 Intangible assets

Software acquired by the Group is measured at cost less accumulated amortisation and any accumulated impairment losses.

The expenditure on internally developed intangible assets is recognised as an asset when the Group is able to demonstrate that:

- The product is technically and commercial feasible
- Its intention and ability to complete the development and use the intangible asset in a manner that will generate future economic benefits.
- It can reliably measure the costs to complete the development.

The capitalised costs of internally developed intangible assets include all costs directly attributable to developing the intangible asset and capitalised borrowing costs, and are amortised over its useful life. Internally generated intangible assets are stated at capitalised cost less accumulated amortisation and any accumulated impairment losses.

Subsequent expenditure on intangible assets is capitalised only when it increases the future economic benefits embodied in the specific assets to which it relates. All other expenditure is recognised in profit or loss as it is incurred.

Intangible assets are amortised on a straight line basis in profit or loss over its estimated useful life from the date on which it is available for use. The estimated useful life of the intangible assets for the current and comparative periods is five years.

3.15 Impairment of intangible assets excluding goodwill

At each statement of financial position date, the Group and Company determine whether there is any indication that intangible assets have suffered an impairment. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment (if any). Where the asset does not generate cash flows that are independent from other assets, the Group and Company estimates the recoverable amount of the cash- generating unit to which the asset belongs.

An intangible asset with an indefinite useful life is tested for impairment annually and whenever there is an in indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment is recognised in profit or loss immediately, unless the relevant asset is carried at a revalued amount, in which case the impairment is treated as a revaluation decrease (note 15).

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

3.15 Impairment of intangible assets excluding goodwill (continued)

Where an impairment subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised in profit or loss immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment is treated as a revaluation increase (note 15).

The Group's assets do not generate separate cash inflows and are used by more than one CGU. Group assets are allocated to CGUs on a reasonable and consistent basis and tested for impairment as part of the testing of the CGUs to which the Group assets are allocated.

3.16 Investment property

Investment property is property held to earn rentals and / or for capital appreciation, rather than property held for sale in ordinary course of business or use in production, supply of goods and services or for administrative purposes, and includes vacant land with an undetermined future use. Investment property is initially measured at cost and subsequently at fair value. Gains or losses arising from changes in the fair value of investment property are included in profit or loss in the period in which they arise. When investment property that was previously classified as property, plant and equipment is sold, any related amount included in the properties revaluation reserve is transferred to retained earnings.

3.17 Commissions expenses

Commissions are business acquisition costs and are accounted for when incurred and are not deferred.

3.18 Provisions

The Group recognises liabilities, including provisions,

- when it has a present legal or constructive obligation as a result of past events;

- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation
- a reliable estimate of the amount of the obligation can made

3.19 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

3.20 IFRS 17 Insurance Contracts

The Group has initially applied IFRS 17, from 1 January 2023 for the recognition, measurement, presentation and disclosure of its insurance contracts. This Standard has brought significant changes to the accounting for insurance and reinsurance contracts held. Consequently, the Group has restated its comparative amounts and presented a third statement of financial position as at 1 January 2022. The nature and effects of the key changes in the Group's accounting policies resulting from its adoption of IFRS 17 are summarized below:

The Group issues insurance contracts in the normal course of business, under which it accepts significant insurance risk from its policyholders. As a general guideline, the Group determines whether it has significant insurance risk, by comparing benefits payable after an insured event with benefits payable if the insured event had not occurred. Insurance contracts can also transfer financial risk. The Group issues among other contracts, immediate annuity contracts, term life contracts with a surrender value and contracts with direct participating features. The Group performed a comprehensive assessment of its insurance contracts with the aim of identifying and classifying insurance products based on their features. The following are the resultant classifications under IFRS 17 after grouping portfolios of contracts subject to similar risks:

Product Name	Category	Insurance portfolio	Measurement model	Key features
ZB Loan Protection	Corporate	Life Risk	GMM	Group Risk – Single Premium
Group Funeral Cover	Corporate	Life Risk	PAA	Group Risk – Annually renewable
Group Life Assurance	Corporate	Life Risk	PAA	Group Risk – Annually renewable
Growth Plus	Corporate	IFRS 9	FVTPL	Investment Linked Savings Group
Life Assurance Treaty	Corporate	Life Risk	PAA	Outward Reinsurance
ZB Loan Protection Treaty	Corporate	Life Risk	GMM	Outward Reinsurance
Deposit Administration	Corporate	Life Savings	VFA	With Profits Corporate Savings
ZB Cash Funeral	Retail	Life Risk	PAA	Annually Renewable
MoreCover Education	Retail	Life Savings	VFA	Investment Linked Products
MoreCover Endowment	Retail	Life Savings	VFA	Investment Linked Products
Prime Plan	Retail	IFRS 9	FVTPL	Investment Linked Products
Variable Rate Annuities	Retail	IFRS 9	FVTPL	Investment Linked Products
Individual Life Treaty	Retail	Life Risk	PAA	Outward Reinsurance
MoreCover Hospital Cash Plan	Retail	Life Risk	GMM	Term Assurance
The Seed	Retail	Life Risk	GMM	Term Assurance
ZB Hospital Cash Plan	Retail	Life Risk	PAA	Term Assurance
MoreCover Life	Retail	Life Risk	GMM	Whole of Life
MoreCover Funeral	Retail	Life Risk	GMM	Whole of Life
With Profit Annuities	Retail	Annuities	VFA	With Profits Products
Segregated Funds	Corporate	IFRS 9	FVTPL	Investment Linked Products

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

3.20.1 Insurance contracts Portfolios

3.20.1.1 Life Insurance contracts classification

1. **Life Risk Contracts:**
   These contract coverages primarily protects against the risk of death or disability, with limited or no investment component. CSM is recognised over the coverage period, reflecting the gradual assumption of risk by the assurer. Most of these contracts are accounted for using the General measurement model unless if the coverage period is of less than one year and the contract is renewable then PAA would apply.

2. **Savings Risk Contracts:**
   These contracts combines protection elements with a savings component, where premiums accumulate over time with investment-linked returns. These contracts provide the investor with the right to receive additional discretionary amounts contractually based on specified underlying items which are expected to be a significant portion of the total contractual benefits.

   Investment-linked insurance policies which include life insurance coverage and an investment component, will be measured through VFA because their investment component is more significant than the insurance coverage.

3. **Annuity Contracts:**
   These contracts primarily provide guaranteed income payments in the future, typically after retirement. The insurer agrees to make future payments to the policyholder (annuitant) in exchange for a premium upfront or regular premium payment. CSM is recognized throughout the payout period, reflecting the gradual release of the liability Measurement approach is applied where the variable annuities have a significant investment risks.

   The Group also holds reinsurance contracts in the normal course of business, wherein compensation for claims arising from one or more insurance contracts issued by the Group is received from those other reinsurance entities. Re- Insurance contracts issued and held classification.

3.20.1.2 Reinsurance contracts issued and held classification

The Group achieves this by separating insurance contracts into portfolios. These portfolios group contracts with similar risks that are managed together. Further aggregation of portfolios is done by performing onerous contracts. For this categorisation this is initially done at business class level and then at portfolio level. This ensures the most accurate reflection of risk and profitability.

The Group has the following portfolios which are disclosed as non life:

- Fire
- Motor
- Agriculture
- Miscellaneous Accident

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

3.20.1.2 Reinsurance contracts issued and held classification (continued)

Thus, within each year of issue, portfolios of contracts are divided into three groups, as follows:

- A group of contracts that are onerous at initial recognition (if any)
- A group of contracts that, at initial recognition, have no significant possibility of becoming onerous
- subsequently (if any)
- A group of the remaining contracts in the portfolio (if any)

The Group utilizes actuarial valuation models incorporating both existing and new business data to assess the profitability of contract groups. Initially, all contracts are assumed non-onerous unless specific evidence suggests otherwise. For these non-onerous contracts, the Group further evaluates the possibility of them turning onerous in the future by considering potential changes in circumstances. This evaluation relies on a defined set of facts and circumstances, which will be detailed in the following section. The Group considers facts and circumstances to identify whether a group of contracts are onerous based on:

Pricing information
Results of similar contracts it has recognised
Environmental factors, e.g., a change in market experience or regulations

3.20.2 Insurance and reinsurance contracts accounting treatment

3.20.2.1 Separating components from insurance contracts

The Group assesses its life insurance products to determine whether they contain components which must be accounted for under another IFRS rather than IFRS 17 components, an entity must apply IFRS 17 to all remaining components of the (host) insurance contract.

Some contracts that have a legal form of insurance but do not transfer significant insurance risk but exposes the Group to financial risk are classified as investment contracts and follow financial instruments accounting under IFRS 9. Some investment contracts without discretionary participation features issued by the Group fall under this category. ZB Life has elected to measure More-Cover Endowment as a single contract, as opposed to separating the Investment component and insurance component. Riders of insurance contracts shall be measured as part of the original contract.

Some term life contracts issued by the Group include a surrender option under which the surrender value is paid to the policyholder on maturity or earlier lapse of the contract. These surrender options have been assessed to meet the definition of a non-distinct investment component in IFRS 17. IFRS 17 defines investment components as the amounts that an insurance contract requires an insurer to repay to a policyholder in all circumstances, regardless of whether an insured event has occurred. Investment components which are highly interrelated with the insurance contract of which they form a part are considered non-distinct and are not separately accounted for. However, receipts and payments of the investment components are excluded from insurance revenue and insurance expenses. The surrender options are considered non-distinct investment components as the Group is unable to measure the value of the surrender option component separately from the life insurance portion of the contract. Prime Plan, without the rider for Term Assurance, is a pure investment contract. The investment contract will therefore be separated from the insurance rider, as the premiums are distinct.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

3.20.2.2 Level of aggregation

The Group has aggregated portfolios with similar risks across annual cohorts aligned with its financial year. The key elements of the Group's level of aggregation is as follows:

- Based on expected profitability at inception
- Onerous contracts
- Remaining contracts
- Individual contracts form the foundation for assessing profitability.
- Contract components may be separated if they have distinct risks.
- Accounting definition of "contract" may differ from legal or management definitions.

3.20.2.3 Recognition

The Group recognizes groups of insurance contracts that it issues from the earliest of the following:

- The beginning of the coverage period of the group of contracts
- The date when the first payment from a policyholder in the group is due, or when the first payment is received if there is no due date
- For a group of onerous contracts, as soon as facts and circumstances indicate that the group is onerous

The Group recognizes a group of reinsurance contracts held it has entered into from the earliest of the following:

- The beginning of the coverage period of the group of reinsurance contracts held. However, the Group delays the recognition of a group of reinsurance contracts held that provide proportionate coverage until the date when any underlying insurance contract is initially recognized, if that date is later than the beginning of the coverage period of the group of reinsurance contracts held and
- The date the Group recognizes an onerous group of underlying insurance contracts if the Group entered into the related reinsurance contract held in the group of reinsurance contracts held at or before that date

The reinsurance contracts held by the Group provide proportionate cover. Therefore, the Group does not recognize a proportional reinsurance contract held until at least one underlying direct insurance contract has been recognized. The Group adds new contracts to the group in the reporting period in which that contract meets one of the criteria set out above.

3.20.2.4 Onerous groups of contracts

The Group issues some contracts before the coverage period starts and the first premium becomes due. Therefore, the Group has determined whether any contracts issued form a group of onerous contracts before the earlier of the beginning of the coverage period and the date when the first payment from a policyholder in the group is due. An insurance contract is onerous at the date of initial recognition if the fulfilment cash flows allocated to the contract" is positive at initial recognition - i.e. including an RA. The Group looks at facts and circumstances to identify if a group of contracts are onerous based on:

- Pricing information (which determines if the fulfilment cash flows allocated to the contract" is positive or otherwise at initial recognition)
- Results of similar contracts it has recognized
- Environmental factors, e.g., a change in market experience or regulations

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

3.20.2.5 Contract boundary

The Group includes in the measurement of a group of insurance contracts all the future cash flows within the boundary of each contract in the group. Cash flows are within the boundary of an insurance contract if they arise from substantive rights and obligations that exist during the reporting period in which the Group can compel the policyholder to pay the premiums, or in which the Group has a substantive obligation to provide the policyholder with insurance contract services. A substantive obligation to provide insurance contract services ends when:

- The Group has the practical ability to reassess the risks of the particular policyholder and, as a result, can set a price or level of benefits that fully reflects those risks Or
- Both of the following criteria are satisfied:
- The Group has the practical ability to reassess the risks of the portfolio of insurance contracts that contain the contract and, as a result, can set a price or level of benefits that fully reflects the risk of that portfolio
- The pricing of the premiums up to the date when the risks are reassessed does not take into account the risks that relate to periods after the reassessment date

A liability or asset relating to expected premiums or claims outside the boundary of the insurance contract are not recognized. Such amounts relate to future insurance contracts.

For life contracts with renewal periods, the Group assesses whether premiums and related cash flows that arise from the renewed contract are within the contract boundary. The pricing of the renewals is established by the Group by considering all the risks covered for the policyholder by the Group, that the Group would consider when underwriting equivalent contracts on the renewal dates for the remaining service. The Group reassesses contract boundary of each group at the end of each reporting period.

The measurement model applies mostly to the Retail risk portfolio contracts, which consist of contracts with substantial insurance risk. These contracts consist of contracts that will transfer mortality, and morbidity risks. The portfolio will also have both Whole of life and term assurance contracts.

The general model measures a group of insurance contracts as the total of:

- Fulfilment cash flows
- A CSM representing the unearned profit the Group will recognize as it provides insurance contract services under the insurance contracts in the group

Fulfilment cash flows comprise unbiased and probability-weighted estimates of future cash flows, discounted to present value to reflect the time value of money and financial risks, plus a risk adjustment for non-financial risk. The Group's objective in estimating future cash flows is to determine the expected value, or the probability weighted mean, of the full range of possible outcomes, considering all reasonable and supportable information available at the reporting date without undue cost or effort. The Group estimates future cash flows considering a range of scenarios which have commercial substance and give a good representation of possible outcomes. The cash flows from each scenario are probability-weighted and discounted using current assumptions.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

3.20.2.5 Contract boundary

When estimating future cash flows, the Group includes all cash flows that are within the contract boundary including:

- Premiums and related cash flows
- Claims and benefits, including reported claims not yet paid, incurred claims not yet reported and expected future claims
- Payments to policyholders resulting from embedded surrender value options
- An allocation of insurance acquisition cash flows attributable to the portfolio to which the contract belongs
- Claims handling costs
- Policy administration and maintenance costs, including recurring commissions that are expected to be paid to intermediaries
- An allocation of fixed and variable overheads directly attributable to fulfilling insurance contracts
- Transaction-based taxes

3.20.2.6 Measurement - General model

Insurance contracts - initial measurement

The Group does not provide investment-return services in respect of contracts that it issues, nor does it perform investment activities for the benefit of policyholders. The Group incorporates, in an unbiased way, all reasonable and supportable information available without undue cost or effort about the amount, timing and uncertainty of those future cash flows. The Group estimates the probabilities and amounts of future payments under existing contracts based on information obtained, including:

- Information about claims already reported by policyholders
- Other information about the known or estimated characteristics of the insurance contracts
- Historical data about the Group's own experience, supplemented when necessary with data from other sources.
- Historical data is adjusted to reflect current conditions
- Current pricing information, when available

The measurement of fulfilment cash flows includes insurance acquisition cash flows which are allocated as a portion of premium to profit or loss (through insurance revenue) over the period of the contract in a systematic and rational way on the basis of the passage of time. The Group does not elect to accrete interest on insurance acquisition cash flows to be allocated to profit or loss.

Reinsurance contracts held - initial measurement

The measurement of reinsurance contracts held follows the same principles as those for insurance contracts issued, with the exception of the following:

- Measurement of the cash flows include an allowance on a probability-weighted basis for the effect of any non- performance by the reinsurers, including the effects of collateral and losses from disputes
- The Group determines the risk adjustment for non-financial risk so that it represents the amount of risk being transferred to the reinsurer
- The Group recognizes both day 1 gains and day 1 losses at initial recognition in the statement of financial position as a CSM and releases this to profit or loss as the reinsurer renders services, except for any portion of a day 1 loss that relates to events before initial recognition

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

3.20.2.6 Measurement - General model (continued)

Where the Group recognizes a loss on initial recognition of an onerous group of underlying insurance contracts or when further onerous underlying insurance contracts are added to a group, it establishes a loss recovery component of the asset for remaining coverage for a group of reinsurance contracts held depicting the recovery of losses.

The Group calculates the loss-recovery component by multiplying the loss recognized on the underlying insurance contracts and the percentage of claims on the underlying insurance contracts the Group expects to recover from the group of reinsurance contracts held. Where only some contracts in the onerous underlying group are covered by the group of reinsurance contracts held, the Group uses a systematic and rational method to determine the portion of losses recognized on the underlying group of insurance contracts to insurance contracts covered by the group of reinsurance contracts held.

Where the Group enters into reinsurance contracts held which provide coverage relating to events that occurred before the purchase of the reinsurance, such cost of reinsurance is recognized in profit or loss on initial recognition.

Insurance contracts - subsequent measurement

The CSM at the end of the reporting period represents the profit in the group of insurance contracts that has not yet been recognized in profit or loss, because it relates to future service to be provided. For a group of insurance contracts, the carrying amount of the CSM of the group at the end of the reporting period equals the carrying amount at the beginning of the reporting period adjusted, as follows:

- The effect of any new contracts added to the group
- Interest accreted on the carrying amount of the CSM during the reporting period, measured at the discount rates at initial recognition
- The changes in fulfilment cash flows relating to future service, except to the extent that:
- Such increases in the fulfilment cash flows exceed the carrying amount of the CSM, giving rise to a loss Or
- Such decreases in the fulfilment cash flows are allocated to the loss component of the liability for remaining coverage
- The effect of any currency exchange differences on the CSM
- The amount recognized as insurance revenue because of the transfer of insurance contract services in the period, determined by the allocation of the CSM remaining at the end of the reporting period (before any allocation) over the current and remaining coverage period.

The changes in fulfilment cash flows relating to future service that adjust the CSM comprise of:

- Experience adjustments that arise from the difference between the premium receipts (and any related cash flows such as insurance acquisition cash flows and insurance premium taxes) and the estimate, at the beginning of the period, of the amounts expected. Differences related to premiums received (or due) related to current or past services are recognized immediately in profit or loss while differences related to premiums received (or due) for future services are adjusted against the CSM
- Changes in estimates of the present value of future cash flows in the liability for remaining coverage, except those relating to the time value of money and changes in financial risk (recognized in the statement of profit or loss and other comprehensive income rather than adjusting the CSM)

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

3.20.2.6 Measurement - General model (continued)

The changes in fulfilment cash flows relating to future service that adjust the CSM comprise of:

- Experience adjustments that arise from the difference between the premium receipts (and any related cash flows such as insurance acquisition cash flows and insurance premium taxes) and the estimate, at the beginning of the period, of the amounts expected. Differences related to premiums received (or due) related to current or past services are recognized immediately in profit or loss while differences related to premiums received (or due) for future services are adjusted against the CSM
- Changes in estimates of the present value of future cash flows in the liability for remaining coverage, except those relating to the time value of money and changes in financial risk (recognized in the statement of profit or loss and other comprehensive income rather than adjusting the CSM)
- Differences between any investment component expected to become payable in the period and the actual investment component that becomes payable in the period.

Those differences are determined by comparing

(i) the actual investment component that becomes payable in the period with

(ii) the payment in the period that was expected at the start of the period plus any insurance finance income or expenses related to that expected payment before it becomes payable. The same applies to a policyholder loan that becomes repayable.

- Changes in the risk adjustment for non-financial risk that relate to future service.

Except for changes in the risk adjustment, adjustments to the CSM noted above are measured at discount rates that reflect the characteristics of the cash flows of the group of insurance contracts at initial recognition. Where, during the coverage period, a group of insurance contracts becomes onerous, the Group recognizes a loss in profit or loss for the net outflow, resulting in the carrying amount of the liability for the group being equal to the fulfilment cash flows. A loss component is established by the Group for the liability for remaining coverage for such onerous group depicting the losses recognized. For additional disclosures on the loss component.

The Group measures the carrying amount of a group of insurance contracts at the end of each reporting period as the sum of:

i) the liability for remaining coverage comprising fulfilment cash flows related to future service allocated to the group at that date and the CSM of the group at that date; and

ii) the group at that date and the CSM of the group at that date; and the liability for incurred claims for the Group comprising the fulfilment cash flows related to past service allocated to the group at that date.

Reinsurance contracts held - subsequent measurement

The measurement of reinsurance contracts held follows the same principles as those for insurance contracts issued, with the exception of the following:

- Changes in the fulfilment cash flows are recognized in profit or loss if the related changes arising from the underlying ceded contracts have been recognized in profit or loss. Alternatively, changes in the fulfilment cash flows adjust the CSM.
- Changes in the fulfilment cash flows that result from changes in the risk of non-performance by the issuer of a reinsurance contract held do not adjust the contractual service margin as they do not relate to future service.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

3.20.2.6 Measurement - General model (continued)

Any change in the fulfilment cash flows of a retroactive reinsurance contract held due to the changes of the liability for incurred claims of the underlying contracts is taken to profit and loss and not the contractual service margin of the reinsurance contract held.

Where a loss component has been set up subsequent to initial recognition of a group of underlying insurance contracts, the portion of income that has been recognized from related reinsurance contracts held is disclosed as a loss-recovery component.

Where the Group has established a loss-recovery component, the Group adjusts the loss-recovery component to reflect changes in the loss component of an onerous group of underlying insurance contracts.

Insurance contracts - modification and derecognition

The Group derecognizes insurance contracts when:

- The rights and obligations relating to the contract are extinguished (i.e., discharged, cancelled or expired) Or
- The contract is modified such that the modification results in a change in the measurement model, or the applicable standard for measuring a component of the contract. In such cases, the Group derecognizes the initial contract and recognizes the modified contract as a new contract.

Insurance acquisition cash flows

Insurance acquisition cash flows arise from the costs of selling, underwriting and starting a group of insurance contracts (issued or expected to be issued) that are directly attributable to the portfolio of insurance contracts to which the group belongs.

Where insurance acquisition cash flows have been paid or incurred before the related group of insurance contracts is recognized in the statement of financial position, a separate asset for insurance acquisition cash flows is recognized for each related group.

The asset for insurance acquisition cash flow is derecognized from the statement of financial position when the insurance acquisition cash flows are included in the initial measurement of the CSM of the related group of insurance contracts. The Group expects to derecognize all assets for insurance acquisition cash flows within one year.

Where insurance acquisition costs have been incurred when underwriting the business, the Group will include it in the carrying amount of the portifolio of insurance contracts over the contract coverage period unless if the contract.

Amortization Insurance Acquisition Cost

For all groups of insurance contracts measured under the Premium Allocation Approach that contain (a material portion of) contracts with a coverage period greater than one year, ZB Life does not recognize as expenses the acquisition cash flows as the costs are incurred.

For all other groups of insurance contracts measured under the Premium Allocation Approach (i.e. that have a coverage period of less than or equal to a year) ZB shall recognize as expenses the acquisition cash flows as the costs are incurred.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

3.20.2.7 Measurement - Premium Allocation Approach

The Group applies the Premium Allocation Approach to all groups of contracts which contain only contracts with coverage periods of one year or less. For life business the PAA is not applicable for group contracts that do not meet the criteria in B101 for (compulsory) measurement under the Variable Fee Approach.

In addition to the contracts with coverage of less than one year, the Group applies the Premium Allocation Approach for the measurement of some groups of contracts where it reasonably expects that such a simplification would produce a

Initial Measurement

Per paragraph 55(a) of the IFRS 17, on initial recognition of a group of contracts measured under the PAA, the LFRC excluding LC is calculated as:
PAA LFRC Excluding LC, Initial Recognition is a result of combining Premiums received Initial Recognition, Insurance acquisition cash flows paid
Initial Recognition *,Pre-recognition DAC derecognised*and Asset/liability derecognised for other pre recognition cash flows.

*These components will be zero for groups of contracts where insurance acquisition cashflows are recognised as expenses when they incur.

Subsequent Measurement

Per paragraph 55(b) of the IFRS 17, at subsequent measurement of a group of contracts measured under the PAA, the carrying amount of the PAA LFRC excluding LC is calculated as: PAA LFRC Excluding LC, Subsequent Measurement is a result of combining PAA LFRC Excluding LC, Start of the Period, Premiums received in the period, Insurance acquisition cash flows paid in the period*, Amortisation of acquisition cash flows as expense (in ISE) *, Adjustment to financing component (Accretion of interest, FIE) **,Insurance Revenue recognised for insurance contract services provided and Investment components paid or transferred to the LIC

*These components will be zero for groups of contracts where insurance acquisition cash flows are recognised as expenses when they incur.

** This component will be zero for groups of contracts where the financing component is not allowed for.

3.20.2.8 Measurement - Variable fee Approach (VFA)

The Group shall apply the Variable Fee Approach (VFA) to account for insurance contracts with direct participation features. Insurance contracts with direct participation features are insurance contracts that are substantially investment- related service contracts under which an entity promises an investment return based on underlying items. Accordingly, IFRS 17 defines insurance contract with direct participation features as 'An insurance contract for which, at inception:

a) the contractual terms specify that the policyholder participates in a share of a clearly identified pool of underling items; b)the entity expects to pay to the policyholder an amount equal to a substantial share of the fair value returns on the underlying items; and c) the entity expects a substantial proportion of any change in the amounts to be paid to the policyholder to vary with the change fair value of the underlying items' Insurance contracts that meet all the above three eligibility criteria are mandatorily accounted for using VFA. Reinsurance contracts held cannot be insurance contracts with direct participation features for the purposes of IFRS 17 [IFRS 17.B109].

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

3.20.2.8 Measurement - Variable fee Approach (VFA) (continued)

Unit-linked contracts, DA and with profit annuities are generally expected to require VFA measurement accounting. The VFA modifies the measurement of CSM under the GMM to accommodate the direct participation features of VFA contracts so that the accounting reflects the Group's obligation to pay the policyholder an amount equal to the fair value of the underlying items, minus a variable fee for services provided by the insurance contract over time [IFRS 17.B104(a)&(b), BC238-BC249].

On initial recognition, the accounting for insurance contracts with direct participation features is the same as in GMM for contracts without direct participation features. The differences between GMM and VFA arise from the treatment of CSM which is mostly driven by movements in the fair value of underlying items (changes in financial and non-financial variables) subsequently. The subsequent measurement for accounting for the changes is recognised immediately in the statement of comprehensive income. CSM is effectively remeasured when it is adjusted for changes in financial risks.

3.20.2.9 Presentation

Statement of Financial Position

The Group has presented separately in the statement of financial position the carrying number of portfolios of insurance contracts issued that are assets, portfolios of insurance contracts issued that are liabilities, portfolios of reinsurance held that are assets and portfolios of reinsurance contracts held that are liabilities.

Statement of Profit or loss and other comprehensive income

The Group disaggregates the amounts recognized in the statement of profit or loss and other comprehensive income into an insurance service result, comprising insurance revenue and insurance service expenses, and insurance finance income or expenses.

i. Insurance revenue

The Group's insurance revenue depicts the provision of services arising from a group of insurance contracts at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those services. Insurance revenue from a group of insurance contracts is therefore the relevant portion for the period of the total consideration for the contracts, (i.e., the amount of premiums paid to the Group adjusted
for financing effect (the time value of money) and excluding any investment components). The total consideration for a group of contracts covers amounts related to the provision of services and is comprised of:

ii. Loss components

The Group has grouped contracts that are onerous at initial recognition separately from contracts in the same portfolio that are not onerous at initial recognition. Groups that were not onerous at initial recognition can also subsequently become onerous if assumptions and experience changes. The Group has established a loss component of the liability for remaining coverage for any onerous group depicting the future losses recognized.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

3.20.2.9 Presentation (continued)

A loss component represents a notional record of the losses attributable to each group of onerous insurance contracts (or contracts profitable at inception that have become onerous). The loss component is released based on a systematic allocation of the subsequent changes relating to future service in the fulfilment cash flows to:
(i) the loss component; and
(ii) the liability for remaining coverage excluding the loss component.

The loss component is also updated for subsequent changes relating to future service in estimates of the fulfilment cash flows and the risk adjustment for non-financial risk. The systematic allocation of subsequent changes to the loss component results in the total amounts allocated to the loss component being equal to zero by the end of the coverage period of a group of contracts (since the loss component will have been materialized in the form of incurred claims). The Group uses the proportion on initial recognition to determine the systematic allocation of subsequent changes in future cash flows between the loss component and the liability for remaining coverage excluding the loss component.

iii. Loss recovery components

As described above, when the Group recognizes a loss on initial recognition of an onerous group of underlying insurance contracts or when further onerous underlying insurance contracts are added to a group, the Group establishes a loss-recovery component of the asset for remaining coverage for a group of reinsurance contracts held depicting the recovery of losses.

Where a loss component has been set up subsequent to initial recognition of a group of underlying insurance contracts, the portion of income that has been recognized from related reinsurance contracts held is disclosed as a loss-recovery component. Where a loss-recovery component has been set up at initial recognition or subsequently, the Group adjusts the loss-recovery component to reflect changes in the loss component of an onerous group of underlying insurance contracts.

The carrying amount of the loss-recovery component must not exceed the portion of the carrying amount of the loss component of the onerous group of underlying insurance contracts that the Group expects to recover from the group of reinsurance contracts held. On this basis, the loss-recovery component recognized at initial recognition is reduced to zero in line with reductions in the onerous group of underlying insurance contracts and is nil when loss component of the onerous group of underlying insurance contracts is nil.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

3.20.2.9 Presentation (continued)

iv. Insurance finance income or expenses

Insurance finance income or expenses comprise the change in the carrying amount of the group of insurance contracts arising from:

- The Group elects to disaggregates its insurance finance income or expenses on insurance contracts issued and reinsurance contracts held and shall present it in profit or loss. Any impact arising from the changes in market interest rates on the value of the life insurance and related reinsurance assets will be reflected in OCI in order to minimize accounting mismatches between the accounting for financial assets and insurance assets and liabilities.
- The Group holds the underlying fianncial assets backing the issued insurance portfolios including contracts with direct participation features
- The Group systemetically allocates expected total insurance finance income or expenses over the duration of the group of contracts to profit or loss using discount rates determined on initial recognition of the group of contracts for current discount

v. Net income or expense from reinsurance contracts held

The Group presents separately on the face of the statement of profit or loss and other comprehensive income the amounts expected to be recovered from reinsurers, and an allocation of the reinsurance premiums paid. The Group treats reinsurance cash flows that are contingent on claims on the underlying contracts as part of the claims that are expected to be reimbursed under the reinsurance contract held and excludes investment components and commissions from an allocation of reinsurance premiums presented on the face of the statement of profit or loss and other comprehensive income.

Insurance acquisition cash flows incurred before the corresponding insurance contracts are included in the carrying amount of the related portfolios of insurance contracts issued.

The Group does not disaggregate the change in risk adjustment for non-financial risk between a financial and non- financial portion and includes the entire change as part of the insurance service result.

The Group separately presents income or expenses from reinsurance contracts held from the expenses or income from insurance contracts issued.

4 SEGMENT INFORMATION

Segment information is presented in respect of the Group's business segments arising from the internal reporting structure and nature of business conducted. Transactions between segments are conducted at arm's length and utilisation of Group resources is charged for on the basis of an internal funds transfer pricing system which is tied to market rates ruling from time to time. Measurement of segment assets and liabilities and segment revenues is based on the accounting policies as set out in note 3. The Group identified its key business segments as follows:

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

4 SEGMENT INFORMATION (continued)

a) Banking Operations

This segment provides a wide range of financial services to customers through a wide network of branches and electronic delivery channels. In the main, the core business of this segment is the provision of retail and commercial banking services. The product range includes deposit taking, personal and corporate lending, asset finance, mortgage finance, treasury management, medium to long term structured finance, script management services, and a wide array of card-based facilities. The segment comprises the commercial banking operations, microfinance operations and the building society operations.

b) Insurance Operations

This segment is primarily in the business of providing structured insurance products. The life assurance section provides life assurance services through the granting and purchasing of endowments on lives, the granting and sale or purchase of annuities present and deferred or reversionary on lives. The reinsurance section is in the business of accepting insurance premiums from insurance companies in order to indemnify the ceding insurance companies against a proportion of loss on an insurance contract.

c) Investments cluster

Key operations included under this segment are involved in the following businesses:

- Property holdings and other nominal investments in other sub sectors of the financial sector.
- Corporate advisory services and venture capital operation
- Transfer secretarial activities.

d) Other Strategic Operations

Key operations included under this segment are involved in the following businesses:

- The Group shared services - this house common activities that support all business units such as transformation, risk management, compliance, people and culture and similar services. This helps with the seamless delivery of the enterprise resource planning activities.

As all material operations of the Group are carried out in one country, Zimbabwe, therefore, no segment information has been provided in terms of the geographic representation. ZBFH has operations in Botswana, however the operations are not material to warrant geographic segment information.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

4. SEGMENT INFORMATION (continued)

	Banking operations ZWG	Insurance operations ZWG	Investments operations ZWG	Other operations and consolidation adjustments ZWG	Total ZWG
31 December 2024					
External revenue					
Interest revenue calculated using the effective interest rate method	541 598 803	452 575	54 717 231	(8 216 728)	588 551 881
Other interest and related income	5 797 379	3 939 540	12 532	-	9 749 451
Interest expense calculated using the effective interest rate method	(125 347 669)	(446 364)	(5 163 509)	8 216 728	(122 740 814)
Other interest and related expenses	(1 260 502)	382 496	(160 330)	-	(1 038 336)
Net interest income	420 788 011	4 328 247	49 405 924	-	474 522 182
Fees and commission income	1 133 456 650	10 812 587	11 910 556	1 595 583	1 157 775 376
Corporate Banking	170 018 498	-	-	-	170 018 498
Retail Banking	963 438 153	-	-	-	963 438 153
Other commissions	-	10 812 587	11 910 556	1 595 583	24 318 726
Insurance	-	424 303 215	-	-	424 303 215
Insurance service expense	-	(328 391 413)	-	-	(328 391 413)
Fair value adjustments	188 312 797	(21 484 996)	30 429 047	17 688 463	214 945 311
Other revenue	1 243 126 337	218 735 598	109 296 093	11 437 112	1 582 595 140
Total segment revenue	2 985 683 795	308 303 238	201 041 620	30 721 158	3 525 749 811
Inter segmental revenue	(24 638 371)	(1 956 984)	12 532	26 582 823	-
Total segment operating expenses	(1 763 370 507)	(80 979 617)	(154 209 878)	213 709 506	(1 784 850 496)
Material non-cash items:					
Expected credit losses	(71 280 971)	-	(33 004 699)	-	(104 285 670)
Depreciation	(194 835 355)	(4 023 091)	(450 116)	(10 626 341)	(209 934 903)
Amortisation of intangible assets	(6 318 022)	-	-	(253 518)	(6 571 540)
Profit from associates net of tax	-	21 031 819	-	(145 821 062)	(124 789 243)
Reportable segment profit before taxation	1 222 313 287	248 355 440	46 623 559	(216 123 457)	1 301 168 829
Income tax expense	(155 851 503)	(9 245 560)	19 248 518	11 713 961	(134 134 584)
Reportable segment assets as at 31 December	11 187 471 555	1 459 209 677	2 479 692 584	(743 659 812)	14 382 714 004
		-			
Reportable segment liabilities as at 31 December	7 211 527 779	682 291 424	301 672 391	(453 368 539)	7 742 123 055
Investment associate	-	602 911 910	-	(530 439 495)	72 472 415
Cash flow from operating activities	281 006 247	(59 200 248)	(28 919 249)	83 450 641	276 337 391
Cash flow from investing activities	(245 308 755)	(16 392 815)	549 863 379	(807 599 103)	(519 437 294)
Cash flow from financing activities	(83 030 772)	(7 952 807)	85 258 356	(42 792)	(5 768 015)

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

4. SEGMENT INFORMATION (continued)

	Banking operations ZWG	Insurance operations ZWG	Investments operations ZWG	Other operations and consolidation adjustments ZWG	Total ZWG
***Restated 31 December 2023**					
External revenue					
Interest revenue calculated using the effective interest rate method	606 939 074	(194 105 564)	289 499 107	(197 359 796)	504 972 821
Other interest and related income	(119 669 913)	123 483 077	484 087	-	4 297 251
Interest expense calculated using the effective interest rate method	(228 983 818)	(9 025 649)	(50 299 520)	197 359 796	(90 949 191)
Other interest and related expenses	4 321 094	-	(5 208 373)	-	(887 279)
Net interest income	262 606 437	(79 648 136)	234 475 301	-	417 433 602
Fees and commission income	434 853 011	6 294 405	161 069 020	55 980 193	658 196 629
Corporate Banking	45 291	-	-	-	45 291
Retail Banking	434 807 720	-	-	-	434 807 720
Other commissions	-	6 294 405	161 069 020	55 980 193	223 343 618
Insurance revenue	-	442 102 781	-	-	442 102 781
Insurance service expense	-	(838 937 295)	-	-	(838 937 295)
Fair value adjustments	18 977 053 037	8 966 582 649	192 944 593	(27 501 239 025)	635 341 254
Other revenue	41 702 458 392	(1 532 591 902)	(32 484 984)	(39 189 068 685)	948 312 821
Total segment revenue	61 376 970 877	6 963 802 502	556 003 930	(66 634 327 517)	2 262 449 792
Inter segmental revenue	(873 325 269)	(103 085 171)	484 087	975 926 353	-
Total segment operating expenses	(26 476 528 626)	(2 168 239 516)	(456 232 408)	27 475 240 463	(1 625 760 087)
Material non-cash items:					
Expected credit losses	(4 910 887 165)	-	(22 054 453)	4 807 143 668	(125 797 950)
Depreciation	(1 825 828 188)	(15 510 784)	15 427 164	1 751 650 010	(74 261 798)
Amortisation of intangible assets	(7 087 898)	-	1 888 786 694	(1 883 432 877)	(1 734 081)
Profit from associate's net of tax	-	14 502 315 286	-	(14 429 371 144)	72 944 142
Reportable segment profit before taxation	34 900 442 251	16 149 750 457	146 010 371	(49 957 831 349)	1 238 371 730
Income tax expense	(2 059 993 227)	(2 214 741 585)	(10 019 036)	4 170 692 325	(114 061 523)
Reportable segment assets as at 31 December	218 117 433 352	40 750 052 692	73 400 076 326	(325 205 334 359)	7 062 228 011
Reportable segment liabilities as at 31 December	142 168 954 230	21 793 316 171	6 889 185 333	(166 736 767 732)	4 114 688 002
Investment in associate	-	18 432 124 531	-	(18 330 090 094)	102 034 437
Cash flow from operating activities	13 103 062	(220 640 956)	688 682	(621 096 810)	(827 946 022)
Cash flow from investing activities	(82 342 045)	(29 736 535)	(1 834 091)	(67 311 208)	(181 223 879)
Cash flow from financing activities	(186 965 409)	(15 673 470)	77 442 720	(85 667 979)	(210 864 138)

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

		31 Dec 2024 ZWG	31 Dec 2023 ZWG
5.	**CASH AND CASH EQUIVALENTS**		
	CONSOLIDATED		
5.1	Balances with the Reserve Bank of Zimbabwe	1 389 027 782	362 554 564
	Balances with other banks and cash	1 513 821 026	673 924 425
	Total cash and cash equivalents	2 902 848 808	1 036 478 989
	SEPARATE		
5.2	Balances with other banks and cash	44 713 106	3 398 690
	Total cash and cash equivalents	44 713 106	3 398 690

Cash and cash equivalents balances at year end are current assets.

Included in the balances with the Reserve Bank of Zimbabwe are balances relating to staTutory reserves and collateral balances amounting to ZWG1,236 billion (2023:ZWG0.593 billion) which are determined in line with RBZ statutory reserve guidelines. Currently 30% on demand deposits and 5% on savings and term deposits.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

6. TREASURY BILLS

The Reserve Bank of Zimbabwe (RBZ) has issued various forms of treasury bills which the Group has participated in. The Group has three categories of treasury bills classified as follows:
a) as at fair value through profit or loss (FVTPL).
b) as at fair value through other comprehensive income (FVTOCI) and
c) as at amortised cost (AMCO)

	31 Dec 2024 ZWG	31 Dec 2023 ZWG
CONSOLIDATED		
Treasury bills include:		
6.1 Assets classified as measured 'at fair value through profit or loss' (FVTPL):		
Short term treasury bills^1	69 750 303	15 304 723
Assets classified as measured 'at fair value through other comprehensive income' (FVTOCI):		
Medium term treasury bills acquired from the market^2	1 017 672 269	314 764 909
Assets classified as measured at 'amortised cost' (AMCO):		
Treasury bills issued as substitution for debt instruments^3	-	46 046
Capitalisation treasury bills^4	-	41 509
Impairment charge to statement of profit or loss	(208 622 743)	-
	878 799 829	330 157 187
Maturity within 1 year	667 832 278	325 370 753
Maturity after 1 year	210 967 551	4 786 434
	878 799 829	330 157 187

1. The Group invested in treasury bills issued by the RBZ over an average period of 161 days (December 2023: 61 days) which were at an average rate of 27.83% (December 2023: 27.83%).
2. The Group purchased treasury bills from the secondary market. These treasury bills have an average coupon rate of 0.1755% (December 2023: 0.1755%) with an average maturity period of 1 year (December 2023: 2 years).
3. The Group received treasury bills as substitution for debt instruments from the Zimbabwe Asset Management Company (ZAMCO). The treasury bills had a coupon rate of 5% (December 2023: 5%) and an average maturity period of 5 years (December 2023: 6 years).
4. Capitalisation Treasury Bills (CTBs) with a face value of ZWG8,004 were acquired on 26 May 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.
   During the year ended 31 December 2024, the government through RBZ fully settled the capitalisation treasury bills in 2024.

Treasury bills amounting to ZWG1.34 billion (2023: ZWG0.401 billion) were used as security for the Bank to access fixed deposits.

The classification of the treasury bills was considered in terms of the accounting policy note 3.4.1.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

6.2 Determination of fair value of treasury bills

The fair value of treasury bills was determined using level 2 and level 3 (note 6.3) inputs for treasury bills which are classified as FVTPL and FVTOCI respectively. The use of level 2 and level 3 inputs is due to lack of active market for treasury bills which are designated as at "FVTPL" and FVTOCI. 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 were fair valued using TBs average yield market rate of 68%.

USD denominated Treasury bills fair value was computed using a proxy discount rate of 9% by reference to US Federal Reserve TBs with same tenor and adjusted for country risk.

Impairment assessment of treasury bills

Treasury Bills classified as FVOCI were assessed for ECL in the current year in line with IFRS 9- Financial Instruments. Ordinarily, the Group considers Treasury Bills to be of low risk instruments due to the nature of them having local sovereign exposure. However, some of the Treasury Bills matured towards the end of 2024 and they were not yet settled. The group considered that the whole portfolio of Treasury Bills to have had a significant increase in credit risk and thus the related Expected Credit Losses were recognized in the financial statements for the year ended 31 December 2024.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

6.3 Level 3 recurring fair values

	31 Dec 2024 ZWG	31 Dec 2023 ZWG
CONSOLIDATED		
Balance at the beginning of the year	314 764 909	198 142 321
Add purchases	430 591 144	103 903 126
Less maturies	(28 068)	-
Fair value loss recognized in statement of other comprehensive income	(30 055 250)	(25 315 602)
Unrealised exchange gains	217 062 166	243 600 329
Interest accrued	15 978 036	466 245
Effects of inflation adjustments	-	(114 625 712)
Effects of translation to presentation currency	277 982 075	(91 405 798)
Impairment loss charge to statement of profit or loss	(208 622 743)	-
Balance at end the year	1 017 672 269	314 764 909

Type	Valuation technique	Significant unobservable inputs
Treasury bills	Discounted cashflow valuation technique: The Group uses the discounted cashflow valuation technique by applying a risk discounted rate for comparable risk profiles and applying this on the contractual cash flows to determine the present value of the treasury bills.	The fair values of treasury bills are based on discounted cashflow valuation technique which make use of discount rate which takes into account the US Libor Rate of adjusted for country risk. Adjusted discount rate - (December 2024: Average rates of 0%- 9% (December 2023: Average rates of 0%-9%) A 2% increase in adjusted discount rate will result in the reported other comprehensive income increasing by ZWG51.3 million (2023: ZWG8.6 million) and the value of the treasury bills increasing by ZWG21.4 million (2023: ZWG19.2 million) A 2% decrease in adjusted discount rate will result in the reported other comprehensive income decreasing by ZWG51.3 million (2023: ZWG8.6 million) and the value of the treasury bills decreasing by ZWG21.4 million (2023: ZWG19.2 million).

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

		31 Dec 2024 ZWG	31 Dec 2023 ZWG
7.	**MORTGAGES AND OTHER ADVANCES**		
	CONSOLIDATED		
7.1	**Gross loan book**		
	Mortgage advances	266 922 932	123 913 030
	Other advances:		
	Loans, overdraft and other accounts	3 427 166 636	1 827 729 954
	Asset finance loans	449 209 303	265 384 488
	Bills discounted	8 285 252	-
	Total other advances	3 884 661 191	2 093 114 442
	Gross advances	4 151 584 123	2 217 027 472
	Off balance sheet exposures		
	In respect of guarantees	350 586 224	94 302 910
	In respect of Letter of credit	-	-
	In respect of loan commitment	1 969 438 594	1 062 348 934
	Gross credit exposure	6 471 608 941	3 373 679 316
	Gross advances	4 151 584 123	2 217 027 472
	Less: Allowance for loan impairments	(162 905 078)	(112 971 991)
	Net advances	3 988 679 045	2 104 055 481

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

		31 Dec 2024 ZWG	31 Dec 2023 ZWG
7.2	**Maturity analysis**		
	On demand	445 221 664	137 125 196
	Within 1 month	178 951 333	190 815 051
	Between 1 and 6 months	590 793 163	599 374 265
	Between 6 and 12 months	3 471 704 429	634 903 297
	After 12 months	1 784 938 352	1 811 461 507
		6 471 608 941	3 373 679 316
7.3	**Non-performing loans**		
	Included in the above are the following;		
	Non-performing loans	138 063 220	37 627 189
	Less: Allowance for loan impairments	(67 831 456)	(14 917 936)
		70 231 764	22 709 253

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 ZWG119.7 million as at 31 December 2024 (2023: ZWG26.5 million).

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

		31 Dec 2024 ZWG	As a % of Total	31 Dec 2023 ZWG	As a % of Total
7.4	**Sectorial analysis**				
	Gross advances:				
	Private	1 372 059 744	21%	680 464 683	20%
	Agriculture	263 462 382	4%	195 369 119	6%
	Mining	574 783 004	9%	308 182 525	9%
	Manufacturing	263 854 839	4%	106 060 714	3%
	Distribution	215 018 942	3%	118 975 321	4%
	Construction	66 764 308	1%	34 461 942	1%
	Transport	125 959 195	2%	73 812 099	2%
	Services	836 269 023	13%	581 587 332	17%
	Financial	427 723 556	7%	117 831 707	3%
	Communication	5 689 131	0%	282 030	0%
	Total gross advances	4 151 584 123		2 217 027 472	
	Guarantees:				
	Manufacturing	318 806 640	5%	63 521 454	2%
	Distribution	18 961 898	0%	576 648	0%
	Construction	644 963	0%	25 803 564	1%
	Transport	357 784	0%	0	0%
	Services	11 814 939	0%	4 401 244	0%
	Total guarantees	350 586 224		94 302 910	
	Loan commitments:				
	Agriculture	163 636 966	3%	141 984 537	4%
	Mining	405 600 744	6%	114 943 303	3%
	Manufacturing	170 356 338	3%	69 464 409	2%
	Distribution	181 592 784	3%	104 132 289	3%
	Construction	7 606 644	0%	36 505 142	1%
	Transport	69 986 834	1%	65 463 257	2%
	Communication	-	0%	64 086	0%
	Services	815 830 316	13%	507 335 053	15%
	Financial Services	154 827 968	2%	22 456 858	1%
	Total loan commitments	1 969 438 594		1 062 348 934	
	Total credit exposure	6 471 608 941	100%	3 373 679 316	100%

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

7.5 Mortgage advances

Mortgage advances were spread as follows:

	31 Dec 2024 ZWG	As a % of Total	31 Dec 2023 ZWG	As a % of Total
Type of property: -				
High density	2 789 635	1.0%	3 459 730	3%
Medium density	15 210 640	5.7%	52 098 428	42%
Low density	124 265 877	46.6%	28 055 311	23%
Commercial	124 656 780	46.7%	40 299 561	33%
	266 922 932	100%	123 913 030	100%

Gross advances include the following asset finance loans where the bank advances funds to customers to purchase certain equipment for their own use.

	31 Dec 2024 ZWG	31 Dec 2023 ZWG
7.6 *Asset finance loans		
CONSOLIDATED		
Gross investment in asset finance loans		
Maturing within 1 year	321 512 264	158 155 580
Maturing after 1 year	717 099 198	424 936 889
Gross investment in asset finance loans	1 038 611 462	583 092 469
Unearned finance charges	(589 402 159)	(317 707 981)
Net investment in asset finance loans	449 209 303	265 384 488
Maturing within 1 year	139 434 454	73 850 678
Maturing after 1 year	309 774 849	191 533 810
	449 209 303	265 384 488

*In the current year Finance lease receivables was renamed to Asset Finance Loans to better describe the nature of the asset.

7.7 Determination of carrying value

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

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

		31 Dec 2024 ZWG	31 Dec 2023 ZWG
8.	**FINANCIAL ASSETS**		
	CONSOLIDATED		
8.1	**Financial assets at "fair value- through profit or loss**		
	Government and public utilities stock	3 971 963	1 594 883
	Listed equity investments	453 808 905	115 128 017
	Unlisted equity investments	210 778 989	174 874 546
	Virtual gold tokens purchased	-	17 725 449
		668 559 857	309 322 895
8.2	**Financial assets at amortized cost**		
	Cash balances	-	8 723 302
	Debentures and Bonds	83 650 095	26 382 622
		83 650 095	35 105 924

8.2.1 Included in Financial Assets held at amortised cost is cash that was recovered from the cash heist incident that happened in January 2021. The cash is not available for use as at 31 December 2024.

8.2.2. The virtual gold tokens were purchased in 2022. The Group accounted for them as financial assets through profit or loss up to the point of disposal in the reporting year 2024.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

		31 Dec 2024 ZWG	31 Dec 2023 ZWG
	CONSOLIDATED		
8.3	**Movement of financial assets**		
	Balance at beginning of year	344 428 819	338 895 271
	Additions during the year:	150 104 629	95 358 658
	- on listed equity investments	25 036 396	36 325 445
	- on Government stock	120 323 244	59 033 213
	- debentures and bonds	4 744 989	-
	Disposals	(153 060 738)	(44 157 526)
	- on listed equities	(29 680 096)	(9 689 669)
	- Debentures and bonds	(100 098 180)	(13 890 605)
	- on Government stock	(23 282 462)	(20 577 252)
	Fair value adjustments (note 31)	169 468 782	81 465 331
	- on listed equities	193 772 169	26 815 517
	- on unlisted equities	(25 110 913)	52 146 369
	- on unit trust investments	807 526	416 133
	- on virtual gold tokens	-	2 087 312
	*Exchange gains (net);	547 600 553	83 556 888
	-on unlisted equity investments	547 600 553	83 556 888
	Impairment credit / (charge) on debentures	(15 994 030)	(451 751)
	Interest accrued on financial assets	21 219 916	3 503 852
	Effects of inflation adjustment	-	(57 404 824)
	Effects of translation to presentation currency	(311 557 979)	(156 337 080)
	Balance at end of year	752 209 952	344 428 819

*These are coming from foreign investments such as visa and swift shares at Group level.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

		31 Dec 2024 ZWG	31 Dec 2023 ZWG
	SEPARATE		
8.1	**Financial assets at "fair value- through profit or loss":**		
	Listed equity investments	1 505 596	3 109 904
	Unlisted equity investments	5 271 639	2 986 308
		6 777 235	6 096 212
8.3	**Movement of financial assets**		
	Balance at beginning of year	6 096 212	6 299 077
	Additions during the year:		
	On listed equities	(15 072 820)	(423 883)
	Fair value adjustments (note 31)	10 253 111	3 126 869
	- on listed equities	10 662 384	1 516 068
	- on unlisted equities	(409 273)	1 610 801
	Effects of translation to presentation currency	5 500 732	(2 905 851)
	Balance at end of year	6 777 235	6 096 212

Financial assets balances at year end are current assets.

8.4 Valuation techniques and material unobservable inputs

As at 31 December 2024, the Group holds investments in equities of various unlisted companies, of which material interest are in ZimSwitch and Chengetedzayi Depository Company.

The investment in Zimswitch Technologies Limited was derived from a mix of four valuation techniques for the year ended 31 December 2024. The value was obtained by weighting the results of the valuation methods. The valuer has given equal weights of 25% to EBITDA multiple, Discounted cash flow, Price Earning valuations and Enterprise value / sales valuation method. Whilst a weighting of 0% has been assigned to dividend valuation method. The values were adjusted for lack of marketability and risk differentials. The valuation was carried out by an independent valuer BDO Chartered Accountants (Zimbabwe).

Investment in Chengetedzai Depository Company was valued using earnings multiple method and adjusted net asset value(NAV) technique for the year ended 31 December 2024. The price earnings ratio used was obtained after making risk differentials adjustments on the identified price earnings ratio of a similar quoted depository company. The NAV was adjusted for lack of marketability and liquidity risks.

The carrying amounts of investment in Zimswitch technologies limited and Chengetedzayi Depository Company were accounted for as unlisted equity investments (note 8.1).

All other investment securities (non-listed entities) were valued with reference to the net asset value and PE ratio which was determined by the directors. NAV valuation technique was used where investees are largely property holdings and investment entities whose assets and liabilities are measured at fair value or whose carrying amounts do not vary materially from their fair values. The valuation techniques and material unobservable inputs used in measuring unlisted equities fair value are disclosed in note 39.2.2.3.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

	31 Dec 2024 ZWG	31 Dec 2023 ZWG
9. GROUP INVESTMENTS		
CONSOLIDATED		
9.1 Investments in associates		
Balance at beginning of year	102 034 437	25 907 753
Revaluation surplus	2 169 851	15 134 575
Share of current year (loss)/ profits, net of tax	(124 789 243)	72 944 141
Effects of translation to presentation currency	93 057 370	(11 952 032)
Balance at end of year	72 472 415	102 034 437
Nature of Business		
Short-term insurance		
Amounts relating to associate company:		
Non-current assets	256 712 243	330 328 463
Current assets	314 772 457	156 525 657
Non-current liabilities	19 654 858	24 640 332
Current liabilities	341 703 964	166 376 046
Revenue	25 178 473	554 960 466
Profit after tax	12 118 314	190 086 271
Other comprehensive income	95 227 221	43 879 817
Share of current year (loss)/ profits, net of tax	(124 789 243)	72 944 141
SEPARATE		
Balance at beginning of year	102 034 437	25 907 753
Other comprehensive income	101 366 530	15 134 148
Share of current year (loss)/ profits, net of tax	(124 789 243)	72 944 142
Effects of translating to presentation currency	-	(11 951 606)
Effects of translation to presentation currency	(6 139 309)	-
	72 472 415	102 034 437

	2024	2023
Name of company	% Holding	% Holding
Cell Insurance (Private) Limited	34.49%	34.49%

Investment and Associates balances at year end are non-current assets.

As disclosed in Note 3.2.3, the Group and the Company accounts for interests in associates using the equity method after aligning accounting policies with investee entities per the requirements of IAS 28 - Investments in Associates. Cell Insurance Holdings Limited (Cell)- is an associate of the Company and has similar accounting policies with the Company and the rest of ZB Financial Holdings Limited. Cell is a provider of short-term insurance products in Zimbabwe.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

		31 Dec 2024 ZWG	31 Dec 2023 ZWG
	CONSOLIDATED		
9.2	**Investments in subsidiaries**		
	Balance at beginning of year	1 823 016 615	1 942 037 572
	Fair value adjustments (note 31)	1 271 514 006	(119 020 957)
	Acquisition of NCI (note 9.6)	4 823 767	5 503 582
	Capital injection	18 058 957	1 009 863
	Effects of translating to presentation currency	1 644 755 550	(6 513 445)
	Balance at end of year	4 762 168 895	1 823 016 615

The capital injection relates to the additional investment made by the holding company into QUPA Microfinance Limited during the years 2023 and 2024.

	31 Dec 2024 ZWG	31 Dec 2023 ZWG
Owned by ZB Financial Holdings Limited (Company): -		
ZB Bank Limited - 100%	3 342 521 932	1 136 423 683
ZB Holdings Limited - 100%	3 645 744	2 179 851
QUPA Microfinance Limited - 100%	54 193 033	5 732 362
Intermarket Holdings Limited - 84.26%	876 407 359	440 699 584
ZB Transfer Secretaries - 100%	9 900 197	3 335 536
Mashonaland Holding 57.63%	475 500 630	234 645 599
Total investments in subsidiary	4 762 168 895	1 823 016 615

Investment in subsidiaries balances at year end are non-current assets.

ZB Bank Limited operates as a commercial bank whilst Scotfin Limited is registered to undertake asset finance business. The asset finance business operations are presently being carried out under ZB Bank Limited, leaving Scotfin Limited as a dormant company. ZB Transfer Secretaries (Private) Limited offers transfer secretarial services for share registers domiciled in Zimbabwe. QUPA Microfinance (Private) Limited is a registered credit only microfinance company.

ZB Holdings Limited and Intermarket Holdings Limited are investment holding company's interests in businesses involved in subsectors of the financial sector. These subsidiaries are consolidated.

Mash's principal activities are property research & development and management. Mash is separately listed on the Zimbabwe stock exchange.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

9.2 Investments in Subsidiaries (continued)

ZB Building Society

Building societies in Zimbabwe are required to maintain a minimum capital level of ZWG equivalent of USD20 million, using the spot rate as at the reporting date. ZB Building Society has not complied with this minimum regulatory capital requirement in prior years including for the year ended 31 December 2024. As a result, the Reserve Bank of Zimbabwe (RBZ) issued a corrective order against the Society on 02 July 2024 to rectify the capital shortfall. The society has addressed the corrective order by implementing the resolution made by its directors on 01 December 2022 and its shareholders on 31 July 2024 to surrender the Building Society operating license to the RBZ. The RBZ has responded with conditions that need to be satisfied before the surrender of the licence. These include, but are not limited to certain information requests, ensuring that the deposits are handled in compliance with the Consumer Protection Framework No.1-2017/BSD. The Society is in the process of working towards fulfilling the conditions. The Directors have assessed these conditions required by RBZ for the surrender of the licence and concluded that it is highly probable it will comply with the conditions before 31 December 2025.

ZB Capital

The Board made a resolution to wind-up the operations of ZB Capital on the 10th of December 2024. ZB Capital's corporate finance operations will be transferred to ZB Bank Limited and its assets to ZB Financial Holdings. The assets are mainly comprised of Listed Equity Investments. Cessation of the company's operations is due to restructuring of the business model of the Investments Cluster undertaken by the Group.

9.3 Other subsidiary companies in the Group

	2024 % Holding	2023 % Holding	Nature of Business	Status
Owned by ZB Bank Limited:				
The Trustee Company of Central Africa (Private) Limited	100%	100%	Investment	Dormant
ZB Nominees (Private) Limited	100%	100%	Investment	Dormant
Syfrets Nominees (Private) Limited	100%	100%	Investment	Dormant
Barcelona Investments Limited	100%	100%	Property	Active
Scotfin Limited	100%	100%	Asset Finance	Dormant
Owned by ZB Holdings Limited				
ZB Capital (Private) Limited	100%	100%	Venture capital	Active
Data Centre (Private) Limited	100%	100%	Technology	Dormant
Syfrets Trust and Executor Limited	100%	100%	Estates and trusts Administration	Dormant
Syfin Holdings Limited	100%	100%	Investment	Dormant
Syfrets Corporate Trustee Company (Private) Limited	100%	100%	Investment	Dormant
Owned by Intermarket Holdings Limited (IHL)				
ZB Reinsurance Limited	100%	100%	Reinsurance	Active
First Mortgage Investments (Private) Limited	100%	100%	Investments	Dormant
Intermarket Banking Corporation Limited (IBCL)	96%	96%	Commercial bank	Passive
ZB Life Assurance Limited (ZB Life)	69%	69%	Life assurance	Active
ZB Building Society (ZBBS)	59%	59%	Building society	Active
Owned by ZB Building Society:				
Finsure Investments (Private) Limited	51%	51%	Property	Active
Wentspring Investments (Private) Limited	100%	100%	Investment	Active
Owned by ZB Life Assurance Limited:				
Intermarket Properties (Cinema) (Private) Limited	100%	100%	Property	Active
Aasaculz (Private) Limited	100%	100%	Property	Active
Citiside (Private) limited	60%	60%	Leisure	Active
Checkweighers Farmers (Private) Limited	65%	65%	Property	Active

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

9.4 Valuation techniques and material unobservable inputs

Subsidiaries are valued at net asset value which is considered to be an estimate of fair value.

IFRS 13 "Fair Value Measurement", prescribes that the valuation of a financial or non-financial asset should be done according to the unit of account i.e. level of aggregation of assets. The Group considers the unit of account to be the individual subsidiary or associate as a whole. The fair values of the Group's subsidiaries are categorized into Level 3 of the fair value hierarchy as described in note 3.4.4 and 39.2.2.4.

The fair value of subsidiaries is mainly driven by the underlying investment properties, the financial assets and liabilities which are measured at fair value, and where they are not measured at fair value, approximate their fair value. These underlying assets are the major inputs for determination of fair value of subsidiaries.

The fair value disclosures, including the sensitivity of the relevant inputs to change, have been included on note 13 for investment properties, note 15 for PPE, and note 39 for financial assets and liabilities at fair value.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

9.5 Non-controlling interests (NCI) as at 31 December 2024

	IHL ZWG	ZBBS ZWG	ZB Life ZWG	IBCL ZWG	MASH ZWG	Intra Group Eliminations ZWG	Total ZWG
Percentage	**16%**	**41%**	**31%**	**4%**	***55%**		
Non-current assets	2 002 673 913	537 200 579	898 640 240	244 737 960	12 627 394 218	-	16 310 646 910
Current assets	325 280 984	156 318 031	111 829 065	40 825	-	-	593 468 905
Non-current liabilities	(342 329 768)	(21 774 800)	(252 278 257)	(12 176 128)	(101 086 027)	-	(729 644 980)
Current liabilities	(631 346 581)	(268 563 741)	(246 461 308)	(2 360 883)	(7 496 928 733)	-	(8 645 661 246)
NCI recorded in subsidiaries	(314 134 732)	(94 815 562)	(3 172 987)	-	-	-	(412 123 281)
Net assets	1 040 143 817	308 364 507	493 422 107	230 241 775	(53 144 737 268)	-	(51 072 565 062)
Carrying amount of NCI	163 736 456	221 985 085	158 551 609	9 573 493	1 174 622 442	61 864 098	1 790 333 183
Revenue	354 494 518	26 455 628	248 384 979	236 833	152 860 177	-	782 432 135
Profit	185 626 912	(69 900 786)	202 593 412	189 424	33 528 840	-	352 037 802
Other Comprehensive Income	471 017 345	221 085 057	65 096 330	109 112 408	(531 698 712)	-	334 612 428
Total comprehensive income	656 644 257	151 184 271	267 689 742	109 301 832	1 078 456 946	-	2 263 277 048
Profit / (loss) allocated to NCI	(34 214 815)	(778 175)	(1 281 149)	5 394 964	17 136 539	31 371 719	17 629 083
OCI allocated to NCI	112 350 264	46 671 522	3 053 979	-	(565 868 559)	1 083 450 666	679 657 872
Cash flows from operating activities	(498 769 032)	(40 795 532)	(270 500 444)	(102 062 546)	17 709 269	-	(894 418 285)
Cash flows from Investment activities	-	191 236 214	(287 010 574)	-	555 625 284	-	459 850 924
Cash flows from financing activities (dividends to NCI)	-	-	114 188 085	-	(5 554 896)	-	108 633 189
Net (decrease)/increase in cash and cash equivalents	(498 769 032)	150 440 682	(443 322 933)	(102 062 546)	567 779 657	-	(325 934 172)

*The NCI percentages refer to effective NCI portion at consolidated level after taking into account NCI shareholding at entity level.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

9.5 Non-controlling interests (NCI) as at 31 December 2023

	IHL ZWG	ZBBS ZWG	ZB Life ZWG	IBCL ZWG	MASH ZWG	Intra Group Eliminations ZWG	Total ZWG
Percentage	***16%**	***41%**	***31%**	***4%**	**55%**		
Non current assets	1 078 838 297	19 966 708	483 562 841	9 450 536	1 122 860 109	-	2 714 678 491
Current assets	168 107 505	6 227 904	43 933 708	10 058	79 106 482	-	297 385 657
Non current liabilities	(295 187 078)	(781 441)	(158 224 378)	(471 070)	(56 097 567)	-	(510 761 534)
Current liabilities	(253 134 778)	(6 831 603)	(129 048 807)	(71 702)	(54 297 016)	-	(443 383 906)
NCI recorded in subsidiaries	(175 589 261)	(3 664 788)	(1 400 157)	-	-	-	(180 654 206)
Net assets	523 034 665	14 916 780	230 057 422	8 917 823	1 091 572 021		1 868 498 711
Carrying amount of NCI	82 334 617	133 127 017	73 845 240	5 028 704	600 364 440	109 039 946	1 003 739 964
Revenue	442 273 225	19 132 881	(96 029 958)	11 668 691	107 936 048	-	484 980 887
Profit	399 074 463	12 971 806	32 816 637	11 298 395	62 743 405	-	518 904 706
OCI	(514 047 872)	(16 405 747)	(47 328 133)	(14 704 361)	121 697 409	-	(470 788 704)
Total comprehensive income	(114 973 410)	(3 433 941)	(14 511 496)	(3 405 966)	55 639 984	-	(80 684 829)
Profit allocated to NCI	114 338 690	2 840 321	779 140	327 787 473	3 521 557	(337 396 856)	111 870 325
OCI allocated to NCI	(117 196 780)	(2 840 321)	(1 057 030)	-	-	121 531 633	437 502
Cash flows from operating activities	137 027	13 195 945	(19 926 451)	10 270 293	(204 160)	-	3 472 654
Cash flows from investment activities	(264 141)	(12 548 748)	1 002 724	(6 257 530)	(4 979 962)	-	(23 047 657)
Cash flows from financing activities (dividends to NCI)	-	-	(4 477 522)	(1 863 913)	(415 300)	-	(6 756 735)
Net (decrease) / increase in cash and cash equivalents	(127 114)	647 197	(23 401 249)	2 148 850	(5 599 422)	-	(26 331 738)

*The NCI percentages refer to effective NCI portion at consolidated level after taking into account NCI shareholding at entity level.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

9.6 Acquisition of NCI

In 2024, the Group acquired an additional 0.74% interest in Mashonaland Holdings Limited (Mash), increasing its ownership from 56.89% to 57.63%. The carrying amount of Mash's net assets in the Group's consolidated financial statements as at 30 Decemebr 2024 was ZWG 6.05 billion (2023: 2.01 billion).

The following summarises the increase in equity attributable to owners of the company.

	Audited 31 Dec 2024 ZWG	*Restated 31 Dec 2023 ZWG
Carrying amount of NCI	15 407 032	66 502 505
Consideration paid to NCI	8 669 534	23 034 369
An increase in equity attributable to owners of the company	6 737 498	43 468 136

AThe acquisition of NCI resulted in an increase of equity attributable to owners of the company through retained earnings of ZWG 6.9million.

The Group's effective shareholding in Mash then increased from 45% as at 31 December 2023 to 46% as at 31 December 2024. The movement in shareholding structure was due to co-ownership in Mash by subsidiaries not owned 100% within the Group.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

		Audited 31 Dec 2024 ZWG	*Restated 31 Dec 2023 ZWG
10.	**INVENTORIES**		
	CONSOLIDATED		
	Immovable properties	25 584 943	849 772
	Other consumables	17 189	43 368
	Stationery	11 990 941	6 993 996
	Fuel	1 027	18 398
		37 594 100	7 905 534
	Current	12 009 157	7 055 762
	Non-current	25 584 943	849 772
		37 594 100	7 905 534
	SEPARATE		
	Sundry receivables	44 540 834	40 949 200
	Total	44 540 834	40 949 200

There were no write-downs and reversals of inventories during the year, which could have been recognized as an expense.

		31 Dec 2024 ZWG	31 Dec 2023 ZWG
11	**TRADE AND OTHER RECEIVABLES**		
	CONSOLIDATED		
	Financial assets		
	Balances in transit from other banks	118 970 153	82 051 248
	Prepayments	173 766 402	87 909 012
	Deferred staff loan expense	89 315 699	42 074 635
	Sundry Receivables	61 838 906	130 614 730
	Impairment allowances for receivables	(895 415)	(1 642 771)
	Total	442 995 745	341 006 854
	SEPARATE		
	Trade receivables	44 540 834	40 949 200
	Total	44 540 834	40 949 200

Trade and other receivables balances at year end are current assets. All trade and other receivables except for prepayments are financial assets.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

12 ASSETS HELD FOR SALE

Assets held for sale comprise of a land bank which was classified as held for sale the in 2023 financial year valued at ZWG 47.47 billion. The conditions to classify the landbank as held for sale were wholly met at 31 December 2023. The landbank, was eventually sold in 2024.

	31 Dec 2024 ZWG	31 Dec 2023 ZWG
Opening balance	47 466 296	-
Net reclassification from investment property	-	26 456 440
Disposals	(47 466 296)	-
Fair value adjustments	-	21 009 856
	-	47 466 296

13. INVESTMENT PROPERTIES

CONSOLIDATED

13.1 Made up as follows:

	31 Dec 2024 ZWG	31 Dec 2023 ZWG
Land stock held for capital appreciation and completed properties available for lease:		
-Residential	337 554 314	161 635 402
-Commercial	3 100 748 691	1 793 678 966
-Industrial	104 853 985	50 208 560
Effects of translation to presentation currency	-	(308 908 248)
Balance at end of year	3 543 156 990	1 696 614 680

SEPARATE

Made up as follows:

	31 Dec 2024 ZWG	31 Dec 2023 ZWG
Land stock held for capital appreciation and completed properties available for lease:		
-Residential	13 183 034	9 149 327
Effects of translation to presentation currency	-	(2 531 169)
Balance at end of year	13 183 034	6 618 158

Investment properties balances at year end are non-current assets.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

		31 Dec 2024 ZWG	31 Dec 2023 ZWG
	CONSOLIDATED		
13.2	**Reconciliation of carrying amount**		
	Carrying amount at beginning of year	1 696 614 680	1 866 599 800
	Additions	266 162 811	65 958 324
	Disposals	(5 139 061)	(2 550 200)
	Fair value adjustment (note 31)	42 093 868	557 316 219
	Reclassified as held for sale	-	(26 456 440)
	Effects of translation to presentation currency	1 543 424 692	(764 253 023)
	Balance at end of year	3 543 156 990	1 696 614 680
	SEPARATE		
	Reconciliation of carrying amount		
	Carrying amount at beginning of year	6 618 158	8 025 977
	Additiions		
	Fair value adjustment (note 31)	593 181	4 825 845
	Effects of translation to presentation currency	5 971 695	(6 233 664)
	Balance at end of year	13 183 034	6 618 158
	Fair value adjustment on investment properties (note 12)	42 093 868	557 316 219
	Revaluation adjustment on property and equipment (note 15)	136 503 889	404 477 907
	Total increase in property values	178 597 757	961 794 126

Available for lease properties are leased out to various tenants. The initial contracts are for a minimum period of one year after which they may be extended as negotiated rental income generated from investment properties amounted to ZWG57 299 539 (2023: ZWG 50 668 806). Repairs and maintenance costs on investment properties that generated investment income amount to ZWG76 783 278 (2023: ZWG100 295 933).

No financial encumbrances existed on any of the properties included under investment properties.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

13.3 Measurement of fair value

The fair value of the Group's investment properties as at 31 December 2024 was arrived at on the basis of valuations carried out by independent professional valuers, Southbay Real Estate (2023: Southbay Real Estate). The valuation, which conforms to International Valuation Standards, was in terms of accounting policy 3.16 and was derived with reference to market information close to the date of the valuation. The qualified valuers determined property values in USD. The commercial and industrial property sectors in Zimbabwe are regarded as inactive markets with limited concluded transactions. In the valuation process, the valuer considered the prices of identical or similar assets that were listed or offered for sale in estimating the property values as at 31 December 2024. This process involved critical analysis and material expert judgement.

The fair values of the Group's investment property are categorised into Level 3 of the fair value hierarchy as described in note 3.4.4.

Valuation technique	Material unobservable inputs	Inter-relationship between unobservable inputs and fair value measurement
The Investment Method was applied on all income producing properties. Market capitalisation rates were derived from market sales evidence and were determined in consultation with other investors and property brokers in the market. The Direct Comparison Method was applied on all residential properties, after South bay Real Estate identified various properties that have been sold or which were on sale and situated in comparable areas using the Main Space Equivalent (MSE) principle. The total MSE of comparable areas was then used to determine the value per square meter of MSE.	Average rentals per square metre-ZWG30 471 to ZWG244 190 ZWG24 844 to ZWG41 374) Average investment yield - 8% to 20% (2023: 8% to 20%) The above inputs would depend on whether the property belonged to the following sub-sections: -Office -Retail -Industrial area	The estimated fair value would increase (decrease) if: • Expected market rental growth were higher (lower) • Void periods were shorter (longer) and • Occupancy rate were higher (lower) 10% increase or decrease in value of A properties as at 31 December 2024 would have resulted in an increase / decrease to the reported profit or loss and an increase / decrease in statement of financial position of inflation adjusted: ZWG4.514 billion (2023: ZWG2.263 billion),

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

14 RIGHT OF USE ASSETS

The Group recognises right of use assets in respect of non-cancellable lease agreements that are classified as neither short-term nor low value leases in terms of accounting policy (note 3.11.2). Right of use assets relate to leased branch and office premises. Lease modifications relate to changes in lease rentals and incremental borrowing rates. The movement in the right of use asset during the year was as follows:

	31 Dec 2024 ZWG	31 Dec 2023 ZWG
CONSOLIDATED		
Carrying amount at the beginning of the year	42 392 526	31 310 303
Depreciation charge to profit or loss	(2 032 615)	(6 834 076)
Lease modifications	-	26 752 723
Effects of translation to presentation currency	(13 418 294)	(8 836 424)
Carrying amount at end of year	26 941 617	42 392 526
SEPARATE		
Carrying amount at the beginning of the year	55 977 606	17 928 693
Depreciation charge to profit or loss	(22 649 336)	(15 806 695)
Lease modification	-	62 126 362
Effects of translation to presentation currency	37 813 115	(8 270 754)
Carrying amount at end of year	71 141 385	55 977 606

The corresponding lease liabilities matching the above assets are discussed in note 25.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

15. PROPERTY AND EQUIPMENT

	Freehold properties ZWG	Leasehold improvements ZWG	Equipment furniture & fittings ZWG	Computer equipment ZWG	Marine assets and Motor vehicles ZWG	Capital work in progress ZWG	Total ZWG
31 December 2024							
CONSOLIDATED							
Cost or valuation							
Balance at 1 January 2024	559 333 048	182 198 085	215 955 391	300 709 852	99 582 557	7 943 934	1 365 722 867
Additions	-	7 425 645	45 341 916	72 746 912	37 412 007	-	162 926 480
Disposals	-	-	(300 313)	(229 855)	(46 083 703)	-	(46 613 871)
Transfer between categories	-	-	954 953	-	-	(954 953)	-
Surplus on revaluation	31 204 762	1 383	7 043 541	74 416 378	23 837 825	-	136 503 889
Effects of translation to presentation currency	420 952 728	41 765 449	43 780 858	101 137 958	26 821 794	1 802 746	636 261 533
Balance at 31 December 2024	1 011 490 538	231 390 562	312 776 346	548 781 245	141 570 480	8 791 727	2 254 800 898
Accumulated depreciation and impairment							
Balance at 1 January 2024	80 420 617	133 400 646	167 842 254	176 002 720	57 111 749	5 946 034	620 724 020
Recognised in statement of profit or loss	19 093 847	21 114 717	17 680 067	122 556 052	29 490 220	-	209 934 903
Disposals	-	-	(705)	(113 751)	(1 735 363)	-	(1 849 819)
Impairment	9 906 624	-	2 665 630	703 861	42 125	-	13 318 240
Balance at 31 December 2024	109 421 088	154 515 363	188 187 246	299 148 882	84 908 731	5 946 034	842 127 344
Carrying value at 31 December 2024	902 069 450	76 875 199	124 589 100	249 632 363	56 661 749	2 845 693	1 412 673 554
Carrying value at 31 December 2023	478 912 431	48 797 439	48 113 137	124 707 132	42 470 808	1 997 900	744 998 847

No encumberances existed on any of the property and equipment in portfolio as at 31 December 2024.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

15. PROPERTY AND EQUIPMENT

	Freehold properties ZWG	Leasehold improvements ZWG	Equipment furniture & fittings ZWG	Computer equipment ZWG	Marine assets and Motor vehicles ZWG	Capital work in progress ZWG	Total ZWG
31 December 2023							
CONSOLIDATED							
Cost or valuation							
Balance at 1 January 2023	534 182 509	164 452 744	256 706 934	301 665 802	93 287 047	9 640 930	1 359 935 966
Additions	-	21 832 307	12 301 600	17 316 697	14 434 527	12 800 230	78 685 361
Disposals	-	-	(299 840)	(102 821)	(1 398 581)	-	(1 801 242)
Transfer between categories	-	12 775 989	16 730	-	-	(12 792 719)	-
Surplus on revaluation	261 958 863	1 631	13 529 344	96 816 044	32 172 025	-	404 477 907
Effects of translation to presentation to presentation currency	(236 808 324)	(16 864 586)	(66 299 377)	(114 985 870)	(38 912 461)	(1 704 507)	(475 575 125)
Balance at 31 December 2023	559 333 048	182 198 085	215 955 391	300 709 852	99 582 557	7 943 934	1 365 722 867
Accumulated depreciation and impairment							
Balance at 1 January 2023	60 020 310	129 778 518	156 058 666	146 314 947	45 726 106	5 946 034	543 844 581
Recognised in statement of profit or loss	20 400 307	3 613 502	9 201 745	29 265 765	11 780 479	-	74 261 798
Disposals	-	-	(58 335)	(23 670)	(394 836)	-	(476 841)
Impairment	-	8 626	2 640 178	445 678	-	-	3 094 482
Balance at 31 December 2023	80 420 617	133 400 646	167 842 254	176 002 720	57 111 749	5 946 034	620 724 020
Carrying value at 31 December 2023	478 912 431	48 797 439	48 113 137	124 707 132	42 470 808	1 997 900	744 998 847
Carrying value at 31 December 2022	472 180 072	34 685 894	101 759 032	154 225 702	49 203 492	4 037 193	816 091 385

No encumbrances existed on any of the property and equipment in portfolio as at 31 December 2022.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

15. PROPERTY AND EQUIPMENT (continued)

	Leasehold improvements ZWG	Equipment furniture & fittings ZWG	Computer equipment ZWG	Motor vehicles ZWG	Total ZWG
31 December 2024					
SEPARATE					
Cost or valuation					
Balance at 1 January 2024	180 229	13 735 267	9 012 362	4 550 600	27 478 458
Additions	-	5 132 408	8 067 250	-	13 199 658
Disposals	-	(271 168)	-	-	(271 168)
Revaluation of property	-	611 677	2 683 217	786 835	4 081 729
Effects of translation to presentation currency	-	6 181 660	(452 091)	3 744 709	9 474 278
Balance at 31 December 2024	180 229	25 389 844	19 310 738	9 082 144	53 962 955
Accumulated depreciation and impairment					
Balance at 1 January 2024	180 229	9 402 343	5 360 133	3 608 824	18 551 529
Recognised in statement of profit or loss	-	2 130 734	4 858 857	990 926	7 980 517
Disposals	-	-	(105 446)	-	(105 446)
Balance at 31 December 2024	180 229	11 533 077	10 113 544	4 599 750	26 426 600
Carrying value at 31 December 2024	-	13 856 767	9 197 194	4 482 394	27 536 355
Carrying value at 31 December 2023	-	4 332 924	3 652 229	941 776	8 926 929

No encumberances existed on any of the property and equipment in portfolio as at 31 December 2024.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

15. PROPERTY AND EQUIPMENT (continued)

	Leasehold improvements ZWG	Equipment furniture & fittings ZWG	Computer equipment ZWG	Motor vehicles ZWG	Total ZWG
****Restated 31 December 2023**					
SEPARATE					
Cost or valuation					
Balance at 1 January 2023	178 702	17 491 308	8 835 677	4 566 351	31 072 038
Additions	-	2 284 779	1 854 222	-	4 139 001
Disposals	-	(4 924)	(22 686)	(30 758)	(58 368)
Surplus on revaluation	1 631	980 263	1 901 118	496 785	3 379 797
Effects of translation to presentation currency	(104)	(7 016 159)	(3 555 969)	(481 778)	(11 054 010)
Balance at 31 December 2023	180 229	13 735 267	9 012 362	4 550 600	27 478 458
Accumulated depreciation and impairment					
Balance at 1 January 2023	178 505	8 831 779	4 365 249	3 248 105	16 623 638
Recognised in statement of profit or loss	1 724	570 907	1 000 252	363 605	1 936 488
Disposals	-	(343)	(5 368)	(2 886)	(8 597)
Impairment	-	-	-	-	-
Intergroup transfers	-	-	-	-	-
Balance at 31 December 2023	180 229	9 402 343	5 360 133	3 608 824	18 551 529
Carrying value at 31 December 2023	-	4 332 924	3 652 229	941 776	8 926 929
Carrying value at 31 December 2022	198	8 659 529	4 470 427	1 318 246	14 448 400

No encumbrances existed on any of the property and equipment in portfolio as at 31 December 2023

*The restatement is as a result of functional currency change as disclosed on note 3.1.1 and the change of presented of presentation currency effected retrospectively.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

		31 Dec 2024 ZWG	31 Dec 2023 ZWG
16.	**INTANGIBLE ASSETS**		
	CONSOLIDATED		
	Computer software		
	Carrying amount at beginning of year	23 842 987	29 062 604
	Additions at cost	158 774 316	9 942 222
	Amortisation	(6 571 540)	(1 734 081)
	Impairment	(1 366 932)	(20 774)
	Effects of translation to presentation currency	23 643 251	(13 406 984)
	Balance at end of year	198 322 082	23 842 987
17.	**DEPOSITS AND OTHER ACCOUNTS**		
	CONSOLIDATED		
17.1	**Summary of deposits by type**		
	Balances of banks	605 537 397	321 279 459
	Current accounts	367 542 189	200 673 631
	Savings and call accounts	3 815 805 886	1 786 053 998
	Fixed deposits	694 117 943	180 243 938
		5 483 003 415	2 488 251 026
17.2	**Maturity analysis**		
	On demand	4 492 865 131	580 392 895
	Within 1 month	370 000 888	1 822 076 098
	Between 1 and 6 months	417 832 108	85 755 102
	Between 6 and 12 months	168 888 831	481
	After 12 months	33 416 457	26 450
		5 483 003 415	2 488 251 026

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

		31 Dec 2024 ZWG	% Contribution	31 Dec 2023 ZWG	% Contribution
	CONSOLIDATED				
17.3	**Deposit concentration**				
	Private individuals	800 654 657	15%	417 739 757	17%
	Agriculture	183 052 736	3%	58 385 101	2%
	Mining	465 528 169	8%	66 187 793	3%
	Manufacturing	144 107 808	3%	47 616 239	2%
	Distribution	138 130 042	3%	68 375 185	3%
	Construction	121 616 224	2%	67 455 470	3%
	Transport	42 289 026	1%	16 130 102	1%
	Services	2 153 234 110	39%	1 061 575 475	43%
	Financial	1 132 636 618	21%	558 230 229	22%
	Communication	301 754 025	6%	126 555 675	5%
		5 483 003 415	100%	2 488 251 026	100%

		31 Dec 2024 ZWG	31 Dec 2023 ZWG
17.4	**Secured and unsecured deposits analysis**		
	CONSOLIDATED		
	Secured deposits	703 645 491	24 882 510
	Unsecured deposits	4 779 357 924	2 463 368 516
		5 483 003 415	2 488 251 026

For secured deposits, security was provided in the form of treasury bills which are included in the note 6.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

18. INVESTMENT CONTRACT LIABILITIES

As at 31 December 2024, the Group holds liabilities under investment contracts whose valuation is determined by the performance of the related underlying assets. The fair value disclosures, including the sensitivity of the relevant inputs to change, have been included on note 13 for investment properties and note 39 for financial assets. The reconciliation of investment contract liabilities performance is shown in the table below:

	31 Dec 2024 ZWG	31 Dec 2023 ZWG
Investment contract liabilities through Profit & loss	175 413 650	96 481 041
Movement in liabilities fair valued through profit or loss	(7 296 221)	10 774 306
Balance at beginning of year	96 481 041	85 706 735
New contributions received	20 133 125	24 830 381
Withdrawals	(3 215 960)	(7 915 931)
Fair value adjustments	(839 123)	79 620 402
Investments Income	2 303 320	2 714 256
Management Fees	(3 440 895)	(3 110 754)
Acquisition costs	-	-
Exchange differences	(20 917 234)	10 124 551
Provision for tax	(1 319 454)	(7 637 247)
Effects of inflation adjustments	-	(48 347 936)
Effects of translating to presentation currency	86 228 830	(39 503 416)
Balance at end of year	175 413 650	96 481 041
Current	35 082 730	19 296 208
Non-Current	140 330 920	77 184 833

19. TRADE AND OTHER PAYABLES

	31 Dec 2024 ZWG	31 Dec 2023 ZWG
CONSOLIDATED		
Amounts due to other banks	1 911 645	47 176 028
Income received in advance	138 776 574	74 923 951
Interest accrued on deposits	12 594 166	9 129 552
Items in transit	357 006 370	220 316 244
Accrued expenses	33 373 930	189 690 205
Intermediated money transfer tax	98 479 645	33 125 852
Trade payables	354 281 008	127 851 027
Sundry creditors	155 743 690	24 943 179
Impairment on guarantees and loan commitments	79 231 412	32 191 736
	1 231 398 440	759 347 774
SEPARATE		
Trade payables (note 36)	204 497 114	88 270 682

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

		31 Dec 2024 ZWG	31 Dec 2023 ZWG
20	**CURRENT TAX LIABILITIES**		
	CONSOLIDATED		
	Balance at beginning of year	18 963 005	11 951 526
	Recognised in statement of profit or loss (note 33)	156 953 998	39 148 236
	Tax payments	(82 251 874)	(46 004 376)
	Effects of inflation adjustments	-	16 319 685
	Effects of translation to presentation currency	-	(2 452 066)
		93 665 129	18 963 005
	Current tax liabilities balances at year end are current liabilities.		
22	**INSURANCE AND REINSURANCE CONTRACTS**		
22.1	**Consolidated Life and non-Life insurance assets and liabilities**		
	Insurance contracts issued		
	Insurance contract liabilities	268 691 070	322 458 869
	Insurance contract Assets	-	(112 805 955)
	Net insurance contracts issued	268 691 070	209 652 914
	Reinsurance contracts held		
	Reinsurance contracts Liabilities	18 163 212	13 606 449
	Reinsurance contracts Assets	(129 088 504)	(124 745 943)
	Net reinsurance contract (Assets) / Liabilities held	(110 925 292)	(111 139 494)
	Life Business		
	Insurance contracts issued		
	Insurance contract liabilities	225 479 465	112 122 425
	Insurance contract Assets	-	(836 303)
	Net insurance contracts issued	225 479 465	111 286 122
	Reinsurance contracts held		
	Reinsurance contracts Liabilities	-	-
	Reinsurance contracts Assets	(1 568 068)	(1 012 871)
	Net reinsurance contracts held	(1 568 068)	(1 012 871)
	Non-Life Business		
	Insurance contracts issued		
	Insurance contract liabilities	188 068 068	210 336 444
	Insurance contract Assets	(144 856 463)	(111 969 652)
	Net insurance contract liabilities / (assets) issued	43 211 605	98 366 792
	Reinsurance contracts held		
	Reinsurance contracts Liabilities	18 163 212	13 606 449
	Reinsurance contracts Assets	(127 520 436)	(123 733 072)
	Net reinsurance contracts held	(109 357 224)	(110 126 623)

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

22.1 Insurance contracts issued - Life business

22.1.1 AnAnalysis by liability for remaining coverage and the liability for incurred claims - contracts measured under PAA and contracts not measured under PAA (continued)

	2024					
	Liabilities for remaining coverage		Liabilities for incurred claims			
				Contracts under PAA		
	Excluding loss component ZWG	Loss component ZWG	Contracts not under PAA ZWG	Estimates of Present Value of future cashflows ZWG	Risk adjustment for Non-financial risk ZWG	Total ZWG
Life insurance contract (assets)/liabilities as at 01/01	(142 825 127)	175 541 921	1 102 879	1 963 786	24 203	35 807 662
Insurance revenue	(57 293 801)	-	-	-	-	(57 293 801)
Insurance service expenses	1 537 122	8 330 826	8 889 961	58 300 878	23 290	77 082 077
Incurred Claim And Directly Attributable Expenses	-	(16 352 420)	6 376 376	54 080 561	15 821	44 120 338
Changes that relate to past service - Adjustments to LIC	-	-	2 513 585	4 220 317	7 469	6 741 371
Losses on Onerous Contracts and the Reversals of those losses	-	24 683 246	-	-	-	24 683 246
Insurance Acquisition Cashflow Amortization	1 537 122	-	-	-	-	1 537 122
Insurance service result	(55 756 679)	8 330 826	8 889 961	58 300 878	23 290	19 788 276
Insurance finance income / expenses	1 381 794	4 745 321	-	(2 270 533)	-	3 856 582
Investment components and premium refunds	-	-	-	-	-	-
Exchange (Gains)/Losses	123 516 561	(166 976 309)	(922 013)	(611 483)	(7 453)	(45 000 697)
Effects of use of presentation currency	(22 443 761)	43 829 358	2 179 859	2 768 117	33 628	26 367 201
Total changes in the statement of (profit) or loss	46 697 915	(110 070 804)	10 147 807	58 186 979	49 465	5 011 362
Cash flows						
Premium Received	80 741 030	-	-	-	-	80 741 030
Claims and other directly attributable expenses paid	-	-	(6 376 376)	(54 080 561)	-	(60 456 937)
Insurance Acquisition Cash flow	(6 910 384)	-	-	-	-	(6 910 384)
Total cash flows	73 830 646	-	(6 376 376)	(54 080 561)	-	13 373 709
Life insurance contract (assets)/liabilities as at 31/12	(22 296 565)	65 471 117	4 874 310	6 070 205	73 670	54 192 737

Notes to the Consolidated and Separate Financial Statements (continued)
For the year ended 31 December 2024

22.1 Insurance contracts issued - Life business (continued)

	2023					
	Liabilities for remaining coverage		Liabilities for incurred claims			
				Contracts under PAA		
	Excluding loss component	Loss component	Contracts not under PAA	Estimates of Present Value of future cashflows	Risk adjustment for Non-financial risk	Total
	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG
Life insurance contract liabilities as at 01/01	26 226 182	79 108 314	340 635	3 129 906	58 226	108 863 263
Insurance revenue	(109 823 960)	-	-	-	-	(109 823 960)
Insurance service expenses	219 339	429 164 186	15 592 330	75 013 777	46 364	520 035 996
Incurred Claim And Directly Attributable Expenses	-	(3 993 303)	12 826 004	71 310 381	-	80 143 082
Changes that relate to past service - Adjustments to LIC	-	-	2 766 326	3 703 396	46 364	6 516 086
Losses on Onerous Contracts and the Reversals of those losses	-	433 157 489	-	-	-	433 157 489
Insurance Acquisition Cashflow Amortization	219 339	-	-	-	-	219 339
Insurance service result	(109 604 621)	429 164 186	15 592 330	75 013 777	46 364	410 212 036
Insurance finance (income) / expenses	(381 438 211)	8 015 537	26 329	527 242	-	(372 869 103)
Investment components and premium refunds	(6)	-	6	-	-	-
Monetary Adjustment	225 384 070	(304 252 355)	(1 873 271)	(3 952 888)	(53 526)	(84 747 970)
Effects of changes in presentation currency	(12 098 501)	(36 493 761)	(157 140)	(1 443 869)	(26 860)	(50 220 131)
Total changes in the statement of (profit) or loss	(277 757 269)	96 433 607	13 588 254	70 144 262	(34 022)	(97 625 168)
Cash flows						
Premium Received	120 759 596	-	-	-	-	120 759 596
Claims and other directly attributable expenses paid	-	-	(12 826 011)	(71 310 381)	-	(84 136 392)
Insurance Acquisition Cash flow	(12 053 636)	-	-	-	-	(12 053 636)
Total cash flows	108 705 960	-	(12 826 011)	(71 310 381)	-	24 569 568
Life insurance contract (assets)/liabilities as at 31/12	(142 825 127)	175 541 921	1 102 879	1 963 786	24 203	35 807 662

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

22.2 Life Risk - Insurance contracts issued Life business (continued)

22.2.1 Analysis by estimates of the present value of future cash flows, risk adjustments and CSM - contracts not measured under PAA

The table below presents an analysis of the net asset or liability for insurance contracts issued showing estimates of the present value of future cash flows, risk adjustments and CSM for portfolios.

	2024					
	Estimates of the present value of future cash flows ZWG	Risk adjustment ZWG	Contracts under modified retrospective approach ZWG	Other contracts ZWG	Total ZWG	Total ZWG
Insurance contract liabilities as at 01/01	32 623 291	900 466	-	295 916	295 916	33 819 673
Changes that relate to current services						
Contractual service margin recognized for service provided	-	-	(689)	(1 469 154)	(1 469 843)	(1 469 843)
Rist adjustment recognized for the risk expired	-	(123 157)	-	-	-	(123 157)
Experience adjustments	527 156	-	-	-	-	527 156
Changes that relate to future services						
Change in estimates that adjust CSM	462 085	(8 318)	203 616	(657 384)	(453 768)	(1)
Change in future service that results in losses or reversal of losses	24 205 212	(735 296)	-	-	-	23 469 916
Contracts initially recognized in the period	(2 362 497)	160 569	-	3 415 259	3 415 259	1 213 331
Changes that relate to past services						
Adjustments to liabilities for incurred claims	2 512 570	1 015	-	-	-	2 513 585
Insurance service result	25 344 526	(705 187)	202 927	1 288 721	1 491 648	26 130 987
Insurance finance (income) / expenses	2 589 482	2 116 684	-	1 420 949	1 420 949	6 127 115
Exchange (Gain)/ Loss	(42 871 733)	(1 094 625)	(86 595)	(328 808)	-	-
Effects of use of presentation currency	20 391 228	1 048 356	86 595	2 039 277	2 125 872	23 565 456
Total changes in the statement of profit or loss	5 453 503	1 365 228	202 927	4 420 139	4 623 066	11 441 797
Cash flows						
Premiun received	16 074 152	-	-	-	-	16 074 152
Claims and other expenses paid (including investment components and premium refunds)	(6 376 376)	-	-	-	-	(6 376 376)
Insurance acquisition cash flows	(6 910 384)	-	-	-	-	(6 910 384)
Total cash flows	2 787 392	-	-	-	-	2 787 392
Insurance contract liabilities as at 31/12	40 864 187	2 265 693	202 927	4 716 055	4 918 982	48 048 862

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

22.2 Life Risk - Insurance contracts issued Life business (continued)

22.2.1 Analysis by estimates of the present value of future cash flows, risk adjustments and CSM - contracts not measured under PAA (continued)

The table below presents an analysis of the net asset or liability for insurance contracts issued showing estimates of the present value of future cash flows, risk adjustments and CSM for portfolios.

	2023					
			Contractual service margin			
	Estimates of the present value of future cash flows ZWG	Risk adjustment ZWG	Contracts under modified retrospective approach ZWG	Other contracts ZWG	Total ZWG	Total ZWG
Insurance contract liabilities as at 01/01	103 170 830	2 481 688	22 612	-	22 612	105 675 130
Changes that relate to current services						
CSM recognised in profit or loss for the services provided	-	-	-	(2 650 733)	(2 650 733)	(2 650 733)
Change in Risk Adjustment For the Report Period	-	548 670	-	-	-	548 670
Experience Adjustment	1 567 724	-	-	-	-	1 567 724
Changes that relate to future services						
Change in estimates that adjust CSM	18 615 523	2 281 509	(7 960)	(20 889 072)	(20 897 032)	-
Change in future service that results in losses or reversal of losses	411 615 654	14 352 127	-	-	-	425 967 781
Contracts Initially Recognised in the Period	(10 335 263)	240 326	-	17 284 645	17 284 645	7 189 708
Changes that relate to past services						
Adjustments to liabilities for incurred claims	2 767 481	(1 155)	-	-	-	2 766 326
Insurance service result	424 231 119	17 421 477	(7 960)	(6 255 160)	(6 263 120)	435 389 476
Insurance finance (income) / expenses	(364 639 700)	(15 789 293)	1 311	7 031 337	7 032 648	(373 396 345)
Monetary Adjustment	(78 187 194)	(2 068 569)	(5 532)	(480 262)	(485 794)	(80 741 557)
Effects of changes in presentation currency	(47 594 134)	(1 144 837)	(10 431)	-	(10 431)	(48 749 402)
Total changes in the statement of profit or loss	(66 189 909)	(1 581 222)	(22 612)	295 915	273 303	(67 497 828)
Cash flows						
Premiums Received	20 522 014	-	-	-	-	20 522 014
Claims and Other Directly Attributable Expense Paid	(12 826 011)	-	-	-	-	(12 826 011)
Insurance Acquisition Cash Flow	(12 053 636)	-	-	-	-	(12 053 636)
Total cash flows	(4 357 633)	-	-	-	-	(4 357 633)
Insurance contract liabilities as at 31/12	32 623 291	900 466	-	295 916	295 916	33 819 673

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

22.3 Reinsurance contracts held - Life business

22.3.1 Analysis by asset for remaining coverage and the amounts recoverable for incurred claims - contracts measured under PAA and contracts not under PAA

	2024				
		Assets for incurred claims			
		Contracts under the PAA			
	Assets for remaining coverage ZWG	Estimates of present value of future cashflows ZWG	Risk adjustment for non-financial risk ZWG	Contracts not under PAA ZWG	Total ZWG
Reinsurance contract assets as at 01/01	(897 604)	(22 870)	(153)	(92 245)	(1 012 872)
Allocation of reinsurance premiums:					
Reinsurance Expenses	532 814	(2 465 851)	-	-	(1 933 037)
Other Directly attributable Expenses					
Claims Recovered	-	89 177	-	(199 856)	(110 679)
Changes that relate to past service - Adjustments to AIC	-	82 678	(635)	(49 964)	32 079
Net income or expense from reinsurance contracts held	532 814	(2 293 996)	(635)	(249 820)	(2 011 637)
Finance Income from reinsurance contracts issued	119 328	-	-	(4 854)	114 474
Exchange gains or losses	77 566	(20 514)	-	192 116	249 168
Effects of use of presentation currency	(244 548)	(176 847)	(610)	(324 000)	(746 005)
Total Amount Recognised in comprehensive income	485 160	(2 491 357)	(1 245)	(386 558)	(2 394 000)
Reinsurance Investment components	-	-	-	-	-
Total changes in the statement of profit or loss	485 160	(2 491 357)	(1 245)	(386 558)	(2 394 000)
Cash flows					
Premiums paid net of ceding commisison and other expenses	(583 821)	2 465 851	-	-	1 882 030
Recoveries from reinsurance	-	(89 177)	-	-	(89 177)
Total cash flows	(583 821)	2 376 674	-	-	1 792 853
Reinsurance contract assets as at 31/12	(996 264)	(137 553)	(1 398)	(478 803)	(1 614 018)

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

22.3 Reinsurance contracts held Life business (continued)

22.3.1 Analysis by asset for remaining coverage and the amounts recoverable for incurred claims - contracts measured under PAA and contracts not under PAA (continued)

	2023				
		Assets for incurred claims			
		Contracts under the PAA			
	Assets for remaining coverage ZWG	Estimates of present value of future cashflows ZWG	Risk adjustment for non-financial risk ZWG	Contracts not under PAA ZWG	Total ZWG
Reinsurance contract assets as at 01/01	(675 651)	(204 012)	(881)	(33 948)	(914 492)
Allocation of reinsurance premiums:					
Reinsurance Expenses	1 878 890	-	-	-	1 878 890
Other Directly attributable Expenses					
Changes that relate to past service - Adjustments to AIC]	-	-	(141)	(229 227)	(229 368)
Net income or expense from reinsurance contracts held	1 878 890	-	(141)	(229 227)	1 649 522
Finance Income from reinsurance contracts issued	(76 237)	-	-	(2 748)	(78 985)
Monetary Adjustment	1 622 078	87 029	463	158 016	1 867 586
Effects of changes in presentation currency	311 687	94 114	407	15 661	421 869
Total Amount Recognised in comprehensive income	3 736 418	181 143	729	(58 298)	3 859 992
Total changes in the statement of profit or loss	3 736 418	181 143	729	(58 298)	3 859 992
Cash flows					
Premiums paid net of ceding commisison and other expenses	(3 958 371)	-	-	-	(3 958 371)
Recoveries from reinsurance	-	-	-	-	-
Total cash flows	(3 958 371)	-	-	-	(3 958 371)
Reinsurance contract assets as at 31/12	(897 604)	(22 870)	(153)	(92 245)	(1 012 872)

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

22.3 Reinsurance contracts held - Life business (continued)

22.3.2 Analysis estimates of the present value of future cash flows, risk adjustment and CSM - contracts measured not under PAA

	2024				2023			
	Estimates of the present value of future cash flows	Risk adjustment	Contractual service margin	Total	Estimates of the present value of future cash flows	Risk adjustment	Contractual service margin	Total
Reinsurance contract assets as at 01/01	(273 757)	(7 788)	(708 304)	(989 849)	(130 345)	(3 789)	(575 465)	(709 599)
Changes that relate to current services								
CSM recognised in profit or loss for the services provided	-	-	135 231	135 231	-	-	1 363 880	1 363 880
Change in Risk Adjustment For the Report Period	-	4 552	-	4 552	-	2 941	-	2 941
Experience Adjustment	390 899	-	-	390 899	445 858	-	-	445 858
Changes that relate to future services	-	-	-	-	-	-	-	-
Change in estimates that adjust CSM	(968 857)	(7 817)	976 674	-	(612 479)	(7 542)	620 021	-
Contracts Initially Recognised in the Period	306 171	(11 208)	(294 963)	-	2 481 114	(16 134)	(2 464 980)	-
Changes that relate to past services	(243 891)	(5 929)	-	(249 821)	(223 105)	(6 121)	-	(229 226)
Finance Income (Expense) From Reinsurance Contracts Issued (P/L)	491 484	(745)	(376 266)	114 474	1 121 044	7 543	(1 207 571)	(78 984)
Monetary Adjustment	-	-	-	-	476 187	13 567	1 290 341	1 780 095
Exchange gains/(losses)	356 706	11 828	(100 984)	267 550	-	-	-	-
Effects of changes in presentation currency	(743 160)	(23 102)	201 979	(564 283)	60 130	1 748	265 470	327 348
Total changes in the statement of profit or loss	(410 648)	(32 421)	541 671	98 602	3 748 749	(3 998)	(132 839)	3 611 912
Cash flows								
Premiums paid net of ceding commisison and other expenses	(583 821)	-	-	(583 821)	(3 892 160)	-	-	(3 892 160)
Recoveries from reinsurance	-	-	-	-	-	-	-	-
Total cash flows	(583 821)	-	-	(583 821)	(3 892 160)	-	-	(3 892 160)
Other movements								
Reinsurance contract assets as at 31/12	(1 268 225)	(40 209)	(166 632)	(1 475 066)	(273 757)	(7 788)	(708 304)	(989 849)

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

22.4 Life savings - Insurance contracts Life business

22.4.1 Analysis by liability for remaining coverage and the liability for incurred claims: contracts measured not under PAA

	2024				2023			
	Liabilities for remaining coverage				Liabilities for remaining coverage			
	Excluding loss component	Loss component	Liabilities for incurred claims	Total	Excluding loss component	Loss component	Liabilities for incurred claims	Total
Insurance contract liabilities as as at 01/01	71 097 387	1 262 892	-	72 360 279	53 014 619	8 015 263	-	61 029 882
Insurance revenue	(4 063 781)	-	-	(4 063 781)	(3 394 961)	-	-	(3 394 961)
Insurance service expenses	1 250 595	21 323 978	4 943 371	27 517 944	257 945	955 743	3 211 037	4 424 725
Incurred Claim And Directly Attributable Expenses	-	(148 927)	4 943 371	4 794 444	(1 568)	(2 356 780)	3 211 037	852 689
Changes that relate to past service - Adjustments to LIC	-	-	-	-	-	-	-	-
Losses on Onerous Contracts and the Reversals of those losses	-	21 472 905	-	21 472 905	-	3 312 523	-	3 312 523
Insurance Acquisition Cashflow Amortization	1 250 595	-	-	1 250 595	259 513	-	-	259 513
Insurance service result	(2 813 186)	21 323 978	4 943 371	23 454 163	(3 137 016)	955 743	3 211 037	1 029 764
Insurance finance expenses P/L	99 228 715	-	-	99 228 715	170 952 399	-	-	170 952 399
Investment components and premium refunds	(1 583 983)	-	1 583 983	-	(2 726 410)	-	2 726 410	-
Monetary Adjustment	-	-	-	-	(128 360 205)	(4 008 994)	-	(132 369 199)
Exchange (Gains)/Losses	(100 399 385)	(10 023 428)	-	(110 422 813)	-	-	-	-
Effects of changes in presentation currency	67 695 234	9 551 437	-	77 246 671	(24 454 810)	(3 699 120)	-	(28 153 930)
Total changes in the statement of profit or losses	62 127 395	20 851 987	6 527 354	89 506 736	12 273 958	(6 752 371)	5 937 447	11 459 034
Cash flows								
Premium Received	16 881 112	-	-	16 881 112	14 100 111	-	-	14 100 111
Claims and other directly attributable expenses paid	-	-	(6 527 355)	(6 527 355)	-	-	(5 937 447)	(5 937 447)
Insurance Acquisition Cash flow	(6 551 427)	-	-	(6 551 427)	(8 291 301)	-	-	(8 291 301)
Total cash flows	10 329 685	-	(6 527 355)	3 802 330	5 808 810	-	(5 937 447)	(128 637)
Insurance contract liabilities as at 31/12	143 554 466	22 114 879	-	165 669 345	71 097 387	1 262 892	-	72 360 279

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

22.4 Life savings - Insurance contracts Life business

22.4.2 Analysis by estimates of the present value of future cash flows, risk adjustment and CSM: contracts measured not under PAA

The table below presents an analysis of the net asset or liability for insurance contracts issued showing estimates of the present value of future cash flows, risk adjustment and CSM for portfolios.

	2024					
			Contractual service margin			
	Estimates of the present value of future cash flows ZWG	Risk adjustment ZWG	Contracts under modified retrospective approach ZWG	Other contracts ZWG	Total ZWG	Total ZWG
Insurance contract liabilities as at 01/01	61 987 392	1 456 577	8 912 424	3 887	8 916 311	72 360 280
Changes that relate to current services						
Contractual service margin recognised for services provided	-	-	(466 844)	(749 316)	(1 216 160)	(1 216 160)
Risk adjustment recognised for the risk expired	-	(28 740)	-	-	-	(28 740)
Experience adjustments	3 226 159	-	-	-	-	3 226 159
Changes that relate to future services		-				
Change in estimates that adjust CSM	(22 267 365)	2 721 572	17 520 405	2 025 388	19 545 793	-
Change in future service that results in losses or reversal of losses	19 661 414	1 614 602	-	-	-	21 276 016
Contracts Initially Recognised in the Period	(3 498 448)	83 989	-	3 611 347	3 611 347	196 888
Changes that relate to past services						
Adjustments to liabilities for incurred claims	-	-	-	-	-	-
Insurance service result	(2 878 240)	4 391 423	17 053 561	4 887 418	21 940 980	23 454 163
Insurance finance expenses	99 228 715	-	-	-	-	99 228 715
Exchange (Gains)/Losses	(98 443 834)	(2 169 572)	(9 805 873)	(3 538)	(9 809 411)	(110 422 817)
Effects of use of presentation currency	57 202 850	2 968 166	13 436 674	3 638 985	17 075 659	77 246 675
Total changes in the statement of profit or loss	55 109 491	5 190 017	20 684 362	8 522 865	29 207 228	89 506 736
Cash flows						
Premiums received	16 881 112	-	-	-	-	16 881 112
Claims and other expenses paid (including investment components and premiums refunds)	(6 527 355)	-	-	-	-	(6 527 355)
Insurance acquisition cash flows	(6 551 427)	-	-	-	-	(6 551 427)
Total cash flows	3 802 330	-	-	-	-	3 802 330
Insurance contract liabilities as at 31/12	120 899 213	6 646 595	29 596 786	8 526 752	38 123 538	165 669 346

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

22.4 Life savings - Insurance contracts Life business (continued)

22.4.2 Analysis by estimates of the present value of future cash flows, risk adjustment and CSM: contracts measured not under PAA (continued)

The table below presents an analysis of the net asset or liability for insurance contracts issued showing estimates of the present value of future cash flows, risk adjustment and CSM for portfolios

	2023					
			Contractual service margin			
	Estimates of the present value of future cash flows ZWG	Risk adjustment ZWG	Contracts under modified retrospective approach ZWG	Other contracts ZWG	Total ZWG	Total ZWG
Insurance contract liabilities as at 01/01	49 820 848	776 018	10 423 634	9 382	10 433 016	61 029 882
Changes that relate to current services						
CSM recognised in profit or loss for the services provided	-	-	(3 882 095)	(130)	(3 882 225)	(3 882 225)
Change in Risk Adjustment For the Report Period	-	251 428	-	-	-	251 428
Experience Adjustment	1 348 039	-	-	-	-	1 348 039
Changes that relate to future services						
Changes in estimates that adjust the contractual service margin	(27 422 777)	3 231 218	24 194 150	(2 591)	24 191 559	-
Change in future service that results in losses or reversal of losses	(107 576)	102 489	-	-	-	(5 087)
Contracts initially recognised in the period	3 300 212	7 240	-	10 158	10 158	3 317 610
			-			
Insurance service result	(22 882 102)	3 592 375	20 312 055	7 437	20 319 492	1 029 765
Insurance finance expenses	170 952 399	-	-	-	-	170 952 399
Monetary Adjustment	(112 792 069)	(2 553 828)	(17 014 698)	(8 603)	(17 023 301)	(132 369 198)
Effects of changes in presentation currency	(22 983 048)	(357 988)	(4 808 567)	(4 328)	(4 812 895)	(28 153 931)
Total changes in the statement of profit or loss	12 295 180	680 559	(1 511 210)	(5 494)	(1 516 705)	11 459 035
Cash flows						
Premiums Received	14 100 111	-	-	-	-	14 100 111
Claims and Other Directly Attributable Expense Paid	(5 937 447)	-	-	-	-	(5 937 447)
Insurance Acquisition Cash Flow	(8 291 301)	-	-	-	-	(8 291 301)
Total cash flows	(128 637)	-	-	-	-	(128 637)
Insurance contract liabilities as at 31/12	61 987 392	1 456 577	8 912 424	3 887	8 916 311	72 360 280

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

22.5 Annuities - Insurance contracts issued Life business

22.5.1 Analysis by liability for remaining coverage and the liability for incurred claims - contracts measured not under PAA

	2024				2023			
	Liabilities for remaining coverage				Liabilities for remaining coverage			
	Excluding loss component	Loss component	Liabilities for incurred claims	Total	Excluding loss component	Loss component	Liabilities for incurred claims	Total
Life insurance contract liabilities as at 01/01	3 048 376	69 805	-	3 118 181	2 473 309	266 625	-	2 739 934
Insurance revenue	(116 983)	-	-	(116 983)	(5 571)	-	-	(5 571)
Insurance service expenses	-	30 221	29 115	59 335	-	104 698	-	104 698
Incurred claims and other expenses	-	-	29 115	29 115	-	(237)	-	(237)
Amortisation of insurance acquisition cash flows	-	-	-	-	-	-	-	-
Losses on onerous contracts and reversals of those losses	-	30 221	-	-	-	104 935	-	104 935
Changes to liabilities for incurred claims	-	-	-	-	-	-	-	
Insurance service result	(116 983)	30 221	29 115	(57 648)	(5 571)	104 698	-	99 127
Insurance finance expenses P/L	5 225 148	-	-	5 225 148	7 619 382	-	-	7 619 382
Investment components and premium refunds	(103 950)	-	103 950	-	(345 269)	-	345 269	-
Monetary Adjustment	-	-	-	-	(5 552 504)	(178 520)	-	(5 731 024)
Exchange Gains or Losses	(5 134 574)	(81 811)	-	(5 216 385)	-	-	-	
Effects of changes in presentation currency	2 653 488	24 581	-	2 678 069	(1 140 972)	(122 998)	-	(1 263 970)
Total changes in the statement of profit or loss	2 523 129	(27 009)	133 065	2 629 184	575 067	(196 820)	345 269	723 515
Cash flows								
Claims and other expenses paid	-	-	(133 065)	(133 065)	-	-	(345 269)	(345 269)
Insurance acquisition cash flows	-	-	-	-	-	-	-	-
Total cash flows	-	-	(133 065)	(133 065)	-	-	(345 269)	(345 269)
Life insurance contract liabilities as at 31/12	5 571 505	42 796	-	5 614 301	3 048 376	69 805	-	3 118 181

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

22.5 Annuities - Insurance contracts issued - Life business

22.5.2 Analysis by estimates of the present value of future cash flows, risk adjustment and CSM

	2024					
			Contractual service margin			
	Estimates of the present value of future cash flows ZWG	Risk adjustment ZWG	Contracts under modified retrospective approach ZWG	Other contracts ZWG	Total ZWG	Total ZWG
Life insurance contract liabilities as at 01/01	730 909	175 934	2 206 228	5 109	2 211 337	3 118 180
Changes that relate to current services						
Contractual service margin recognised for services provided	-	-	(2 388)	-	(2 388)	(2 388)
Risk adjustment recognised for the risk expired	-	17 810	-	-	-	17 810
Experience adjustments	(103 291)	-	-	-	-	(103 291)
Changes that relate to future services			-	-		
Change in estimates that adjust CSM	67 714	(18 732)	(48 062)	(920)	(48 982)	-
Change in future service that results in losses or reversal of losses	55 023	(24 802)	-	-	-	30 221
Insurance service result	19 446	(25 724)	(50 450)	(920)	(51 370)	(57 648)
Insurance finance expenses	5 225 148	-	-	-	-	5 225 148
Exchange (Gains)/Losses	(2 892 449)	(162 714)	(2 156 572)	(4 651)	(2 161 223)	(5 216 386)
Effects of use of presentation currency	2 311 341	18 474	347 793	462	348 255	2 678 070
Total changes in the statement of profit or loss	4 663 486	(169 964)	(1 859 229)	(5 109)	(1 864 338)	2 629 184
Cash flows	(133 065)	-	-	-	-	(133 065)
Total cash flows	(133 065)	-	-	-	-	(133 065)
Life insurance contract liabilities as at 31/12	5 261 330	5 970	346 999	(1)	346 998	5 614 299

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

22.5 Annuities - Insurance contracts issued Life business (continued)

22.5.2 Analysis by liability for remaining coverage and the liability for incurred claims - contracts measured not under PAA (continued)

	2023					
			Contractual service margin			
	Estimates of the present value of future cash flows ZWG	Risk adjustment ZWG	Contracts under modified retrospective approach ZWG	Other contracts ZWG	Total ZWG	Total ZWG
Insurance contract liabilities as at 01/01	2 612 740	211	-	126 983	126 983	2 739 934
Changes that relate to current services						
Contractual service margin recognised for services provided	-	-	-	(2 179)	(2 179)	(2 179)
Risk adjustment recognised for the risk expired	-	180	-	-	-	180
Experience adjustments	(3 810)	-	-	-	-	(3 810)
			-			
Changes that relate to future services						
Changes in estimates that adjust the contractual service margin	(6 022 077)	263 641	5 786 862	(28 427)	5 758 435	(1)
Change in future service that results in losses or reversal of losses	(92 648)	197 584	-	-	-	104 936
Contracts initially recognised in the period	(6 669)	2	-	6 668	6 668	1
Insurance service result	(6 125 204)	461 406	5 786 862	(23 938)	5 762 924	99 127
Insurance finance expenses	7 619 382	-	-	-	-	7 619 382
Monetary Adjustment	(1 825 447)	(285 586)	(3 580 633)	(39 358)	(3 619 991)	(5 731 024)
Effects of changes in presentation currency	(1 205 293)	(97)	-	(58 579)	(58 579)	(1 263 969)
Total changes in the statement of profit or loss	(1 536 562)	175 723	2 206 229	(121 875)	2 084 354	723 515
Cash flows						
Claims and other expenses paid (including investment components and premium refunds)	(345 269)	-	-	-	-	(345 269)
Total cash flows	(345 269)	-	-	-	-	(345 269)
Insurance contract liabilities as at 31/12	730 909	175 934	2 206 228	5 109	2 211 337	3 118 180

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

22.5 Annuities - Insurance contracts issued Life business (continued)

22.5.2 Analysis by liability for remaining coverage and the liability for incurred claims – contracts measured not under PAA (continued)

	2024						
	Life Risk		Savings Risk		Annuities		
	Remaining contracts ZWG	Onerous contracts ZWG	Remaining contracts ZWG	Onerous contracts ZWG	Remaining contracts ZWG	Onerous contracts ZWG	Total ZWG
Life Insurance contract liabilities*							
PV of Cash Inflows	(12 935 202)	(3 229 027)	(17 294 099)	(1 161 924)	-	-	(34 620 252)
PV of Cash Outflows	9 398 235	4 403 498	13 606 564	1 351 011	-	-	28 759 308
Estimate of present value of future cash outflow	(3 536 967)	1 174 471	(3 687 535)	189 087	-	-	(5 860 944)
Risk adjustment	121 709	38 860	76 189	7 801	-	-	244 559
CSM	3 415 259	-	3 611 347	-	-	-	7 026 606
Losses on onerous contracts at initial recognition	1	1 213 331	1	196 888	-	-	1 410 221

	2023						
	Life Risk		Savings Risk		Annuities		
	Remaining contracts ZWG	Onerous contracts ZWG	Remaining contracts ZWG	Onerous contracts ZWG	Remaining contracts ZWG	Onerous contracts ZWG	Total ZWG
Life Insurance contract liabilities*							
PV of Cash Inflows	(29 907 419)	(3 808 256)	(114 750)	(1 765 851)	(39 567)	-	(35 635 843)
PV of Cash Outflows	12 430 524	10 949 888	104 177	5 076 635	32 898	-	28 594 122
Estimate of present value of future cash outflow	(17 476 895)	7 141 632	(10 573)	3 310 784	(6 669)	-	(7 041 721)
Risk adjustment	192 249	48 076	415	6 825	2	-	247 567
CSM	17 284 645	-	10 158	-	6 668	-	17 301 471
Losses on onerous contracts at initial recognition	(1)	7 189 708	-	3 317 609	1	-	10 507 317

* No insurance contracts were acquired by the Company in the current year and prior years. All contracts were issued by the Company.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

22.6 Insurance contracts issued: non life

22.6.1 Analysis by liability for remaining coverage and the liability for incurred claims - contracts measured under PAA

	2024			
	Liabilities for Remaining Coverage Best Estimate of Future Cashflows	Liabilities for Incurred Claims Best Estimate of Future Cashflows	Liabilities for Incurred Claims Risk Adjustment	Total
Insurance Contract Issued				
Insurance Contract Liabilities as at beginning	(30 154 221)	123 724 864	4 795 661	98 366 304
Insurance Contract Assets as at beginning	-	-	-	-
Net Insurance Contract (Assets)/ Liabilities as at 01/01/24	(30 154 221)	123 724 864	4 795 661	98 366 304
Insurance Revenue Contracts	(362 828 649)	-	-	(362 828 649)
Insurance Service Expenses				
Incurred claims and other directly attributable expenses	-	150 450 675	201 450	150 652 125
Changes that relate to past service adjustments to the LIC	-	(50 728 494)	823 224	(49 905 270)
Insurance acquisition cash flows armotisation	122 985 206	-	-	122 985 206
Insurance service expenses	122 985 206	99 722 181	1 024 674	223 732 061
Insurance Service Result				
Effects of translation to presentation currency	(109 295 959)	119 466 788	4 588 984	14 759 813
Effects of Movement in Exchange Rates	84 319	238 120	40 151	362 590
Total Changes in the Statement of (Profit)/ Loss and OCI	(239 843 443)	99 722 181	1 024 674	(139 096 588)
Cashflows				
Premiums Received	414 811 280	-	-	414 811 280
Claims and other expenses paid	-	(190 250 284)	-	(190 250 284)
Insurance Acquisition Cashflows	(155 741 509)	-	-	(155 741 509)
Total Cashflows	259 069 771	(190 250 284)	-	68 819 487
Movements				
Net Insurance Contract (Assets)/ Liabilities as at 31/12/2024	(120 223 852)	152 901 669	10 449 470	42 849 016
Insurance Contract Liabilities as at 31/12/24	(120 139 533)	152 901 668	10 449 470	43 211 605
Insurance Contract Assets as at 31/12/2024	-	-	-	-
Net Insurance Contract (Assets)/ Liabilities as at 31/12/2024	(120 139 533)	152 901 668	10 449 470	43 211 605

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

22.6 Insurance contracts issued: non life (continued)

22.6.1 Analysis by liability for remaining coverage and the liability for incurred claims - contracts measured under PAA (continued)

	2023			
	Liabilities for Remaining Coverage Best Estimate of Future Cashflows	Liabilities for Incurred Claims		
		Best Estimate of Future Cashflows	Risk Adjustment	Total
Insurance Contract Issued				
Insurance Contract Liabilities as at beginning	2 768 816	1 740 012	247 909	4 756 737
Insurance Contract Assets as at beginning	(39 552 811)	-	-	(39 552 811)
Net Insurance Contract (Assets)/ Liabilities as at 01/01/23	(36 783 995)	1 740 012	247 909	(34 796 074)
Insurance Revenue	(328 878 289)	-	-	(328 878 289)
Insurance Service Expenses				
Incurred Claims and other Expenses	-	96 371 159	-	96 371 159
Insurance acquisition Cashflows	-	117 365 595	4 732 725	122 098 320
Changes to liabilities for incurred claims - past service	103 034 285	-	-	103 034 285
	103 034 285	213 736 754	4 732 725	321 503 764
Insurance Service Result				
Effects of translation to presentation currency	14 944 280	14 789 295	4 175 031	33 908 606
Effects of movements in exchange rates	(13 788 970)	16 474 081	-	2 685 111
Effects of IAS 29	34 922 957	(4 225 937)	(4 360 004)	26 337 016
Total Changes in the Statement of (Profit)/ Loss and OCI	(225 844 004)	213 736 754	4 732 725	(7 374 525)
Cashflows				
Premiums Received	306 315 480	-	-	306 315 480
Claims and other expenses paid	-	(118 789 341)	-	(118 789 341)
Insurance Acquisition Cashflows	(109 919 969)	-	-	(109 919 969)
Total Cashflows	196 395 511	(118 789 341)	-	77 606 170
Movements				
Net Insurance Contract (Assets)/ Liabilities as at 31/12/23	(30 154 221)	123 724 864	4 795 661	98 366 304
Insurance Contract Liabilities as at 31/12/23	(30 154 221)	123 724 864	4 795 661	98 366 304
Insurance Contract Assets as at 31/12/23	-	-	-	-
Net Insurance Contract (Assets)/ Liabilities 31/12/23	(30 154 221)	123 724 864	4 795 661	98 366 304

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

22.7 Reinsurance contracts held: non life (continued)

22.7.1 Analysis by remaining coverage and the amounts recoverable for incurred claims - contracts measured under PAA (continued)

	2024			
	Assets for Remaining Coverage Excluding loss Recovery Component	Amounts Recoverable on Incurred Claims: Present Value of Future Cashflows	Amounts Recoverable on Incurred Claims: Estimates of the Risk Adjustment	Total
Reinsurance Contract Assets as at beginning	(2 762 727)	(103 441 707)	(3 920 758)	(110 125 192)
Insurance Contract Liabilities as at beginning	-	-	-	-
Net Reinsurance Contracts (Assets)/ Liabilities as at 01/01/24	(2 762 727)	(103 441 707)	(3 920 758)	(110 125 192)
Allocation of Reinsurance Premiums	106 129 353	-	-	106 129 353
Amounts recoverable from Reinsurers for incurred claims	-	(79 515 201)	(654 098)	(80 169 299)
Changes to amounts recoverable for incurred claims	-	71 275 522	3 251 098	74 526 620
Net income or expense from reinsurance conntracts held	106 129 353	(8 239 679)	2 597 000	100 486 674
Reinsurance finance income				
Effect of changes translation to presentation currency	32 853 679	(84 120 492)	(1 076 079)	(52 342 892)
Effects of Movement in Exchange Rates	34 022	237 610	15 024	286 656
Total amount recognised in the Statement of (Profit)/ Loss and OCI	106 129 353	(8 239 679)	2 597 000	100 486 674
Cashflows				
Premiums Paid	(94 511 935)	-	-	(94 511 935)
Amounts Received	-	46 948 444	(98 977)	46 849 467
Total Cashflows	(94 511 935)	46 948 444	(98 977)	(47 662 468)
Net balance as at 31 December	41 742 392	(148 615 824)	(2 483 790)	(109 357 222)
Insurance Contract Assets as at 31/12/24	41 742 392	(148 615 824)	(2 483 791)	(109 357 223)
Insurance Contract liabilities as at 31/12/24	-	-	-	-
Net Insurance Contract (Assets)/ Liabilities as at 31/12/24	41 742 392	(148 615 824)	(2 483 791)	(109 357 223)

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

22.7 Reinsurance contracts held: non life (continued)

22.7.1 Analysis by remaining coverage and the amounts recoverable for incurred claims - contracts measured under PAA (continued)

	2023			
	Assets for Remaining Coverage Excluding loss Recovery Component	Amounts Recoverable on Incurred Claims		
		Present Value of Future Cashflows	Estimates of the Risk Adjustment	Total
Reinsurance Contract Assets as at beginnning	(541 685)	(867 594)	(35 801)	(1 445 080)
Insurance Contract Liabilities as at beginning	27 904 889	-	-	27 904 889
Net Reinsurance Contracts (Assets)/ Liabilities as at 01/01/23	27 363 204	(867 594)	(35 801)	26 459 809
Allocation of Reinsurance Premiums	69 940 939	-	-	69 940 939
Amounts recoverable from Reinsurers for incurred claims	-	(25 501 485)	(61 218)	(25 562 703)
Changes to amounts recoverable for incurred claims	-	(95 169 377)	(7 275 968)	(102 445 345)
Net income or expense from reinsrance contracts held	69 940 939	(120 670 862)	(7 337 186)	(58 067 109)
Effects of change in presentation currency	(15 913 270)	5 003 115	(18 332)	(10 928 487)
Effects of movements in exchange rates	(2 074 276)	(1 310 299)	-	(3 384 575)
Effects of IAS 29	(10 322 758)	(6 244 190)	3 470 561	(13 096 387)
Total Changes in the Statement of (Profit)/Loss and OCI	69 940 939	(120 670 862)	(7 337 186)	(58 067 109)
Cashflows				
Premiums Paid	(71 756 565)	-	-	(71 756 565)
Recoveries from reinsurance	-	20 648 123	-	20 648 123
Total Cashflows	(71 756 565)	20 648 123	-	(51 108 442)
Net Reinsurance Contract (Assets)/ Liabilities as at 31 December 2023	(2 762 726)	(103 441 707)	(3 920 758)	(110 125 191)
Reinsurance Contract Assets as at 31/12/2023	(2 762 727)	(103 441 707)	(3 920 758)	(110 125 192)
Reinsurance Contract Liabilities as at 31/12/2023	-	-	-	-
Net Reinsurance Contract (Assets)/ Liabilities as at 31/12/2023	(2 762 727)	(103 441 707)	(3 920 758)	(110 125 192)

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

		31 Dec 2024 ZWG	31 Dec 2023 ZWG
23.	**OFFSHORE BORROWINGS**		
	CONSOLIDATED		
	Balance at beginning of year	221 920 345	133 062 093
	Additions	281 438 182	991 090 218
	Interest expense	25 792 694	29 219 086
	Capital repayments	(259 278 086)	(1 145 779 655)
	Interest expense paid	(25 792 694)	(29 219 086)
	Exchange rates movements	-	288 036 347
	Effects of inflation adjustments	-	16 894 728
	Effects of translation to presentation currency	(9 548 623)	(61 383 386)
	Balance at end of year	234 531 818	221 920 345
	Within 1 year	234 531 818	221 920 345
	Over 1 year	-	-

Offshore borrowings balances at the year-end are current liabilities.

The offshore borrowings are in respect of loan facility advanced to the Group by Afreximbank at interest rates ranging from 12.23% to 13.15%. The loan facility matures on 31 December 2026. The funds were used for on lending to the Goup's customers. The carrying amount of these financial liabilities approximate their fair values at the reporting date as they were amortised using the effective interest method.

		31 Dec 2024 ZWG	31 Dec 2023 ZWG
24.	**DEFERRED TAX (ASSETS)/ LIABILITIES**		
	CONSOLIDATED		
24.1	**Deferred tax**		
	Deferred tax asset	(15 094 576)	(3 293 477)
	Deferred tax liability	221 756 974	166 136 735
	Net deferred tax liabilities	206 662 398	162 843 258
	SEPARATE		
	Deferred tax asset	1 279 141	-
	Deferred tax liability	-	4 649 831
		1 279 141	4 649 831

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

24.1 Deferred Tax Liability

	Balance at 1 January ZWG	Recognised in profit or loss ZWG	Recognised in OCI ZWG	Effects of translating to presentation currency ZWG	Balance at 31 December ZWG
CONSOLIDATED					
2024					
Property and equipment	119 751 513	(407 792 502)	27 789 188	-	(260 251 801)
Fair value adjustments to financial assets	12 898 483	22 276 958	-	-	35 175 441
Assessed losses	(24 117 476)	(912 943 978)	-	-	(937 061 454)
Insurance contract assets	28 832 185	(268 922)	-	-	28 563 263
Insurance Contract Liabilities	(1 134 242)	(68 053 709)	-	-	(69 187 951)
Arising from acquisition of subsidiary	-	-	-	-	-
Fair value gains on available for sale treasury bills	2 942 017	(452 750)	-	-	2 489 267
Other	-	1 555 513 212	-	-	1 555 513 212
Provisions and deferred income	72 560 111	(111 566 780)	-	-	(39 006 669)
Lease liability	(1 325 055)	(18 188 281)	-	-	(19 513 336)
Right of use assets	10 916 075	(3 978 609)	-	-	6 937 466
Effects of translating to presentaion currency	(55 186 876)	-	-	(26 713 588)	(81 900 464)
	166 136 735	54 544 639	27 789 188	(26 713 588)	221 756 974
2023					
Property and equipment	93 177 963	(9 525 367)	36 098 917	-	119 751 513
Fair value adjustments to financial assets	10 485 613	2 412 870	-	-	12 898 483
Assessed losses	(8 958 716)	(15 158 760)	-	-	(24 117 476)
Insurance contract assets	-	28 832 185	-	-	28 832 185
Insurance Contract Liabilities	-	(1 134 242)	-	-	(1 134 242)
Arising from acquisition of subsidiary	64 889 760	(64 889 760)	-	-	-
Fair value gains on available for sale treasury bills	8 587 584	-	(5 645 567)	-	2 942 017
Other	34 921 962	(34 921 962)	-	-	-
Provisions and deferred income	(23 661 186)	96 221 297	-	-	72 560 111
Lease liability	(27 059 825)	25 734 770	-	-	(1 325 055)
Right of use assets	-	10 916 075	-	-	10 916 075
Effects of changes in function currency	-	(58 417 163)	-	3 230 287	(55 186 876)
	152 383 155	(19 930 057)	30 453 350	3 230 287	166 136 735

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

24.2 Deferred Tax Asset

	Balance at 1 January ZWG	Recognised in profit or loss ZWG	Recognised in OCI ZWG	Effects of translating to presentation currency ZWG	Balance at 31 December ZWG
CONSOLIDATED					
2024					
Property and equipment	2 906 108	100 443 212	1 140 391	-	104 489 711
Fair value adjustments to financial assets	(133 256)	8 399 581	36 579 002	-	44 845 327
Assessed losses	(13 793 054)	13 793 054	-	-	-
Effects of changes in functional currency	11 826 672	(11 826 672)	-	-	-
Fair value gains on available for sale treasury bills	-	-	8 021 921	-	8 021 921
Other	(4 099 947)	4 099 947	-	-	-
Provisions	-	(18 739 777)	-	-	(18 739 777)
Effects of foreign currency translation	-	(172 887 850)	-	20 430 629	(152 457 221)
Lease Libility	-	(11 606 837)	-	-	(11 606 837)
Right of use assets	-	10 352 300	-	-	10 352 300
	(3 293 477)	(77 973 042)	45 741 314	20 430 629	(15 094 576)
2023					
Property and equipment	(1 046 844)	3 012 652	940 300	-	2 906 108
Fair value adjustments to financial assets	(779 151)	645 895	-	-	(133 256)
Assessed losses	(18 334 044)	4 540 990	-	-	(13 793 054)
Effects of changes in presentation currency	-	-	-	11 826 672	11 826 672
Other	325 562	(175 371)	-	-	150 191
Provisions	-	(4 250 138)	-	-	(4 250 138)
	(19 834 477)	3 774 028	940 300	11 826 672	(3 293 477)

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

24.2 Deferred Tax Asset (continued)

	Balance at 1 January ZWG	Recognised in profit or loss ZWG	Recognised in OCI ZWG	Other transactions affecting equity ZWG	Balance at 31 December ZWG
COMPANY					
2024					
Property and equipment	2 854 905	943 647	1 051 045	-	4 849 597
Fair value adjustments to financial assets	211 512	82 175	-	-	293 687
Effects of foreign currency translation	-	-	-	-	-
Assessed loss	(17 858 341)	17 858 341	-	-	-
Provisions	-	(168 867)	-	-	(168 867)
Lease Libility	-	710 076	-	-	710 076
Right of use assets	-	-	-	-	-
Effects of changes in presentation currency	10 142 093	(30 601 049)	-	14 774 463	(5 684 493)
	(4 649 831)	(11 175 677)	1 051 045	14 774 463	-
2023					
Property and equipment	3 584 883	(1 600 276)	870 298	-	2 854 905
Fair value adjustments to financial assets	202 583	8 929	-	-	211 512
Other	(8 051 308)	8 051 308	-	-	-
Assessed loss	(14 903 884)	(2 954 457)	-	-	(17 858 341)
Effects of changes in presentation currency	-	-	-	10 142 093	10 142 093
	(19 167 726)	3 505 504	870 298	10 142 093	(4 649 831)

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

25. LEASE LIABILITIES

The Group leases various office buildings under non-cancellable lease agreements. The non-cancellable lease terms ranges between 5 and 10 years, and the majority of lease agreements are renewable at the end of the lease period at market rate.

In terms of note 3.11 the Group recognises a lease liability in respect of discounted future payment commitments and accrued notional interest cost, net of any actual payments made during the period for all non-cancellable lease commitments that are assessed as neither short-term nor low value leases. Lease modifications relate to changes in lease rentals and incremental borrowing rates.

The movement in the lease liability during the year was as follows:

	31 Dec 2024 ZWG	31 Dec 2023 ZWG
CONSOLIDATED		
Balance at the beginning of year	27 481 249	16 292 418
Add finance cost posted to profit or loss	1 778 869	8 087 253
Exchange gains	-	14 226 365
*Payment for lease liabilities		
Less lease liabilities paid during the year	(5 974 395)	(16 284 544)
Effects of translating to presentation currency	10 376 836	(7 515 916)
Lease liability modification	-	26 752 723
Effects of inflation adjustments	-	(14 077 050)
Balance at end of year	33 662 559	27 481 249
Maturing within 1 year	6 732 512	5 496 250
Maturing after 1 year	26 930 047	21 984 999
SEPARATE		
Balance at beginning of year	35 456 900	38 663 145
Initial adoption of IFRS 16	-	-
Effects of exchange rate movements on lease liability	(26 442 608)	(13 068 737)
Add accrued interest posted to profit	4 409 425	39 290 609
*Less lease liability payments during the year	(16 768 105)	(42 630 952)
Lease adjustments	-	62 126 362
Effects of inflation adjustments	-	(31 087 683)
Effectsof translatinfg to presentation currency	79 124 335	(17 835 844)
Balance at end of year	75 779 947	35 456 900
Maturing within 1 year	3 193 121 401	307 151
Maturing after 1 year	(3 117 341 454)	35 149 749

The Company has estimated that the potential future lease payments, should it exercise the extension option, would result in an increase in lease liability of ZWG1 090 114 786 (2023: ZWG28 527 121).

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

		Audited 31 Dec 2024 ZWG	*Restated 31 Dec 2023 ZWG
26.	**EQUITY AND RESERVES**		
	CONSOLIDATED		
26.1	**Share capital**		
	Company:		
	Authorised:		
	1 000 000 000 ordinary shares of ZWG 0.0000221 each	10 000 000	10 000 000
	Issued and fully paid:		
	175 190 642 ordinary shares of ZWG0.000221 each	3 878	4 288 875
	Analysis of number of shares		
	In issue issued shares	175 190 642	175 190 642
	Treasury shares	(17 667 740)	(17 667 740)
	Net trading shares	157 522 902	157 522 902
	SEPARATE		
	Company:		
	Authorised:		
	1 000 000 000 ordinary shares of ZWG0.01 each	10 000 000	10 000 000
	Issued and fully paid:		
	175 190 642 ordinary shares of ZWG 0.01 each	3 878	4 288 875
	Analysis of number of shares		
	in issue issued shares	175 190 642	175 190 642
	Treasury shares	(17 667 740)	(17 667 740)
	Net trading shares	157 522 902	157 522 902

Subject to the limitations imposed by the Companies and Other Business Entities Act (Chapter 24:31) and the Regulations of the Zimbabwe Stock Exchange, the Articles of Association permit the directors to allot the unissued shares amounting to 824 809 358.

Fully paid shares carry one vote per share and carry a right to dividends.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

26.2 Fully paid ordinary shares and share premium

	CONSOLIDATED		SEPARATE	
	Share capital ZWG	Share premium ZWG	Share capital ZWG	Share premium ZWG
Balance at beginning of year	4 288 875	66 645 368	4 288 875	66 645 368
Transfer to Equity Reserve	(4 284 997)	(66 360 185)	(4 284 997)	(66 360 185)
Balance at end of year	3 878	285 183	3 878	285 183
Balance at beginning of year	7 961 853	123 077 568	7 961 853	123 077 568
Effects of translation to presentation currency	(3 672 978)	(56 778 360)	(3 672 978)	(56 778 360)
Transfer fo share premium from FCTR	-	346 160	-	346 160
Balance at end of year	4 288 875	66 645 368	4 288 875	66 645 368

26.3 Other components of equity

	31 Dec 2024 ZWG	31 Dec 2023 ZWG
CONSOLIDATED		
General reserve (see note 26.3.1 below)	245 676 054	245 676 054
*Properties and equipment revaluation reserve (see note 26.3.2 below)	262 468 713	719 287 128
Fair value gains on financial asset at FVTOCI (see note 26.3.3. below)	(200 228 051)	(177 741 973)
Foreign Subsidiary currency translation Reserve (note 26.3.4)	(3 133 068)	2 405 347
Foreign Currency Translation Reserve (note 26.3.5)	2 248 478 088	1 869 555
	2 553 261 736	791 496 111
SEPARATE		
Properties and equipment revaluation reserve (see note 26.3.2 below)	27 984 420	22 783 886
Foreign currency translation Reserve (note 26.3.5)	1 754 761 396	1 868 460
	1 782 745 816	24 652 346

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

	31 Dec 2024 ZWG	31 Dec 2023 ZWG
26.3.1 General reserves		
CONSOLIDATED		
Balance at beginning of year	245 676 054	1 438 514
Effects of changes in presentation currency	-	244 237 540
Balance at the end of year	245 676 054	245 676 054

The general reserve is used to set aside capital to the extent of any excess that may arise out of general provisions computed in terms of prudential guidelines, and the application of discretionary security limits as established by supervisory authorities over any provisions computed in terms of International Financial Reporting Standards. Differences may arise as a result of:

a) Application of predetermined provisioning rates for an asset class that may not correspond to observable cash flow patterns, and
b) Application of discretionary discounts on, or complete exclusion of certain securities which may not be in line with demonstrable evidence of typical levels of security recovery values.

The general reserve is also used to reserve portions of capital to cater for short term uncertainties relating to the valuation of items that may have a material impact on the statement of profit or loss from year to year.

The investment fluctuation reserve caters for unforeseen movements in the value of assets which make up the capital in the life assurance business. It also caters for differences in the intrinsic values of the assets in relation to their short term trading values.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

	31 Dec 2024 ZWG	31 Dec 2023 ZWG
26.3.2 Property and equipment revaluation reserve		
CONSOLIDATED		
Balance at beginning of year	719 287 128	759 429 576
Surplus on property and equipment revaluation	136 503 889	404 477 907
Opening balance difference	(4 968 258)	(547)
Revaluation movement against non controlling interest	(572 213 255)	(2 572 628)
Deferred tax effect of property revaluation	(27 789 188)	(37 039 217)
Transfer to retained income	(1 629 568)	(608 472)
Equity -accounted investees -share of OCI	8 309 160	13 265 688
Effects of translation to presentation currency	4 968 805	(417 665 179)
Balance at end of year	257 499 908	719 287 128
SEPARATE		
Balance at beginning of year	22 783 886	13 514 625
Surplus on property and equipment revaluation	4 081 727	3 379 797
Deferred tax effect of property revaluation	(1 051 045)	(870 298)
Equity -accounted investees -share of OCI	8 309 160	13 265 688
Effects of translation to presentation currency	(6 139 308)	(6 505 926)
Balance at end of year	27 984 420	22 783 886

The property and equipment revaluation reserve arise on the revaluation of both movable and immovable property which is carried out regularly in terms of accounting policy note 3.7. Where revalued property or equipment is sold, the portion of the revaluation reserve that relates to the asset is effectively realized and is transferred directly to retained income.

The transfer to retained income is in respect to reclassification of revaluation surplus on disposal of equipment.

The Companies and Other Business Entities Act (Chapter 24:31) does not restrict the distribution of the property and equipment revaluation reserve except that, in the event of cash distributions, adequate liquidity must be available to meet the cash payout without leaving the organization in an illiquid position. Generally, there are no restrictions on the payment of "bonus shares" out of the property and equipment revaluation reserve. Amounts may also be effectively distributed out of the properties and equipment revaluation reserve as part of a share buy-back.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

		31 Dec 2024 ZWG	31 Dec 2023 ZWG
26.3.3	**Fair value gains on financial assets held at FVTOCI**		
	CONSOLIDATED		
	Balance at the beginning of year	(177 741 973)	(50 702 659)
	Fair value gains / (losses) on the medium term treasury bills	(30 055 250)	(25 315 602)
	Fair value gains/losses on the medium term treasury bills against NCI	(452 750)	1 095 490
	Deferred tax effect of fair valuation on financial assets at FVTOCI	8 021 922	5 645 567
	Effects of monetary adjustments	-	(108 464 769)
	Balance at the end of year	(200 228 051)	(177 741 973)
26.3.4	**Foreign Currency Translation Reserve- Foreign subsidiary**		
	CONSOLIDATED		
	Balance at beginning of year	2 405 347	-
	Effects of translation to presentation currency	(5 538 415)	2 405 383
	Effects of change in functional currency	-	(36)
	Balance at end of year	(3 133 068)	2 405 347

The Group includes a subsidiary, P& C Reinsurance operating from Botswana and its consolidated into the Group through ZB Reisurance. The subsidiary's functional currency is the Pula which then gives rise to the FCTR due to different reporting and presentation currencies. The translation differences have been recognised in other comprehensive income.

		31 Dec 2024 ZWG	31 Dec 2023 ZWG
26.3.5	**Foreign Currency Translation Reserve**		
	CONSOLIDATED		
	Balance at beginning of year	1 869 008	-
	Effects of translation to presentation currency	2 367 239 792	-
	Effects of translation to presentation currency against non-controlling interests	(213 688 082)	-
	Associate's share of foreign currency translation differences	93 057 370	1 869 008
	Balance at end of year	2 248 478 088	1 869 008
	SEPARATE		
	Balance at beginning of year	1 868 460	-
	Effects of translation to presentation currency	1 659 835 566	-
	Associate's share of foreign currency translation differences	93 057 370	1 868 460
	Balance at end of year	1 754 761 396	1 868 460

The foreign currency translation reserve represents the impact of exchange rate flactuations when the bank converted its financial statements from the functional currency to the reporting currency

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

		31 Dec 2024 ZWG	31 Dec 2023 ZWG
26.4	**Retained Income**		
	CONSOLIDATED		
	Balance at beginning of year	1 081 369 692	930 437 318
	Profit attributable to equity holders of parent	1 149 405 162	1 012 439 882
	Acquisition of non-controlling interest Note 9.6	6 737 498	60 559 066
	Transfer from other reserves (notes 26.3.2.	1 629 568	608 472
	Dividends	(13 080 134)	(8 634 229)
	Effects of translation to presentation currency	-	(914 040 817)
	Balance at end of year	2 226 061 786	1 081 369 692
	SEPARATE		
	Balance at beginning of year	1 823 012 324	1 789 452 916
	Profit attributable to equity holders of parent	1 099 923 101	(5 219 141)
	Dividends	(13 080 134)	(8 634 229)
	Effects of translation to presentation currency	-	47 412 778
	Balance at end of year	2 909 855 291	1 823 012 324
26.5	**Non-controlling interest**		
	CONSOLIDATED		
	Balance at beginning of year	1 003 739 963	1 103 880 417
	Profit attributable to non controlling interest	17 629 083	111 870 325
	Transfer to FCTR from share premium	-	78 947
	Increase on revaluation of property	572 213 255	2 572 628
	Fair value gains / (losses) on the medium term treasury bills	452 750	(1 095 490)
	Acquisition of non-controlling interest (note 9.6)	(15 407 032)	(91 637 336)
	Dividends	(1 982 917)	(8 264 911)
	Effects of translation to presentation currency	213 688 082	(113 664 617)
	Balance at end of year	1 790 333 184	1 003 739 963
26.6	**Equity Reserve**		
	CONSOLIDATION AND SEPARATE		
	Balance at beginning of year	-	-
	Transfer from share capital	4 284 997	-
	Transfer from share premium	66 360 185	-
	Balance at end of year	70 645 182	-

In the current year management decided to maintain issued share capital and share premium at its origional par value to satisfy regulatory requirements. As such the difference as a result of application of IAS 29 in prior years and IAS 21 in the current year due to change in functional and presentation currency has been transferred to a separate component of equity called the equity translation reserve. The reserve is non distributable.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

26.8 Tax effect relating to each component of other comprehensive income

	Before tax amount ZWG	Tax (expense) benefit ZWG	Net of tax amount ZWG
CONSOLIDATED			
2024			
Gain on property and equipment revaluation	136 503 889	(27 789 188)	108 714 701
Fair value loss on financial assets at FVTOCI	(30 055 250)	8 021 922	(22 033 328)
Share of Associate's OCI	32 268 583	23 959 423	8 309 160
Foreign currency translation reserve	2 367 239 792	-	2 367 239 792
	2 505 957 014	4 192 157	2 462 230 325
2023			
Gain on property and equipment revaluation	404 477 907	(37 039 217)	367 438 690
Fair value loss on financial assets at FVTOCI	(25 315 602)	5 645 567	(19 670 035)
Foreign currency translation reserve	(1 630 375)	-	(1 630 375)
	377 531 930	(31 393 650)	346 138 280
SEPARATE			
2024			
Gain on property and equipment revaluation	4 081 726	(1 051 045)	3 030 681
Share of Associate's OCI	32 268 583	23 959 423	8 309 160
	36 350 309	22 908 378	11 339 841
2023			
Gain on property and equipment revaluation	3 379 797	(870 298)	2 509 499
	3 379 797	(870 298)	2 509 499

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

27. NET INTEREST INCOME

The Group presents interest income on financial assets that are subsequently measured at amortised cost or FVTOCI as part of revenue because it arises in the course of the Group's ordinary activities.

		31 Dec 2024 ZWG	31 Dec 2023 ZWG
	CONSOLIDATED		
27.1	***Interest income calculated using the effective interest rate method**		
	Advances	415 692 361	369 864 502
	Mortgages	39 607 566	13 108 237
	Overdraft accounts	25 657 148	48 999 783
	Financial assets at amortised cost	-	194 043
	Treasury bills at FVTPL	82 053 331	34 949 703
	Treasury bills at FVTOCI	2 134 299	11 929 614
	Cash and short-term funds	3 607 099	5 696 871
	Loans to other banks	19 800 077	20 230 068
		588 551 881	504 972 821
	Other interest and related income		
	Other interest categories	9 749 451	4 297 251
	Total interest and related income	598 301 332	509 270 072
	CONSOLIDATED		
27.2	***Interest expense calculated using the effective interest rate**		
	Customer deposits	95 169 251	53 642 852
	Finance costs on operating lease liabilities	1 778 869	8 087 253
	Offshore borrowings	25 792 694	29 219 086
		122 740 814	90 949 191
	Other interest and related expenses		
	Other interest payable categories	1 038 336	887 279
	Total interest and related expenses	123 779 150	91 836 470
	Net interest and related income	474 522 182	417 433 602
	CONSOLIDATED		
27.3	**Loan impairments**		
	Loans and advances	(364 541 114)	(117 408 393)
	Other financial assets	208 622 743	22 526
	Guarantees	(43 673 261)	95 416
	Loan commitments	25 679 306	(32 103 064)
	Net recoveries against loans previously written off	69 626 656	23 595 565
		(104 285 670)	(125 797 950)

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

28. INSURANCE REVENUE AND EXPENSES

28.1 Insurance Service Revenue

	2024					2023				
	Life Risk	Life Savings	Annuities	Non Life	Total	Life Risk	Life Savings	Annuities	Non Life	Total
Contracts not measured under the PAA										
Amounts relating to the changes in the LRC										
Expected insurance service expenses incurred in the period	(10 642 581)	1 568 246	132 405	-	(8 941 930)	6 847 096	(547 107)	3 559	-	6 303 548
Change in the risk adjustment for non financial risk	262 538	28 780	(17 810)	-	273 508	(130 790)	(199 671)	(167)	-	(330 628)
Amount of CSM recognised in profit or loss	1 469 844	1 216 160	2 388	-	2 688 392	2 650 733	3 882 226	2 179	-	6 535 138
Amounts relating to recovery of insurance acquisition cashflows	1 537 122	1 250 595	-	-	2 787 717	219 339	251 371	-	-	470 710
Insurance revenue from contracts not measured under the PAA	(7 373 077)	4 063 781	116 983	-	(3 192 313)	9 586 378	3 386 819	5 571	-	12 978 768
Insurance revenue from contracts measured under the PAA	64 666 879	-	-	362 828 649	427 495 528	100 239 242	-	-	328 884 771	429 124 013
Total Insurance revenue	57 293 802	4 063 781	116 983	362 828 649	424 303 215	109 825 620	3 386 819	5 571	328 884 771	442 102 781

28.2 Insurance Service Expenses

	Life Risk	Life Savings	Annuities	Non Life	Total	Life Risk	Life Savings	Annuities	Non Life	Total
Incurred claims	13 047 086	128 166	-	150 450 675	163 625 927	7 796 301	2 307 848	-	96 372 572	106 476 721
Other directly attributable expenses	47 409 844	4 815 206	29 115	-	52 254 165	75 328 827	1 787 890	126 556	28 339 929	105 583 202
Changes that relate to past service - adjustments to the LIC	6 757 193	-	-	(49 703 820)	(42 946 627)	4 471 477	-	-	122 107 698	126 579 175
Losses and reversal of losses on onerous contracts	8 330 826	21 323 978	30 221	97 515 217	127 200 242	424 076 906	954 175	104 698	-	425 135 779
Amortisation of insurance acquisition cash flows	1 537 122	1 250 595	-	25 469 989	28 257 706	199 451	259 513	-	74 703 454	75 162 418
Total insurance service expenses	77 082 071	27 517 945	59 336	223 732 061	328 391 413	511 872 962	5 309 426	231 254	321 523 653	838 937 295

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

28.3 Net Income Or Expenses From Reinsurance Contracts Held

The Group has voluntarily disclosed an analysis of the net expenses from reinsurance contracts held recognised in the period in the table below:

	31 Dec 2024 ZWG	31 Dec 2023 ZWG
Amounts relating to the changes in the assets for remaining coverage		
Expected claims and other expenses recovery	393 028	445 858
Changes in the risk adjustment recognised for the risk expired	4 556	2 941
CSM recognised for the services received	135 231	1 363 880
Reinsurance Expenses from contracts held not measured under PAA	532 815	1 812 679
Reinsurance Expenses from contracts held measured under PAA - Life	2 465 851	66 095
Reinsurance Expenses from contracts held measured under PAA- Non Life	105 879 528	69 711 687
Allocation of Reinsurance Expenses (note 22.)	108 878 194	71 590 461
Reinsurance Recoveries	(5 696 290)	(127 778 820)
Changes that related to past service - adjustments to incurred claims	(112 128)	(229 227)
Amounts recoverable from reassurers for incurred claims - Non Life	(5 808 418)	(128 008 047)
Net (income) / expense from reinsurance contracts held (note 22)	103 069 776	(56 417 586)

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

28.4 Net Insurance Financial Results

Insurance finance income / (expenses) from insurance contracts issued

An analysis of investment income and net insurance finance expenses is presented below:

	2024 Insurance related ZWG	2024 Non- insurance ZWG	2024 Total ZWG	2023 Insurance related ZWG	2023 Non-insurance ZWG	2023 Total ZWG
Investment income						
Amounts recognised in profit or loss						
Rental income from investment property	-	2 881 614	2 881 614	-	1 866 071	1 866 071
Other interest income	481 593	-	481 593	834 787	-	834 787
Other dividend income - investments and securities	4 985 943	-	4 985 943	1 863 399	-	1 863 399
Impairment loss on debt instruments at amortisation cost	-	-	-	-	-	-
Net foreign exchange income / (expense)	-	-	-	-	-	-
Total investment income	5 467 536	2 881 614	8 349 150	2 698 186	1 866 071	4 564 257
Interest revenue calculated using effective interest rate	703 187	-	703 187	1 017 054	-	1 017 054
Total amounts recognised in the profit or loss	6 170 723	2 881 614	9 052 337	3 715 240	1 866 071	5 581 311
Insurance finance income / (expenses) from insurance contracts issued						
Interest accreted to insurance contracts using current financial assumptions	(106 889 496)	-	(106 889 496)	201 329 970	-	201 329 970
Interest accreted to insurance contracts using locked in rate	(1 649 898)	-	(1 649 898)	(7 032 649)	-	(7 032 649)
Due to changes in interest rates and other financial assumptions	-	-	-	-	-	-
Change in fair value of underlying assets of contracts measured under VFA	-	-	-	-	-	-
Net foreign exchange income / (expense)	-	-	-	-	-	-
Total insurance finance income / (expenses) from insurance contracts issued	(108 539 394)	-	(108 539 394)	194 297 321	-	194 297 321
Reinsurance finance income / (expenses) from reinsurance contracts held						
Interest accreted to insurance contracts using current financial assumptions	490 740	-	490 740	78 985	-	78 985
Interest accreted to reinsurance contracts using locked in rate	(376 266)	-	(376 266)	-	-	-
Due to changes in interest rates and other financial assumptions	-	-	-	-	-	-
Changes in non-performance risk of reinsurer	-	-	-	-	-	-
Reinsurance finance income / (expenses) from reinsurance contract held	114 474	-	114 474	78 985	-	78 985

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

	31 Dec 2024 ZWG	31 Dec 2023 ZWG
29. COMMISSION AND FEE INCOME		
COMPRISED INCOME FROM:		
Commissions and fees		
Digital channels	506 376 433	115 331 568
Insurance underwriting commissions	10 812 587	100 971
Management and service fees	558 563 248	478 854 825
Other commissions	82 023 108	63 909 265
	1 157 775 376	658 196 629

Performance obligations and revenue recognition policies

The following table provides information about the nature and timing of satisfaction of performance obligations in contracts with customers, including material payment terms.

Service type	Nature and time of satisfaction of performance obligations, including material payment terms
Retail and Corporate Banking Services	The Group provides banking services to retail and corporate customers, including account management, provision of overdraft facilities, foreign currency transactions and servicing fees Fees for ongoing account management are charged and collected to the customer's account on a monthly basis. The Group sets the rates separately for retail and corporate banking customers as and when it is considered necessary. Transaction-based fees for interchange, foreign currency transactions and overdrafts are charged to the customer's account when the transaction takes place. Servicing fees are charged on a monthly basis and are based on fixed rates reviewed from time to time.
Investment Banking Services	The Group's investment segment provide various finance related services including advisory services, custodial services, transfer secretary and micro finance. Fees for ongoing services are charged monthly at the end of calendar month to the customer's account. However, if a customer terminates the contract before expiry date, then on termination it is charged the fee for the services performed to date. Transaction based fees for administration of services, execution of transactions and securities underwriting are charged when the transaction takes place.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

		31 Dec 2024 ZWG	31 Dec 2023 ZWG
30.	**OTHER OPERATING INCOME**		
	CONSOLIDATED		
	Exchange income	1 433 628 753	809 433 381
	Dividends from investment Securities	14 062 978	9 655 767
	(Loss) /Profit on disposal of investment property	542 106	13 941 403
	Profit/(loss) on disposal of property and equipment	-	2 892 292
	Rent received	74 474 112	103 439 200
	Other	59 887 191	8 950 778
		1 582 595 140	948 312 821
	SEPARATE		
	Dividends from investment securities	27 190 931	26 343 012
	Cost recovery for shared services	232 845 134	167 114 136
	Management fees	174 555 717	94 999 385
	Exchange income/(loss)	-	2 011 420
	Other	4 867 004	11 029 267
	Loss on disposal of property and equipment	-	(13 496)
		439 458 786	301 483 724
31.	**FAIR VALUE ADJUSTMENTS**		
	CONSOLIDATED		
	On financial instruments (note 8.3)	169 468 782	81 465 331
	On treasury bills	3 383 214	(24 450 152)
	On investment properties (note 13.2)	42 093 315	557 316 219
	Asset held for sale (note 12)	-	21 009 856
		214 945 311	635 341 254
	SEPARATE		
	On financial instruments (note 8.3)	10 253 111	3 126 869
	On investment properties (note 13.2)	593 181	4 825 845
	On investment in subsidiaries (note 9.2)	1 271 514 006	(119 871 644)
		1 282 360 298	(111 918 930)

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

		31 Dec 2023 ZWG	31 Dec 2022 ZWG
32.	**OPERATING EXPENSES**		
	CONSOLIDATED		
	Staff expense	723 989 959	748 605 078
	Communication expenses	35 608 595	21 893 031
	National Social Security Authority expenses	9 045 355	5 458 627
	Pension fund expenses	39 574 891	22 902 242
	Marketing expenses	14 647 756	34 744 277
	Computers and information technology expenses	232 457 671	158 951 942
	Occupation expenses	46 598 392	100 297 404
	Transport expenses	30 635 234	14 528 465
	Travelling expenses	23 812 864	19 039 810
	Security costs	61 158 408	56 045 286
	Depreciation of property and equipment	209 934 903	74 261 798
	Amortisation of intangible assets	6 571 540	1 734 081
	Depreciation of right of use asset	2 032 615	6 834 076
	Impairment of property and equipment	13 318 240	3 094 482
	Consultancy fees	14 362 292	31 035 657
	Consumables and stationery	11 072 342	57 303 308
	Bank charges	75 671 984	62 494 096
	Impairment of intangible assets	1 366 932	20 774
	Administration expenses	163 244 880	179 847 350
	Amortisation of valuation discount on long term borrowings	(318 597)	(3 698)
	Directors' fees	26 172 856	16 107 200
	IMTT expenses	16 905 255	10 564 801
	Loss on disposal of property and equipment	26 986 129	-
		1 784 850 496	1 625 760 087
	Included in administration expenses are the following:		
	Auditors' remuneration	16 987 110	11 323 421
	- for current year audit	15 594 069	663 814
	- for half year review	714 961	2 439 552
	- for prior year final	678 080	8 220 055

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

		31 Dec 2024 ZWG	31 Dec 2023 ZWG
32.	**OPERATING EXPENSES (continued)**		
	SEPARATE		
	Staff expenses	271 673 098	183 041 430
	Communication expenses	438 675	672 515
	National Social Security Authority expenses	2 872 223	1 577 849
	Pension fund expenses	17 053 810	9 736 410
	Computers and information technology expenses	20 068 516	9 167 659
	Occupation expenses	6 691 878	7 163 452
	Transport expenses	5 367 532	4 699 662
	Travelling expenses	7 472 538	7 974 007
	Depreciation of property and equipment	7 980 517	1 936 487
	Depreciation of right of use asset	22 649 336	15 806 695
	Administration expenses	10 923 663	43 797 412
	Amortisation of valuation discount on the long-term borrowings	(318 597)	(3 698)
	Directors' fees	3 332 910	2 746 441
	Exchange Loss	131 942 805	-
	Loss on disposal of property and equipment	133 513	-
		508 282 417	288 316 321
	Included in administration expenses are the following:		
	Auditors' remuneration	2 562 617	3 442 987
	- for current year audit	981 129	532 763
	- for half year review	131 030	66 573
	- for prior year final	1 450 458	2 843 651

		Audited 31 Dec 2024 ZWG	*Restated 31 Dec 2023 ZWG
33.	**INCOME TAX EXPENSE**		
	CONSOLIDATED		
	Current income tax	156 953 998	39 148 236
	Deferred tax expense / (credit)	(22 819 414)	69 038 586
	Current year	(22 819 414)	66 779 025
	*Change in tax rate	-	2 259 561
	Effects of translation to presentation currency	-	5 874 701
	Income tax expense	134 134 584	114 061 523

Zimbabwean corporation tax is calculated at an effective rate of 25.75 per cent (2023: 24 .72%) of the estimated taxable profit for the year.

*Tax rate change adjustment was a result of an increase in normal tax rate from 24% to 25%. This was announced in 2024 budgetary statement by the Minister of Finance and Economic Development.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

33. INCOME TAX EXPENSE (continued)

	Audited 31 Dec 2024 ZWG	*Restated 31 Dec 2023 ZWG
CONSOLIDATED		
Reconciliation of effective income tax		
Profit before taxation	1 301 168 829	1 238 371 730
Expected tax on profits at basic rates (25.75%; 2023: 24.72%)	335 050 973	306 125 492
Increase / (reduction) arising from:		
-Dividend received	(3 621 217)	(2 386 906)
-Interest on government instruments	(19 736 654)	(11 776 818)
-Interest on mortgage loans	(10 198 948)	(3 240 356)
-*Other disallowable expenses	1 634 546	13 905 715
-Provision for expenses	-	247 708
Capital allowances in excess of depreciation	75 643 234	7 406 118
Loss on sale of fixed assets	(185 656)	(424 600)
-Fair value adjustments	(276 584 924)	(175 474 301)
-Change in tax rate	-	(2 259 560)
Share of (loss) / profit of equity accounted investees reported, net of tax	32 133 230	(18 060 969)
	134 134 584	114 061 523
SEPARATE		
Deferred tax (credit) / expense	(11 175 677)	3 505 504
Current year	(11 175 677)	3 460 189
Change in tax rate	-	45 315
Reconciliation of current income tax		
Profit before taxation	1 088 747 424	(1 713 637)
Expected tax on profits at basic rates (25.75%; 2023: 24.72%)	280 352 462	(423 611)
-Exempt income	-	(10 944 818)
Loss on sale of fixed assets	-	3 336
-*Other disallowable expenses	108 279 828	26 801 227
- Fair value adjustments	(399 807 967)	(12 856 439)
Change in tax rate	-	(45 315)
Income tax (credit)/expense	(11 175 677)	3 505 504

*Other disallowable expenses included donations, entertainment, gifts, cost of purchase of shares and accruals.

34. EARNINGS PER SHARE

CONSOLIDATED

Basic earnings per share (ZW cents)

The calculation of basic earnings per share for the period ended 31 December 2024 of ZWG 730 cents (2023: ZWG 643) is based on the profit after tax attributable to the parent of ZWG1.149 billion (2023: ZWG 1.012 billion) and weighted average number of shares of 157522902 (2023:157522902), note 26.1.

There were no dilutive instruments for the year.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

		31 Dec 2024 ZWG	31 Dec 2023 ZWG
35.	CASH FLOWS FROM OPERATING ACTIVITIES		
	CONSOLIDATED		
	Cash flows from operating activities		
	Profit before taxation from continuing operations	1 301 168 829	1 238 371 730
	Fair value adjustments on equity investments (note8.3)	(169 468 782)	(81 465 331)
	Fair value of financial liabilities at FVTPL (note 18)	(839 123)	79 620 402
	Fair value adjustments on investment properties (note 13.2)	(42 093 868)	(557 316 219)
	Net exchange gains on unlisted equities (note 8.3)	(547 600 553)	(83 556 888)
	depreciation of property and equipment (note15)	209 934 903	74 261 798
	-Depreciation of right of use asset (note 14)	2 032 615	6 834 076
	-Interest earned (note 27.1)	(598 301 332)	(509 270 072)
	-Interest paid (note 27.2)	123 779 150	91 836 470
	-Interest expense on lease liability (note 25)	1 778 869	8 087 253
	-Dividend income (note 30)	(14 062 978)	(9 655 767)
	-Amortisation of intangible assets (note 16)	6 571 540	1 734 081
	Impairment of property and equipment (note 15)	13 318 240	3 094 482
	Impairment of intangible assets (note 16)	1 366 932	20 774
	(Gain)/loss on disposal of equipment (note 30)	26 986 129	(2 892 292)
	Impairment of investments (note 8.3)	15 994 030	451 751
	Effects of exchange gains on lease liability (note 25)	-	(14 226 365)
	Share associate companies' (loss)/profits (note 9.1)	124 789 243	(72 944 141)
	Effects of exchange gains (note 30)	(1 433 628 753)	(862 829 778)
	Expected credit loss	(173 912 326)	(149 393 515)
	Effects of inflation adjustments	-	(483 362 343)
	Operating cash flows before changes in working capital funds	(1 152 187 235)	(1 322 599 894)
	Changes in working capital funds:		
	Increase in treasury bills	(340 019 899)	(292 917 751)
	(Increase)/decrease in reinsurance contract assets	13 820 651	(105 657 442)
	Increase in insurance contract assets	112 805 955	(69 155 850)
	(Increase)decrease in other	(172 680 200)	(272 417 771)
	Increase in advances and other accounts	(1 884 623 563)	(1 465 351 446)
	Increase in deposits and other accounts	2 994 716 150	1 364 123 001
	Decrease in re-insurance contract liabilities	(13 606 449)	(5 818 995)
	Increase in insurance contract liabilities	(53 767 799)	139 623 437
	Increase in other liabilities	393 118 057	858 448 035
	Net cash generated from operating activities	(102 424 332)	(1 171 724 676)

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

	31 Dec 2024 ZWG	31 Dec 2023 ZWG
35. CASH FLOWS FROM OPERATING ACTIVITIES		
SEPARATE		
Cash flows from operating activities		
Profit before taxation	1 088 747 424	(1 713 637)
Non-cash items:		
Fair value on adjustments in investment in subsidiaries (note 9.2)	(1 271 514 006)	119 020 957
Fair value adjustments on equity investments (note8.3)	(10 253 111)	(3 126 869)
Fair value adjustments on investment properties (note 13.2)	(593 181)	(4 825 845)
Depreciation of property and equipment (note 15)	7 980 517	1 936 488
Depreciation of right of use asset (note 14)	22 649 336	15 806 695
Effects of exchange gains on lease liability (note 25)	26 442 608	13 068 737
-Dividend income (note 30)	(27 190 931)	(26 343 012)
Interest on long term borrowings	318 597	3 698
Loss on disposal of equipment (note 30)	133 513	13 496
Share of Associate Company's (profits)/ loss (note 9.1)	124 789 243	(72 944 142)
Effects of inflation adjustment	-	(24 093 749)
Operating cash flows before changes in working capital funds	(38 489 991)	16 802 817
Changes in working capital funds:		
Increase in other assets	(41 920 330)	(38 400 410)
Increase in other liabilities	116 221 158	44 694 039
Net cash generated from operating activities	35 810 837	23 096 446

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

36. RELATED PARTY TRANSACTIONS

Transactions between the Group and other subsidiary related parties are carried out at arm's length and follow the normal vetting processes as established in the Group.

36.1 Intercompany balances

The following balances represent the extent of intercompany business as at the reporting date.

		Audited 31 Dec 2024 ZWG	*Restated 31 Dec 2023 ZWG
	SEPARATE		
36.1.1	Balances owing to subsidiary companies (included in note 19)	177 085 234	50 974 469
36.1.2	Balances due from subsidiary companies	219 600 616	47 625 339
36.1.3	Income received from subsidiary companies	561 933 795	353 022 296
36.1.4	Balances due from associates companies	660 901	306 658
36.1.5	Income received from associates companies	2 148 972	1 946 417

Transactions with associate companies relate to call centre services being rendered to Cell Insurance Zimbabwe Company by ZBFH company.

Intercompany balances are generally settled on a net basis over a three-month cycle. Balances relating to shared expenses are settled on an on-going basis when they arise.

Interest is charged on balances remaining unsettled at ruling rates.

		31 Dec 2024 ZWG	31 Dec 2023 ZWG
	CONSOLIDATED		
36.1.6	**Deposits from related parties**		
	Balances with ZBFH Pension Fund	22 394 875	2 239 487
		22 394 875	2 239 487

The ZBFH Pension Fund is considered a related party due to the fact that it is a post-employment benefit plan for the benefit of the Group's employees and its activities are administered under the same common control as the Group.

		31 Dec 2024 ZWG	31 Dec 2023 ZWG
	CONSOLIDATED		
36.1.7	**Lending to other related parties**		
	Also included in advances and other accounts is the following exposures to employees of the Group:		
	Loans to key management	22 394 875	2 239 487

Loans to employees are carried at amortised cost, at interest rates ranging from 15% to 75% p.a. and with repayment periods of 4 months to twenty-five years. The loans are fully secured against terminal benefits, and hence no allowance has been made for impairment.

Outside lending to staff transacted in terms of general conditions of employment, there were no other advances made to related parties.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

36.2 Remuneration of directors and key management personnel

The remuneration of directors and key management personnel of the Group, is set out below:

	31 Dec 2024 ZWG	31 Dec 2023 ZWG
CONSOLIDATED		
Directors' remuneration		
- fees by the Holding Company	3 332 910	2 746 441
- fees by subsidiaries	22 839 946	13 360 759
Short term employee benefits to key management	30 832 149 870	105 367 422
Terminal benefits	231 022 020	1 858 417
	31 089 344 746	123 333 039
SEPARATE		
Directors' remuneration fees by the Holding Company	3 332 910	2 746 441
Short term employee benefits to Key Employees	19 440 640 658	66 437 475
Terminal benefits	231 022 020	1 858 417
	19 674 995 588	71 042 333

Key management includes members of the Group's Executive Management, subsidiary companies' management and holders of strategic position in the general management grade.
Total number of staff included in those grades equaled 52 (2023: 52).

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For the year ended 31 December 2024

		31 Dec 2024 ZWG	31 Dec 2023 ZWG
37.	**CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS**		
	CONSOLIDATED		
37.1	**Contingent liabilities**		
	In respect of guarantees	350 586 224	94 302 910
	In respect of undrawn commitments	1 969 438 594	1 062 348 934
		2 320 024 818	1 156 651 844
37.2	**Capital commitments**		
	In respect of expenditure authorized and contracted	127 842 071 807	156 169 892
	In respect of expenditure authorised but not contracted	5 952 006 816	13 222 537
		133 794 078 623	169 392 429

Capital commitments will be funded from operating cash flows.

38 PENSION ARRANGEMENTS

All permanent staff, other than those over age, are contributory members of the following independently administered pension fund which is a defined contribution plan:

38.1 ZB Financial Holdings Limited Pension Fund:

All members of the Group, belong to a Defined Contribution scheme which is administered separately and whose assets are under the control of a board of trustees. The Company makes full contributions of 16.5% of pensionable earnings for managerial employees and 9.5% for non-managerial employees. The pension fund had a membership of 732 as at 31 December 2024 (2023: 732 members).

38.2 National Social Security Authority:

This Defined Contribution scheme was promulgated under the National Social Security Authority Act 1989. The Group's obligations under the scheme are limited to specific contributions as legislated from time to time and are presently 4.5% of pensionable emoluments (2023: 4.5%) per month per employee.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

38.3 Contributions by the Group and Separate to pension arrangements:

Total expenses recognised in the statement of profit or loss in relation to the pension arrangements amounted to the following:

	31 Dec 2024 ZWG	31 Dec 2023 ZWG
CONSOLIDATED		
Payments to the ZB Financial Holdings Limited Pension Fund	35 091 078	20 637 689
Payments to the ZB Life Pension Fund	4 483 813	2 264 552
Payments to the National Social Security Authority	9 045 355	5 458 628
Total Expense	48 620 246	28 360 869
SEPARATE		
Payments to the ZB Financial Holdings Limited Pension Fund	17 053 810	9 736 410
Payments to the National Social Security Authority	2 872 223	1 577 849
Total Expense	19 926 033	11 314 259

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

39 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

39.1 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 by relevant authorities.

The Group's capital consists of equity attributable to the shareholders of the parent Company, comprising the issued share capital, reserves and retained income as disclosed in note 26 (all referred to as shareholder's equity) and debt, which includes direct loans plus the residual funding from deposit taking activities after deducting the associated liquidity buffer (referred to as operational funding).

The gearing level, and the loan instrument used (see note 21) are considered comfortable for the Group's operations and are not expected to cause a strain in cash resources in the foreseeable future.

The banking and insurance operations in the Group are subject to prescribed minimum regulatory capital requirements and minimum capital adequacy and solvency ratios as prescribed from time to time.

Management of the Group monitors the level of capital adequacy on a continual basis, employing techniques adopted from the guidelines developed by the Basel Committee and contained in the Basel II capital accord as implemented by the supervisory authorities for each of the affected entities. For the life assurance business, regular actuarial reviews are undertaken to establish the solvency of the business.

An Internal Capital Adequacy Assessment Plan (ICAAP) has been developed for Banking operations and defines capital targets which are generally set above regulatory levels, stress test scenarios and risk appetite across different lines of operations.

Management of the Group monitors the level of capital adequacy on a continual basis, employing techniques adopted from international best practice.

39.2 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.

39.2.1 Classification and measurement of financial assets and financial liabilities

The following table shows the carrying amounts and the fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

The carrying amount of financial assets and financial liabilities approximate their fair value.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

39.2.1 Classification and measurement of financial assets and financial liabilities

	CARRYING AMOUNT				FAIR VALUE			
31 December 2024	Carried at FVTPL ZWG	Carried at AMCO ZWG	Carried at FVTOCI ZWG	Total ZWG	Level 1 ZWG	Level 2 ZWG	Level 3 ZWG	Total ZWG
Financial assets measured at fair value								
Listed equity securities	453 808 905	-	-	453 808 905	453 808 905	-	-	453 808 905
Unlisted investments	210 778 989	-	-	210 778 989	-	-	210 778 989	210 778 989
Treasury bills	69 750 303	-	809 049 526	878 799 829	-	69 750 303	809 049 526	878 799 829
Financial assets not measured at fair value								
Trade and other receivables	-	442 995 745	-	442 995 745				
Cash and cash equivalents	-	2 902 848 808	-	2 902 848 808				
Mortgages and other advances	-	3 988 679 045	-	3 988 679 045				
Total	734 338 197	7 334 523 598	809 049 526	8 877 911 321	453 808 905	69 750 303	1 019 828 515	1 543 387 723
Financial liabilities								
Deposit and other accounts	-	(5 483 003 415)	-	(5 483 003 415)				
Trade and other payables	-	(1 231 393 170)	-	(1 231 393 170)				
Off shore borrowings	-	(234 531 818)	-	(234 531 818)				
Investment contract liabilities	(175 413 650)	-	-	(175 413 650)				
Total	(175 413 650)	(6 948 928 403)	-	(7 124 342 053)				

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

39.2.1 Classification and measurement of financial assets and financial liabilities (continued)

	CARRYING AMOUNT				FAIR VALUE			
31 December 2023	Carried at FVTPL ZWG	Carried at AMCO ZWG	Carried at FVTOCI ZWG	Total ZWG	Level 1 ZWG	Level 2 ZWG	Level 3 ZWG	Total ZWG
Financial assets measured at fair value								
Listed equity securities	115 128 017	-	-	115 128 017	115 128 017	-	-	115 128 017
Unlisted investments	174 874 546	-	-	174 874 546	-	-	174 874 546	174 874 546
Treasury bills	15 304 723	-	314 764 909	330 069 632	-	15 304 723	314 764 909	330 069 632
Financial assets not measured at fair value	305 307 286	-	314 764 909	620 072 195	115 128 017	15 304 723	489 639 455	620 072 195
Trade and other receivables	-	253 097 842	-	253 097 842				
Cash and cash equivalents	-	1 036 478 989	-	1 036 478 989				
Treasury bills	-	87 555	-	87 555				
Mortgages and other advances	-	2 104 055 481	-	2 104 055 481				
Total	305 307 286	3 393 719 867	314 764 909	4 013 792 062				
Financial liabilities								
Deposit and other accounts	-	(2 488 251 026)	-	(2 488 251 026)				
Trade and other payables	-	(759 347 774)	-	(759 347 774)				
Off shore borrowings	-	(221 920 345)	-	(221 920 345)				
Long term borrowings	-	(41 509)	-	(41 509)				
Investment contract liabilities	(96 481 038)	-	-	(96 481 038)				
Total	(96 481 038)	(3 469 560 654)	-	(3 566 041 692)				

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

39.2.2 Valuation techniques for securities held at fair value

39.2.2.1 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 31 December 2024.

39.2.2.2 Level 2 valuation

These investments are valued using inputs other than quoted prices which are observable for the asset. Treasury bills are valued by discounting cash flows using the market rate for similar instruments as the discounting rate (note 39.2.2.4).

39.2.2.3 Level 3 valuation

Unlisted investments were valued at net asset value, dividend growth model and price earnings multiple techniques. In applying this method judgement was used (note 39.2.2.4).

Level 3 recurring fair values

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

	31 Dec 2024 ZWG	31 Dec 2023 ZWG
CONSOLIDATED		
Balance at beginning of year	174 874 546	479 862 548
Fair value adjustments	34 567 393	(200 833 301)
*Additions - note 8.3	125 068 233	109 587 398
*Disposals - note 8.3	(123 380 642)	(63 985 043)
Effects of translation to presentation currency	(350 541)	(149 757 056)
Balance at the end of year	210 778 989	174 874 546

*The reported amounts was computed by aggregating debentures bonds and government bonds which are not equity instruments as disclosed in note 8.3.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

39.2.2.4 Measurement of fair value

Level 2 and 3 valuation:

The following factors are relevant in understanding the level 2 and level 3 fair value measurement basis :

Type	Valuation technique	Significant unobservable inputs
Equity Security	Net Asset Value (Level 3): The valuation model determines the fair value of investment securities 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, insurance 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.
	Discounted Cash Flow Method (Level 3): The method uses the past financial information to predict the future cashflows which are then discounted using the weighted cost of capital. Despite several practical challenges in applying the discounted free cash flow ("DCF") method, such as but not restricted to; challenges in anticipating the right inouts for for the model, • dependence on several assumptions and the subjectivity of some of them.	• Risk Discounting rate. December 2024: Average rates of 20%- 38% (December 2023: Average rates of 20%-40%). A 5% increase in the risk discounting rate will result in a decrease in profit or loss of ZWG90.8million (2023: ZWG22.9 million), while a 5% decrease in the risk discounting rate will result in an increase in profit or loss of ZWG90.8 million (2023: ZWG22.9 million). • Sustainable growth rate as at 31 December 2024 was 9.7%: (December 2023: 9.7%). A 2% increase in the sustainable growth rate will result in an increase in profit or loss of ZWG36.3 million (2023: ZWG9.2 million), while a 2% decrease in the sustainable growth rate will result in a decrease in profit or loss of ZWG36.3 million (2023: ZWG9.2 million). • Terminal value based on market exit EBITDA multiple December 2024: 2.93X (December 2023: 2.93X) A 10% increase in terminal value will result in a decrease in profit or loss of ZWG181.7 million (2023: ZWG45.8 million), while a 10% decrease in terminal value will result in an increase in profit or loss of ZWG181.7 million (2023: ZWG45.8 million).

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

39.2.2.4 Measurement of fair value (continued)

Level 2 and 3 valuation (continued):

Type	Valuation technique	Significant unobservable inputs
Equity Security (continued)	**Price earnings multiple (Level 3):** The price earnings multiple was considered suitable for valuation of Zimswitch as it is among the most generally used valuation methods when valuing a company's business. The application of the P/E method is affected mostly by the use of historical earnings ("trailings earnings") Although employing forward earnings is an option, the calculation of such earnings is arbitrary. This is especially problematic for Zimswitch's valuation because the macroeconomic environment in which the valuation is being done is volatile and characterized by hyperinflationary conditions, which means that the company's past earnings may not be indicative of its future earnings. The market approach as prescibed by IFRS 13 - Fair valuation requires the identification of a similar or identical quoted assets with similar risk profiles.	Adjusted market price earnings multiple. • Price earnings ratio December 2024: 5.7X-8.9X; (December 2023: 5.9X-8.8X) A 20% increase in price earnings ratio will result in an increase in profit or loss of ZWG363.3 million (2023: ZWG91.6 million), while a 20% decrease in price earnings ratio will result in a decrease in profit or loss of ZWG363.3 million (2023: ZWG91.6 million).
	EBITDA (Level 3): It measures the total value of a company, including its debt and equity, relative to its financial performance. In order to avoid complicated accounting changes, it requires easily accessible financial data in the form of proxy multiples and a company's EBITDA figures.	EBITDA multiple. December 2024: 4.84X-7.58X (December 2023: 4.84X-17.72X) A 50% increase in EBITDA will result in increase in profit or loss of ZWG937.6 million (2023: ZWG222.7 million), while a 20% decrease in EBITDA will result in a decrease in profitor loss of ZWG937.6 million (2023: ZWG222.7 million).
	Enterprise value Value/Sales valuation method (EV/Sales Valuation Method) (Level 3): This method calculates the enterprise value (EV) by dividing the ompany's market capitalization by its annual sales revenue. It provides a good valuation based on its revenue performance.	Value/Sales Adjusted EV/Sales Multiple December 2024:3.1X -8.7X (December 2023: 3.13X - 15.96X) A 5% increase in adjusted EV/Sales Multiple will result in an increase in profit or loss of ZWG90.8million (2023: ZW22.9 million). While a 5% decrease in adjustedEV/ Sales Multiple will result in a decrease in profit or loss of ZWG90.8 million (2023 ZWG22.9 million).

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

39.2.2.4 Measurement of fair value (continued)

Level 2 and 3 valuation (continued):

Type	Valuation technique	Significant unobservable inputs
Treasury bills	Discounted cashflow valuation technique (Level 2): The Group uses the discounted cashflow valuation technique by applying a risk discounted rate for comparable risk profiles and applying this on the contractual cash flows to determine the present value of the treasury bills.	The fair values of treasury bills are based on discounted cashflow valuation technique which make use of discountrate which takes into account the US Libor Rate of adjusted for country risk. Adjusted discount rate - (December 2024: Average rates of 0%- 9% (December 2023: Average rates of 0%-9%). A 2% increase in adjusted discount rate will result in the reported other comprehensive income increasing by ZWG51.3 million (2023: ZWG8.6 million) and the value of the treasury bills increasing by ZWG21.4 million (2023: ZWG19.2 million) A 2% decrease in adjusted discount rate will result in the reported other comprehensive income decreasing by ZWG51.3 million (2023: ZWG8.6 million) and the value of the treasury bills decreasing by ZWG21.4 million (2023: ZWG19.2 million).

39.2.3 Definition of financial risk

The Group defines financial risk as the risk that involves financial loss to the institution. The risk arises collectively due to liquidity risk, market risk, operational risk, legal risk and credit risk.

39.2.3.1 Liquidity risk

Definition

The Group considers 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.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

39.2.3.1 Liquidity risk (continued)

Liquidity risk governance and policy

The board of directors retains ultimate responsibility for the effective management of liquidity risk. Through the Board Risk Committee (a board subcommittee), the board has delegated its responsibility for the management of liquidity risk to Assets and Liabilities Commitee (ALCO) and the ZB Group Executive Committee.

The Group's Liquidity Risk Management Framework articulates the board-approved risk appetite in the form of limits and guidelines, and sets out the responsibilities, processes, reporting and assurance required to support the management of liquidity risk. The Liquidity Risk Management Framework is reviewed annually by ALCO and approved by the Board Governance, Risk and Compliance Committee.

The Group's daily liquidity requirements are managed by an experienced centralised Treasury department. Within the context of the board-approved Liquidity Risk Management Framework, Group Treasury department is responsible for proactively managing liquidity risk at an operational, tactical and strategic level.

In terms of the overall liquidity risk management process independent oversight and assurance are provided by Group Business Risk Management and Group Internal Audit, which conduct independent reviews.

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, daily cash flow summary & forecasting and stress testing to measure liquidity risk.

Impact evaluation

For the year ended 31 December 2024, the level of aggregate inherent liquidity risk was considered moderate and the risk management systems in place were acceptable, hence the overall composite liquidity risk is moderate. The direction of the risk is stable.

The Group's Liquidity Risk Management Framework takes into account all sources and uses of liquidity and seeks to optimise the balance sheet by balancing the trade-off between liquidity risk on the one hand and cost or profitability on the other.

The Group is compliant with the minimum regulatory prudential liquidity ratio of 30% and the internal benchmark of 35%. The Group has taken a deliberate strategy to hold high levels of liquidity in view of limited lender of last resort capacity in the market and the transitory nature of deposits. The liquidity ratio increased from 54.92% as at 31 December 2023 to 68.97% at 31 December 2024 (the 2023 average of 58.81% was 9.61% more than the 49% recorded in 2023.)

Stress testing results indicate that the Group is not susceptible to material liquidity shocks since it can withstand a 20% fall in deposits. The Group maintained levels of liquid resources at acceptable levels throughout the year.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

39.2.3.1 Liquidity risk (continued)

Strategies for management/mitigation

The Group Treasury is responsible for ensuring that the Group always has sufficient intraday liquidity to meet any obligations it may have in the clearing and settlement systems. In addition, net daily funding requirements are forecasted by estimating daily rollovers and withdrawals and managing the funding pipeline of new deals. The Treasury function is responsible for maintaining close interaction with the Group's larger depositors in order to manage their cash-flow requirements and the consequential impact on the Group's intraday liquidity position. The positive liquidity gap for 2025 will be maintained through managing the key ratios such as the loans to deposit ratios as well as the liquidity ratios. The Group will keep significant liquidity buffer in the short term to mitigate any mismatches between assets and liabilities. In the long term, the Group will mobilise cheap deposits through engaging high value customers and strengthening strong customer relationships. The Group will continue to monitor the negative gap in the next 12 months by ensuring that the asset creation will be matched with the deposits mobilisation.

A portfolio of marketable and high-quality liquid assets, which could be liquidated to meet unforeseen or unexpected funding requirements, is maintained.

The Group conducts regular scenario analysis and stress testing in order to assess the adequacy of the Group's liquidity buffers and contingency funding plan required to meet idiosyncratic and market-wide stress liquidity events. The objective of scenario analysis and stress testing is to identify potential weaknesses or vulnerabilities, thus enabling the Group to formulate strategies designed to mitigate potential weaknesses.

The Group has a Contingency Funding Plan (CFP) in place which is designed to protect depositors, creditors and shareholders under adverse liquidity situations. The CFP has been formulated in the belief that early detection, advance preparations and prompt responses can contribute to liquidity crisis avoidance or minimisation, and that accurate, timely and coordinated communication both internally and externally is essential for managing a crisis situation.

Monitoring and controlling mechanisms

The Group utilises metrics that capture specific information related to the Group's cash flows, balance sheet structure, available unencumbered collateral, and certain market indicators to monitor liquidity risk.

In utilising these metrics, the Group takes action when potential liquidity difficulties are signalled through a negative trend in the metrics, or when a deteriorating liquidity position is identified, or when the absolute result of the metric identifies a current or potential liquidity problem.

The metrics include; contractual maturity mismatch, concentration of funding, available unencumbered assets, liquidity ratios by material currency, market-wide information, information on the financial sector and Group-specific information.

Adequacy of risk management systems

The aggregate liquidity risk management systems in place are acceptable and the direction of the risk is stable. Daily monitoring of the liquidity position by senior management aids in the tracking of any incidences or events.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

39.2.3.1 Liquidity risk (continued)

LIQUIDITY GAP ANALYSIS
As at 31 December 2024

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

	Up to 1 month ZWG	2 to 6 months ZWG	7 to 12 months ZWG	Above 12 months ZWG	Total ZWG	Carrying amount ZWG
CONSOLIDATED						
FINANCIAL ASSETS BY TYPE:						
Cash and cash equivalents	2 710 749 018	6 974 617	185 125 173	-	2 902 848 808	2 902 848 808
Trade and other receivables	158 480 407	110 748 936	-	-	269 229 343	269 229 343
Treasury bills	91 581 141	277 390 756	298 860 381	211 256 395	879 088 673	878 799 829
Mortgages and other advances	619 443 315	458 386 014	759 248 455	2 413 218 215	4 250 295 999	3 988 679 045
Financial assets classified at fair value through profit or loss	-	-	-	668 559 857	668 559 857	668 559 857
Financial assets held at amortised cost	-	-	-	99 644 125	99 644 125	83 650 095
Total	3 580 253 881	853 500 323	1 243 234 009	3 392 678 592	9 069 666 805	8 791 766 977
FINANCIAL LIABILITIES BY TYPE						
Deposits and other account	(4 787 678 674)	(483 681 776)	(168 876 970)	(38 480 337)	(5 478 717 757)	(5 483 003 415)
Trade and other payables	(1 231 393 170)	(357 713 653)	(47 860 049)	(79 311 361)	(1 716 278 233)	(1 231 393 170)
Offshore borrowings	-	(234 531 818)	-	-	(234 531 818)	(234 531 818)
Lease liabilities	(561 043)	(2 805 213)	(3 366 256)	(28 708 916)	(35 441 428)	(33 662 559)
Loan commitments	(69 832 178)	(118 631 591)	(450 801 915)	(1 330 172 910)	(1 969 438 594)	(2 770 097 084)
Guarantees	(3 895 574)	-	-	-	(3 895 574)	-
Investment contract liabilities	(35 082 730)	-	-	(140 330 920)	(175 413 650)	(175 413 650)
	(6 128 443 369)	(1 197 364 051)	(670 905 190)	(1 617 004 443)	(9 613 717 053)	(9 928 101 696)
Period gap	(2 548 189 488)	(343 863 728)	572 328 819	1 775 674 149	(544 050 248)	(1 136 334 719)
Cumulative gap	(2 548 189 488)	(2 892 053 215)	(2 319 724 396)	(544 050 248)	-	-

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

39.2.3.1 Liquidity risk (continued)

LIQUIDITY GAP ANALYSIS
As at 31 December 2023

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

	Up to 1 month ZWG	2 to 6 months ZWG	7 to 12 months ZWG	Above 12 months ZWG	Total ZWG	Carrying amount ZWG
CONSOLIDATED						
FINANCIAL ASSETS BY TYPE:						
Cash and cash equivalents	817 794 484	84 958 810	133 725 696	-	1 036 478 990	1 036 478 989
Trade and other receivables	167 839 886	173 166 968	-	-	341 006 854	341 006 854
Treasury bills	14 399 688	9 848 490	-	311 461 921	335 710 099	330 157 187
Mortgages and other advances	304 531 544	388 244 289	339 936 205	2 096 471 439	3 129 183 477	2 104 055 481
Financial assets held at fair value through profit or loss	-	17 725 453	-	291 597 446	309 322 899	309 322 895
Financial assets held at amortised cost	-	8 723 302	-	26 842 256	35 565 558	35 105 924
	1 304 565 602	682 667 312	473 661 901	2 726 373 062	5 187 267 877	4 156 127 330
FINANCIAL LIABILITIES BY TYPE						
Deposits and other accounts	(2 450 561 140)	(141 041 602)	(499)	(27 994)	(2 591 631 235)	(2 488 251 026)
Trade and other payables	(543 583 024)	(74 273 832)	(141 490 918)	-	(759 347 774)	(759 347 774)
Long term loan	-	-	-	(44 431)	(44 431)	-
Offshore borrowings	-	(227 436 703)	-	-	(227 436 703)	(221 920 345)
Lease liabilities	(458 021)	(2 290 104)	(2 748 125)	(30 072 252)	(35 568 502)	(27 481 249)
Loan commitments	(14 062 370)	(131 860 441)	(229 685 905)	(686 740 218)	(1 062 348 934)	(1 062 348 934)
Guarantees	(8 885 322)	(64 835 914)	(20 581 674)	-	(94 302 910)	(94 302 910)
Investment contracts liabilities	(19 296 208)	-	(77 184 833)	-	(96 481 041)	(96 481 041)
	(3 036 846 085)	(641 738 596)	(471 691 954)	(716 884 895)	(4 867 161 530)	(4 750 133 279)
Period gap	(1 732 280 483)	40 928 716	1 969 947	2 009 488 167	320 106 347	(594 005 949)
Cumulative gap	(1 732 280 483)	(1 691 351 767)	(1 689 381 820)	320 106 347	-	-

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

	31 Dec 2024 ZWG	31 Dec 2023 ZWG
39.2.3.1 Liquidity risk (continued)		
CONSOLIDATED		
Liquidity ratios		
Total liquid assets	3 781 648 637	1 366 636 176
Total liabilities to the public	5 483 003 415	2 488 251 026
Liquidity ratio	69%	55%
Average for the year	48%	64%
Maximum for the year	57%	85%
Minimum for the year	38%	48%
Minimum statutory liquidity ratio	30%	30%

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

	31 Dec 2024 ZWG	31 Dec 2023 ZWG
ZB Bank Limited	66%	51%
ZB Building Society	87%	59%

39.2.3.2 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.

The Group regularly assessed market-specific and market wide incidences and there was no material impact. identified during the reporting period.

39.2.3.2.1 Interest rate risk

The changes in interest rates affect the Group's earnings by altering interest sensitive income and expenses. Interest rate changes also affect the underlying value of the Group's assets, liabilities, and off-balance sheet instruments through changes in the present value of future cash flows (and, in some cases, the cash flows themselves).

Interest rate risk in the banking book (IRRBB)

IRRBB comprises:

- Repricing risk (mismatch risk) - timing difference in the maturity (for fixed rate) and repricing (for floating rate) of the Bank's assets, liabilities and off-balance-sheet positions.
- Reset or basis risk - imperfect correlation in the adjustment of the rates earned and paid on different instruments with otherwise similar repricing characteristics.
- Yield curve risk - changes in the shape and slope of the yield curve.
- Embedded optionality - the risk pertaining to interest-related options embedded in bank products.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

39.2.3.2.1 Interest rate risk (continued)

IRRBB governance and policy

The board of directors retains ultimate responsibility for the effective management of IRRBB. Through the Board Risk Committee (a board subcommittee), the board has delegated its responsibility for the management of IRRBB to ALCO and the ZB Group Executive Committee. The ALCO proactively manages IRRBB through Treasury department.

The board assumes ultimate responsibility for IRRBB and has defined the Bank's overall risk appetite for IRRBB. Appropriate limits have been set to measure this risk for both earnings and economic value, within which this risk must be managed. Compliance with these limits is measured and reported to the ALCO and the board on a monthly basis and quarterly basis respectively.

Identification techniques

Interest rate risk is identified using the term structure of assets and liabilities. To evaluate the impact of interest rate risk on the net interest margin, the Group monitors the size of the gap between rate sensitive assets and rate sensitive liabilities (both on and off balance sheet positions) in terms of the remaining period to repricing.

Measurement methods

The Group employs various analytical techniques to measure interest rate sensitivity within the banking book on both an earnings and economic value basis. This includes a repricing profile analysis, and stress testing of earnings-at-risk for multiple stressed-interest-rate scenarios. The size of the interest rate movement used in the analysis is based on a variety of factors, which include historical experience, simulation of potential future interest rate movements, and the judgment of Group management. The interest gap is also used to measure the future cashflows for the Group. The interest gap is determined by the maturity dates of the assets and liabilities portfolio.

Impact evaluation

As at 31 December 2024, the Group considered the risk to be moderate. Adequate systems are in place to ameliorate the risk. Hence the overall composite interest rate was moderate. Direction of risk was stable.

The level of aggregate inherent interest rate risk is considered moderate and the aggregate interest rate risk management systems in place are acceptable, hence the overall composite interest rate risk is moderate. The direction of the risk is stable.

As at 31 December 2024, the Group had a liability sensitive book, which exposes the Group to losses if interest rates increase. The Group is exposed to a decrease in Net Interest Income (NII) of approximately ZWG13.6 million before tax should interest rates increase by 3%, measured over a 12-month period. NII sensitivity, as currently modelled, exhibits very little convexity and results in an increase in pre-tax NII of approximately the same quantum should rates fall by 3%.

Stress testing results indicate that the Group is resilient to a minor interest rate shock of 3%, as the capital adequacy level will decrease from 29% to 28.8%, which is above the minimum prudential threshold of 12%. Further, the Group remained resilient to a high interest rate shock of 10% which resulted in the capital adequacy ratio decreasing to 23%.

IRRBB strategies are evaluated regularly to align with interest rate views and defined risk appetite. This ensures that optimal on- and off-balance-sheet strategies are applied, either positioning the balance sheet or protecting interest income through different interest rate cycles.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

39.2.3.2.1 Interest rate risk (continued)

Strategies for management / mitigation

As at 31 December 2024 the Group considered the risk to be moderate. Adequate systems are in place to ameliorate the risk.

The level of aggregate inherent interest rate risk is considered moderate and the aggregate interest rate risk management systems in place are acceptable, hence the overall composite interest rate risk is moderate. The direction of the risk is stable.

Monitoring and controlling mechanisms

ALCO meets regularly to discuss the future direction of interest rates after the economic fundamentals have been analysed. Decisions are then taken on rate sensitive assets and liabilities. If economic fundamentals turn out differently, ad-hoc ALCO meetings are convened to discuss the said issues and chart a way forward.

The Group monitors interest rate risk through the Treasury Middle Office using re-pricing gap analysis, net interest margin and stress testing. These tools are considered adequate for the level and complexity of the Bank's interest rate risk exposure.

Adequacy and effectiveness of risk management systems

The interest rate risk management systems noted above are adequate and effective in dealing with the interest rate risk.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

39.2.3.2.1 Interest rate risk (continued)

INTEREST RATE GAP ANALYSIS as at 31 December 2024

	Up to 1 month ZWG	2 to 6 months ZWG	7 to 12 months ZWG	Above 12 months ZWG	Carrying amount ZWG
CONSOLIDATED					
FINANCIAL ASSETS BY TYPE:					
Cash and cash equivalents	2 902 848 808	-	-	-	2 902 848 808
Treasury bills	91 581 141	277 390 756	298 860 381	210 967 551	878 799 829
Advances and other accounts	623 841 430	457 253 408	755 924 418	2 151 659 789	3 988 679 045
Financial assets held at fair value through profit or loss	-	-	-	668 559 857	668 559 857
Financial assets held at amortised cost	-	-	-	83 650 095	83 650 095
	3 618 271 379	734 644 164	1 054 784 799	3 114 837 292	8 522 537 634
FINANCIAL LIABILITIES BY TYPE					
Deposits and other accounts	(4 787 678 674)	(483 681 776)	(168 876 970)	(42 765 995)	(5 483 003 415)
Offshore borrowings	-	(234 531 818)	-	-	(234 531 818)
	(4 787 678 674)	(718 213 594)	(168 876 970)	(42 765 995)	(5 717 535 233)
Period gap	(1 169 407 295)	16 430 570	885 907 829	3 072 071 297	2 805 002 401
Cumulative gap	(1 169 407 295)	(1 152 976 725)	(267 068 896)	2 805 002 401	-

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

39.2.3.2.1 Interest rate risk (continued)

INTEREST RATE GAP ANALYSIS as at 31 December 2023

	Up to 1 month ZWG	2 to 6 months ZWG	7 to 12 months ZWG	Above 12 months ZWG	Carrying amount ZWG
CONSOLIDATED					
FINANCIAL ASSETS BY TYPE:					
Cash and cash equivalents	1 036 478 989	-	-	-	1 036 478 989
Treasury bills	14 376 169	962 386	-	314 818 631	330 157 187
Advances and other accounts	302 972 404	364 302 905	285 345 381	1 151 434 790	2 104 055 481
Financial assets held at fair value through profit or loss	-	-	-	309 322 895	309 322 895
Financial assets held at amortised cost	-	-	-	35 105 924	35 105 924
	1 353 827 562	365 265 292	285 345 381	1 810 682 241	3 815 120 475
FINANCIAL LIABILITIES BY TYPE					
Deposits and other accounts	(2 444 368 325)	(139 314 054)	-	95 431 353	(2 488 251 026)
Long term borrowing	-	-	-	(41 509)	(41 509)
Offshore borrowings	-	(221 920 345)	-	-	(221 920 345)
	(2 444 368 325)	(361 234 399)	-	95 389 844	(2 710 212 880)
Period gap	(1 090 540 763)	4 030 893	285 345 381	1 906 072 085	1 104 907 596
Cumulative gap	(1 090 540 763)	(1 086 509 870)	(801 164 489)	1 104 907 596	-

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

39.2.3.3 Foreign exchange risk

Definition

Foreign exchange risk is the potential adverse impact on earnings and economic value due to currency rate movements. This involves settlement risk which arises when the Group incurs financial loss due to foreign exchange positions taken in both the trading and banking books.

The Group recognises foreign exchange risks which include;

i. exchange rate risk which is the risk of loss as a result of adverse movements in the exchange rate;
ii. interest rate risk which arises from maturity mismatches on foreign currency positions;
iii. credit risk which is due to counterparty default on foreign exchange loans or contracts; and
iv. sovereign risk which arises from country risk or political risk

Identification techniques

Foreign exchange risk arises as a result of holding foreign currency positions in the banking book (e.g. in the form of loans, deposits or cross-border investments) and trading in foreign currencies through spot and forward transactions as a market maker or position taker.

The risk is identified through the analysis of the Bank's open foreign exchange positions.

Measurement methods

For measuring and monitoring foreign exchange rate risk, the Group has established a comprehensive framework of limits.

At a minimum, the Group has the following limits for its foreign exchange operations:

i. open position limits for individual currencies to which the Bank has material exposures, both during the day and overnight.
ii. open position limits on the aggregate of all currencies, both during the day and overnight;
iii. stop loss and/or management-action-trigger limits; and limits for settlement risk of all counterparties.

Impact evaluation

The level of inherent foreign exchange rate risk is considered low and the risk management systems in place are acceptable, hence the overall composite foreign exchange rate risk is low. The direction of the risk was considered to be stable.

The Group had material exposures to ZWG, ZAR, GBP, BWP & the EUR and the positions/holdings are within the ALCO prescribed limits as at 31 December 2024.

As at 31 December 2024, the Group had an aggregate net open position of ZWG2.1 billion which is very low at 8% of the Group's capital. The net open position was in compliance with the internal maximum of 10%.

Any foreign exchange rate movement will therefore have a small effect on the Group's capital adequacy level.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2023

39.2.3.3 Foreign exchange risk (continued)

Strategies for management/mitigation

The risk is managed through ALCO directives, compliance with the requirements of the Reserve Bank of Zimbabwe and market analysis techniques.

The Group's management principal goal is to ensure that foreign exchange losses that could arise from the open positions will not substantially diminish total earnings and that the capital cushion of the Group will not be undermined.

The Group manages foreign exchange rate risk by switching its currencies in line with ALCO driven strategies on foreign exchange rates.

The foreign exchange limits are reviewed at least annually or more frequently in line with changes in the operating environment.

Monitoring and controlling mechanisms

The risk is controlled through the use of dealer limits placed on the overall foreign exchange position.

Treasury Middle Office performs the risk review function in relation to day-to-day activities. The function reconciles regularly positions of traders to ensure that they are within assigned limits. Internal reports comparing actual positions against internal limits are routinely prepared for ALCO.

Adequacy and effectiveness of risk management system

Management is confident that the foreign exchange risk management systems in place are adequate, effective and are complied with in all material respects by all staff members.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

39.2.3.3 Foreign exchange risk (continued)

Foreign currency position

The carrying amount of the Group's foreign denominated monetary assets and liabilities as at 31 December 2024 were as follows:

	31 Dec 2024 ZWG	31 Dec 2023 ZWG
Botswana pula	69 607 502	46 605 517
British pound	427 352 399	253 251 517
Euro	2 394 877 866	1 031 992 531
South African rand	3 588 058 416	1 332 321 246
USD	-	7 459 658 567
ZWG	13 399 261 204	-
Total assets	19 879 157 387	10 123 829 378
Botswana pula	(220 985 433)	(42 652 692)
British pound	-	(229 210 886)
Euro	(1 851 669 706)	(1 003 828 514)
South African rand	-	(1 296 713 007)
USD	-	(2 585 559 342)
ZWG	(36 453 895)	-
Total liabilities	(2 109 109 034)	(5 157 964 441)
Net position	17 770 048 353	4 965 864 937

The Group's main exposure to foreign currency risk arises from the commitments for licence and support fees for information technology platforms that were sourced from foreign suppliers.

Sensitivity analysis

CONSOLIDATED

A 5% increase in exchange rates would result in the reported profit being reduced or increased by ZWG668 million (2023: ZWG96 million) and equity being reduced or increased by ZWG888 million (2023: ZWG129 million)

A 10% increase in exchange rates would result in the reported profit being reduced or increased by ZWG1.3 billion (2023: ZWG0.374 billion) and equity being reduced or increased by ZWG1.78 billion (2023: ZWG0.496 billion).

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

39.2.3.5 Equity price risk

Definition
Equity price risk is the possibility that equity prices will fluctuate affecting the fair value of equity investments that derive their value from a particular equity investment or index of equity prices.

Identification techniques
The Group tracks the performance of all its equity investments using the price listings from Zimbabwe Stock Exchange on a daily basis.

Measurement methods
Based on the price lists from the members of the Zimbabwe Stock Exchange, the Group quantifies the risk.

Impact evaluation
Equity price risk is assessed as moderate. Trends on the Zimbabwe Stock Exchange have not been easily predictable while current exit prices would crystallize losses on the statement of financial position.

Strategies for management / mitigation
The Group manages its exposure to equity price risk by maintaining a diversified portfolio.

Adequacy and effectiveness of risk management system
The risk management system has proved adequate and effective in managing equity price risk.

Sensitivity analysis

CONSOLIDATED
A 50% increase / (decrease) in the value of listed shares as at 31 December 2024 would result in an increase / decrease of ZWG 337 mln (2023: ZWG 18 million) to the reported Group's profit and an increase / decrease of ZWG 333 million (2023: ZWG 18 million) in equity

SEPARATE
A 50% increase / (decrease) in the value of listed shares as at 31 December 2024 would result in an increase / decrease of ZWG 2.07 million (2023: ZWG 0.17 million) to the reported Company's profit and an increase / decrease of ZWG2.05 million (2023: ZWG 0.17 million) in equity.

39.2.3.6 Gold price risk

Definition
The Gold price is the possibility that gold prices will fluctuate affecting the fair value of gold backed investments that derive their value from the movement in gold prices. The bank has invested in gold tokens.

Identification techniques
The Group tracks the performance of all its gold tokens investments using the price listings from the international gold prices on a daily basis.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

39.2.3.6 Gold price risk (continued)

Measurement methods

Based on the international price lists, the Group quantifies the risk.

Impact evaluation

Gold price risk is assessed as moderate. Trends on the Gold international market have not been easily predictable while current gold exit prices would crystallize gains or losses on the statement of financial position.

Strategies for management / mitigation

The Group manages its exposure to gold price risk by maintaining a small gold portfolio that is aimed to preserve its capital.

Adequacy and effectiveness of risk management system

The risk management system has proved adequate and effective in managing gold price risk.

Sensitivity

A 50% increase in the price of gold tokens would result in the reported profit being increased by ZWG nil (2023: ZWG 6.58 million), and an increase of ZWG nil mllion(2023: ZWG 6.58 million) while a 50% reduction in the price of gold tokens would result in the reported profits being reduced by ZWG nil (2023: ZWG 6.58million) and a reduction of ZWG nil (2023: ZWG6.58 million) in equity.

39.2.4 Credit risk

Definition

Credit risk is the risk that a counter party will not honour obligations and related covenants as agreed with the Group.

Forward looking information The measurement of Expected Credit losses (ECL) includes estimation of the Probability of Default (PD), Exposure at Default (EAD), Loss Given Default (LGD), a range of unbiased future economic scenarios and assessing material increases in credit risk. Credit losses are the expected cash shortfalls from what is contractually due over the expected life of the financial instrument, discounted at the original effective interest rate (EIR). ECLs are the unbiased probability-weighted credit losses determined by evaluating a range of possible outcomes and considering future economic conditions.

The Group has performed historical analysis and identified the key economic variables impacting credit risk and expected credit losses for each loans and advances portfolio. These economic variables and their associated impact on ECL vary by financial instrument. Expert judgment has been applied in this process. The key economic variables identified were inflation rates, central bank interest rates, exchange rates and the gross domestic product.

According to the Reserve Bank of Zimbabwe, in 2024 blended annual inflation closed at 3.7%, and is projected to end the year 2025 at around 17%. By the end of 2024, the Reserve Bank of Zimbabwe is most likely going to maintain the bank policy rate of 35% which has been maintained in 2024. Meanwhile, the Government of Zimbabwe is projecting 6% GDP growth in 2025 down from 5.5% growth achieved in 2024.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

39.2.4 Credit risk (contniued)

Inflation Rate

This is the inflation of the country of Zimbabwe. The Group approximates the impact of inflation on the future quality of the credit portfolio by measuring the variation between the inflation rate at reporting date and the highest forecasted inflation rate for the period 2020-2023.

Current inflation data is collected from the Reserve Bank of Zimbabwe (RBZ) and Zimbabwe National Statistics Agency (ZIMSTAT) websites while inflation forecast data is collected from the World Bank websites.

Unemployment Rates

The Group defines this as the unemployed proportion of the country's population. The Group approximates the impact of unemployment on the future quality of the credit portfolio by assessing the direction of the rate. Increasing unemployment rate tends to indicate economic downsizing in the future while an improving unemployment rate ordinarily indicates economic growth.

Market Non-Performing Loans Rate

The Group assesses the variance between its non-performing loans rate and the market average NPL rate as at reporting date. The variance approximates the performance of the Group against the market with respect to the ability of the Group to underwrite low credit loans.

Producer Price Index (PPI)

The Group assesses this as the cost of production for companies. The Group approximates the impact of PPI on the future quality of the credit portfolio by assessing the direction of the index. Increasing PPI tend to indicate economic downsizing in the future while decreasing PPI ordinarily promotes economic growth in the future. PPI data is collected from the RBZ and ZIMSTAT websites.

Renegotiated loans and advances

Where possible, the Group seeks to restructure loans rather than to take possession of collateral. This may involve extending the payment arrangements and the agreement of new loan conditions. Once the terms have been re- negotiated, any impairment is measured using the original effective interest rate modification of terms and the loan is no longer considered past due. Management continuously renews re-negotiated loans to ensure that all criteria are met and that future(EIR) as calculated before the payments are likely to occur. The loans continue to be subject to an individual or collective impairment assessment, calculated using the loans original EIR.

Collateral valuation

The Group seeks to use collateral, where possible, to mitigate its credit risk on financial assets. The collateral comes in various forms such as cash, securities, letters of credit/guarantees, real estate, receivables, inventories, other non- financial assets and credit enhancements such as netting agreements. The fair value of collateral is generally assessed, at a minimum, at inception and based on the Group's quarterly reporting schedule, however, some collateral, for example, cash or securities relating to margining requirements, is valued daily. To the extent possible, the Group uses active market data for valuing financial assets, held as collateral. Other financial assets which do not have a readily determinable market value are valued using models. Non-financial collateral, such as real estate, is valued based on data provided by third parties such as mortgage brokers, housing price indices, audited financial statements, and other independent sources.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

39.2.4 Credit risk (contniued)

Collateral repossessed

The Group's policy is to determine whether a repossessed asset is best used for its internal operations or should be sold. Assets determined to be useful for the internal operations are transferred to their relevant asset category at the lower of their repossessed value or the carrying value of the original secured asset. Assets that are determined better to be sold, are immediately transferred to assets held for sale at their value at the repossession date in line with the Group's policy.

Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously. This is not generally the case with master netting agreements, therefore, the related assets and liabilities are presented gross in the statement of financial position.

Non-performing loans

Interest on loans and advances is accrued as income until such time as reasonable doubt exists about its recoverability, thereafter and until all or part of the loan is written off, interest continues to accrue on customer's accounts but is not included in income. The suspended interest is recognised as a provision in the statement of financial position. Such suspended interest is deducted from loans and advances in the statement of financial position. This policy meets the requirements of the Banking Regulations, Statutory Instrument, 205 of 2000.

Credit-related commitments

The Group makes available to its customers guarantees that may require that the Group makes payments on their behalf and enters into commitments to extend credit lines to secure their liquidity needs. Letters of credit and guarantees (including standby letters of credit) commit the Group to make payments on behalf of customers in the event of a specific act, generally related to the import or export of goods. Such commitments expose the Group to similar risks to loans and are mitigated by the same control processes and policies.

Write off policy

The Group writes off a loan and any related allowances for impairment losses, after assessment by the Group's Bad Debts Review Committee and / or the Loans Review Committee determines that the loan or security is uncollectible. This determination is made after considering information such as the occurrence of material changes in the borrower's financial position such that the borrower can no longer pay the obligation, or that the proceeds from collateral will not be sufficient to pay back the entire exposure. For smaller balance standardized loans write off decisions generally are based on a product specific past due status. In cases of other financial assets, the Group will look at the inadequacy of security execution or absence of security, or prolonged recovery time to write off such exposures.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

39.2.4 Credit risk (contniued)

Impairment assessment

- The Group's impairment assessment and measurement approach is defined as follows:
- The Group's definition and assessment of default and cure
- An explanation of the Group's internal grading system
- How the Group defines, calculates and monitors the probability of default, exposure at default and loss given default.
- When the Group considers there has been a material increase in credit risk of an exposure
- The Group's policy of segmenting financial assets where ECL is assessed on a collective basis
- The details of the ECL calculations for Stage 1, Stage 2 and Stage 3 assets.

Definition of default and cure

The Group considers a financial instrument defaulted and therefore Stage 3 (credit -impaired) for ECL calculations in all cases when the borrower becomes 90 days past due on its contractual payments. The Group considers treasury and interbank balances defaulted and takes immediate action when the required intraday payments are not settled by the close of business as outlined in the individual agreements.

As a part of a qualitative assessment of whether a customer is in default, the Group also considers a variety of instances that may indicate unlikeliness to pay. When such events occur, the Group carefully considers whether the event should result in treating the customer as defaulted and therefore assessed as Stage 3 for ECL calculations or whether Stage 2 is appropriate. Such events include:

- Internal rating of the borrower indicating default or near-default
- The borrower requesting emergency funding from the Group
- The borrower having past due liabilities to public creditors or employees
- The borrower is deceased
- A material decrease in the underlying collateral value where the recovery of the loan is expected from the sale of the collateral
- A material decrease in the borrower's turnover or the loss of a major customer
- A covenant breach; and
- The debtor (or any legal entity within the debtor's group) filing for bankruptcy application/protection

It is the Group's policy to consider a financial instrument as 'cured' and therefore re-classified out of Stage 3 when none of the default criteria have been present for at least six consecutive months. The decision whether to classify an asset as Stage 2 or Stage 1 once cured depends on the updated credit grade, at the time of the cure, and whether this indicates that there has been a material increase in credit risk compared to initial recognition.

The Group's internal rating and PD estimation process

The Group's independent Credit Risk Department operates its internal rating models. The Group runs separate models for its key portfolios in which its customers are rated using an internal 22 tier rating scale. The models incorporate both qualitative and quantitative information and, in addition to information specific to the borrower, utilise supplemental external information that could affect the borrower's behaviour. Where practical, they also build on information from rating agencies. These information sources are first used to determine the PDs within the Group's Basel II framework. The internal credit grades are assigned based on these Basel II grades. PDs are then adjusted for IFRS 9 ECL calculations to incorporate forward looking information and the IFRS 9 Stage classification of the exposure. This is repeated for each economic scenario as appropriate.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

39.2.4 Credit risk (continued)

Treasury, trading and interbank relationships

The Group's treasury, trading and interbank relationships and counterparties comprise financial services institutions, banks, broker-dealers, department analyses publicly available information such as financial information and other external data, such as the rating of rating agencies, and assigns the internal rating.

For these relationships, the Group assesses individual credit requirements guided by a risk assessment framework that focuses on counterparty risk profile as guided by an internal rating system overseen by the Group's Treasury Middle Office function.

Corporate and small business lending

For corporate loans, the borrowers are assessed by specialised credit risk employees of the Group. The credit risk assessment is based on a credit scoring model that takes into account various historical, current and forward-looking information such as:

- Historical financial information together with forecasts and budgets prepared by the client. This financial information includes realised and expected results, solvency ratios, liquidity ratios and any other relevant ratios to measure the client's financial performance. Some of these indicators are captured in covenants with the clients and are, therefore, measured with greater attention.
- Any publicly available information on the clients from external parties. This includes external rating grades issued by rating agencies, independent analyst reports, publicly traded bond prices or press releases and articles.
- Any macro-economic or geopolitical information, e.g., GDP growth relevant for the specific industry and geographical segments where the client operates.
- Any other objectively supportable information on the quality and abilities of the client's management relevant for the Group's performance.

The complexity and granularity of the rating techniques varies based on the exposure of the Group and the complexity and size of the customer. Some of the less complex small business loans are rated within the Group's models for retail products.

A discretionary and Committee approving structure is in place to manage the various credit requirements.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

39.2.4 Credit risk (continued)

Consumer lending and retail mortgages

Consumer lending comprises unsecured personal loans, credit cards and overdrafts. These products along with retail mortgages and some of the less complex small business lending are rated by an automated scorecard tool primarily driven by days past due. Other key inputs into the models are:

- Consumer lending products: use of limits and volatility thereof, GDP growth, unemployment rates, changes in personal income/salary levels based on records of current accounts, personal indebtedness and expected interest repricing
- Retail mortgages: GDP growth, unemployment rates, changes in personal income / salary levels based on records of current accounts, personal indebtedness and expected interest repricing.
- A discretionary approval structure facilitates approvals.

Exposure at default (EAD)

The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation, addressing both the client's ability to increase its exposure while approaching default and potential early repayments too.

To calculate the EAD for a Stage 1 loan, the Group assesses the possible default events within 12 months for the calculation of the 12 months ECL. However, if a Stage 1 loan that is expected to default in the 12 months from the balance sheet date and is also expected to cure and subsequently default again, then all linked default events are taken into account. For Stage 2, Stage 3 and POCI financial assets, the exposure at default is considered for events over the life time of the instruments.

The Group determines EADs by modelling the range of possible exposure outcomes at various points in time, corresponding with the multiple scenarios. The IFRS 9 PDs are then assigned to each economic scenario based on the outcome of the Group's models.

Loss given default (LGD)

For corporate and investment banking financial instruments, LGD values are assessed at least every three months by account managers and reviewed and approved by the Group's specialised credit risk department. The credit risk assessment is based on a standardised LGD assessment framework that results in a certain LGD rate. These LGD rates take into account the expected EAD in comparison to the amount expected to be recovered or realised from any collateral held.

The Group segments its retail lending products into smaller homogeneous portfolios, based on key characteristics that are relevant to the estimation of future cash flows. The applied data is based on historically collected loss data and involves a wider set of transaction characteristics (e.g. product type, wider range of collateral types) as well as borrower characteristics.

Further recent data and forward-looking economic scenarios are used in order to determine the IFRS 9 LGD rate for each group of financial instruments. When assessing forward-looking information, the expectation is based on multiple scenarios. Examples of key inputs involve changes in collateral values including property prices for mortgages, commodity prices, payment status or other factors that are indicative of losses in the group. The Group estimates regulatory and IFRS 9 LGDs using different methods. Under IFRS 9, LGD rates are estimated for the Stage1, Stage2, Stage3 and POCI, IFRS 9 segment of each asset class. The inputs for these LGD rates are estimated and, where possible, calibrated through back testing against recent recoveries. These are repeated for each economic scenario as appropriate.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

39.2.4 Credit risk (continued)

Material increase in credit risk

The Group continuously monitors all assets with credit profiles to track changes in default risk using delinquency profiles. In order to determine whether an instrument or a portfolio of instruments is subject to 12mECL or LTECL, the Group assesses whether there has been a material increase in credit risk since initial recognition. In addition, the group considers that there has been a material increase in credit when contractual payments are more than 30 days past due.

The Group considers a financial instrument to have experienced a material increase in credit risk when one or more of the following factors exist for retail, wholesale and treasury portfolios:

- The remaining Lifetime PD at the reporting date has increased, compared to the residual Lifetime PD expected at the reporting date when the exposure was first recognised, so that it exceeds the relevant threshold
- Direct debit cancellation
- Extension to the terms granted
- Previous arrears within the last 3 months
- Material adverse changes in business, financial and/or economic conditions in which the borrower operates
- Actual or expected forbearance or restructuring
- Actual or expected material adverse change in operating results of the borrower
- Material change in collateral value (secured facilities only) which is expected to increase risk of default

Early signs of cash flow / liquidity problems such as delay in servicing of trade creditors/loans.

When estimating ECLs on a collective basis for a group of similar assets, the Group applies the same principles for assessing whether there has been a material increase in credit risk since initial recognition.

Percentage of exposure that is subject to collateral requirements

	31 Dec 2024	31 Dec 2023	Principal type of collateral held
Mortgage advances	100%	100%	Residential commercial property
Finance receivable	100%	100%	Property and equipment
Bills discounted	100%	100%	Cash and treasury bills

Grouping financial assets measured on a collective basis

Dependent on the factors below, the Group calculates ECLs either on a collective or an individual basis.

<u>Asset classes where the Group calculates ECL on an individual basis include:</u>

- All Stage 3 assets, regardless of the class of financial assets
- The Corporate lending portfolio
- The large and unique exposures of the Small business lending portfolio
- The treasury, trading and interbank relationships (such as Due from banks, Cash collateral on securities borrowed and reverse repurchase agreements and debt instruments at amortised cost / FVTOCI
- Exposures that have been classified as POCI when the original loan was derecognised and a new loan was recognised as a result of a credit driven debt restructuring.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

39.2.4 Credit risk (continued)

Material increase in credit risk (continued)

Asset classes where the Group may calculate ECL on a collective basis include:

- The smaller and more generic balances of the Group's Small business lending
- Stage 1 and 2 Retail mortgages and Consumer lending
- Purchased POCI exposures managed on a collective basis.

The Group categorises these exposures into smaller homogeneous portfolios, based on a combination of internal and external characteristics of the loans, as described below:

For retail mortgages these are:

- Product type (buy to let/owner occupied)
- Property type (low density, medium density, high density, commercial)
- Geographic location
- Loan-to-value ratios
- Internal grade
- Exposure value

For consumer lending these are:

- Product type (overdraft, unsecured personal loan, credit card, etc.)
- Internal grade
- Geographic location/residence of the borrower
- Utilisation
- In the case of credit cards, whether or not borrowers repay their balances in full every month
- Exposure value

For small business lending these are:

- Borrower's industry
- Internal credit grade
- Geographic location
- Exposure value
- Collateral type

Identification techniques

Prior to granting facilities, the Group conducts an assessment through a credit assessment framework that incorporates use of rating and scoring systems which classifies an account depending on inherent risk profiles. Non-qualifying applications are avoided. Thereafter facilities extended to clients are reviewed on a regular basis and reclassified accordingly depending on actual performance. The Group also has a cocktail of tools used to identify risks on an ongoing basis.

Measurement methods

The risk is measured through assessing the risk of default using a credit risk-rating matrix. The estimation of credit exposure for risk management purposes is complex and requires the use of models, as the exposure varies with changes in market conditions, expected cash flows and the passage of time. The assessment of credit risk of a portfolio of assets entails further estimations as to the likelihood of defaults occurring, of the associated loss ratios and of default correlations between counterparties. The Group measures credit risk using Probability of Default (PD), Exposure at Default (EAD) and Loss Given Default (LGD). This is similar to the approach used for the purposes of measuring Expected Credit Loss (ECL) under IFRS 9.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

39.2.4 Credit risk (continued)

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

	2024				2023			
	STAGE 1 ZWG	STAGE 2 ZWG	STAGE 3 ZWG	TOTAL ZWG	STAGE 1 ZWG	STAGE 2 ZWG	STAGE 3 ZWG	TOTAL ZWG
CONSOLIDATED								
Total loans and advances	3 672 194 013	337 308 789	142 081 321	4 151 584 123	2 071 942 231	110 590 711	34 494 530	2 217 027 472
Guarantees	350 586 224	-	-	350 586 224	94 302 910	-	-	94 302 910
Loan commitments	1 969 438 594	-	-	1 969 438 594	1 062 348 934	-	-	1 062 348 934
Treasury bills	-	878 799 829	-	878 799 829	330 157 187	-	-	330 157 187
Total financial assets	5 992 218 831	1 216 108 618	142 081 321	7 350 408 770	3 558 751 262	110 590 711	34 494 530	3 703 836 503
Total loans and advances								
Good (AAAto-A-)	3 671 781 648	2 934 277	3 976 640	3 678 692 565	2 071 706 258	1 915 872	189 384	2 073 811 514
Special Mention (BB+ to CCC-)	412 365	334 374 512	261 350	335 048 227	235 973	108 674 839	7 409	108 918 221
Non performing (CC TO D)	-	-	137 843 331	137 843 331	-	-	34 297 737	34 297 737
Total loans and advances	3 672 194 013	337 308 789	142 081 321	4 151 584 123	2 071 942 231	110 590 711	34 494 530	2 217 027 472
Corporate Lending								
Good (AAAto-A-)	2 349 673 392	-	-	2 349 673 392	1 398 094 510	-	-	1 398 094 510
Special Mention (BB+ to CCC-)	-	274 055 762	-	274 055 762	-	77 593 026	-	77 593 026
Non performing (CC TO D)	-	-	72 081 205	72 081 205	-	-	18 683 557	18 683 557
Total corporate lending	2 349 673 392	274 055 762	72 081 205	2 695 810 359	1 398 094 510	77 593 026	18 683 557	1 494 371 093

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

39.2.4 Credit risk (continued)

	2024				2023			
	STAGE 1 ZWG	STAGE 2 ZWG	STAGE 3 ZWG	TOTAL ZWG	STAGE 1 ZWG	STAGE 2 ZWG	STAGE 3 ZWG	TOTAL ZWG
CONSOLIDATED								
Small business Lending								
Good (AAAto-BBB-)	149 054 398	1 473 735	1 999 703	152 527 836	61 792 521	3 590	5 138	61 801 249
Special Mention(BB+toCCC-)	208 492	3 758 847	130 675	4 098 014	-	7 996 951	-	7 996 951
Nonperforming(CCTOD)	-	-	11 796 334	11 796 334	-	-	3 368 980	3 368 980
Total small business Lending	149 262 890	5 232 582	13 926 712	168 422 184	61 792 521	8 000 541	3 374 118	73 167 180
ConsumerLending								
Good(AAAto-BBB-)	918 823 345	1 460 542	1 976 937	922 260 824	500 942 441	1 912 283	184 243	503 038 967
Special Mention(BB+toCCC-)	203 873	49 509 294	130 675	49 843 842	235 973	15 115 875	7 409	15 359 257
Non performing(CCTOD)	-	-	48 323 982	48 323 982	-	-	7 177 946	7 177 946
Total consumer lending	919 027 218	50 969 836	50 431 594	1 020 428 648	501 178 414	17 028 158	7 369 598	525 576 170
MortgageLending								
Good(AAAto-BBB-)	254 230 513	-	-	254 230 513	110 876 787	-	2	110 876 789
Special Mention(BB+toCCC-)	-	7 050 609	-	7 050 609	-	7 968 987	-	7 968 987
Non performing(CCTOD)	-	-	5 641 810	5 641 810	-	-	5 067 254	5 067 254
Total Mortgage Lending	254 230 513	7 050 609	5 641 810	266 922 932	110 876 787	7 968 987	5 067 256	123 913 030

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

9.2.4 Credit risk (continued)

	2024				2023			
	STAGE 1 ZWG	STAGE 2 ZWG	STAGE 3 ZWG	TOTAL ZWG	STAGE 1 ZWG	STAGE 2 ZWG	STAGE 3 ZWG	TOTAL ZWG
CONSOLIDATED								
Guarantees								
Good(AAAto-BBB-)	350 586 224	-	-	350 586 224	94 302 910	-	-	94 302 910
Special Mention(BB+toCCC-)	-	-	-	-	-	-	-	-
Non performing(CCTOD)	-	-	-	-	-	-	-	-
Total guarantees	350 586 224	-	-	350 586 224	94 302 910	-	-	94 302 910
Loan commitments								
Good(AAAto-BBB-)	1 969 438 594	-	-	1 969 438 594	1 062 348 934	-	-	1 062 348 934
Special Mention(BB+toCCC-)	-	-	-	-	-	-	-	-
Nonperforming(CCTOD)	-	-	-	-	-	-	-	-
Total loan commitments	1 969 438 594	-	-	1 969 438 594	1 062 348 934	-	-	1 062 348 934
Loan of credit								
Good(AAAto-BBB-)	-	-	-	-	-	-	-	-
Special Mention(BB+toCCC-)	-	-	-	-	-	-	-	-
Nonperforming(CCTOD)	-	-	-	-	-	-	-	-
Total letters of credit	-	-	-	-	-	-	-	-
Other financial assets								
Debentures	-	-	-	-	-	-	-	-
Non perfoming (CC to D)	-	-	-	-	-	-	-	-
Bonds	-	-	-	-	-	-	-	-
Good (AAA to BBB0)	-	-	-	-	-	-	-	-
Total other financial assets	-	-	-	-	-	-	-	-

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

39.2.4 Credit risk (continued)

An analysis of changes in the ECLs in relation to loans and advances are as follows:

	2024				2023			
	STAGE 1 ZWG	STAGE 2 ZWG	STAGE 3 ZWG	TOTAL ZWG	STAGE 1 ZWG	STAGE 2 ZWG	STAGE 3 ZWG	TOTAL ZWG
CONSOLIDATED								
Total loans and advances	132 891 377	12 616 099	17 397 602	162 905 078	98 338 532	6 865 092	7 768 367	112 971 991
Treasurybills	-	-	-	-	-	-	-	-
Total impairment allowances	132 891 377	12 616 099	17 397 602	162 905 078	98 338 532	6 865 092	7 768 367	112 971 991
In respect of guarantees	44 781 160	-	-	44 781 160	698 221	-	-	698 221
In respect of loan commitments	34 450 239	-	-	34 450 239	31 492 719	-	-	31 492 719
Total impairment allowances	212 122 776	221 238 842	17 397 602	450 759 220	130 529 472	6 865 092	7 768 367	145 162 931

Treasury bills were assessed for impairment at 31 December 2024 and were considered to have had a significant increase in credit risk. The related IFRS 9 impairment charge was raised.

	STAGE 1 ZWG	STAGE 2 ZWG	STAGE 3 ZWG	TOTAL ZWG	STAGE 1 ZWG	STAGE 2 ZWG	STAGE 3 ZWG	TOTAL ZWG
Total loans and advances								
Good (AAA to- BBB-)	132 876 751	72 396	1 161 691	134 110 838	98 323 321	376 860	65 462	98 765 643
Special Mention (BB+ to CCC-)	14 626	12 543 703	77 428	12 635 757	15 211	6 488 232	3 792	6 507 235
Non performing (CC TO D)	-	-	16 158 483	16 158 483	-	-	7 699 113	7 699 113
	132 891 377	12 616 099	17 397 602	162 905 078	98 338 532	6 865 092	7 768 367	112 971 991
Impairment allowance for loans and advances by lending category:								
Corporate Lending	-							
Good (AAA to- BBB-)	102 558 358	-	-	102 558 358	68 839 408	-	-	68 839 408
Special Mention (BB+ to CCC-)	-	8 962 488	-	8 962 488	-	2 323 100	-	2 323 100
Non performing (CC TO D)	-	-	7 361 504	7 361 504	-	-	5 029 880	5 029 880
Impairment allowance for corporate lending	102 558 358	8 962 488	7 361 504	118 882 350	68 839 408	2 323 100	5 029 880	76 192 388

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

39.2.4 Credit risk (continued)

	2024				2023			
	STAGE 1 ZWG	STAGE 2 ZWG	STAGE 3 ZWG	TOTAL ZWG	STAGE 1 ZWG	STAGE 2 ZWG	STAGE 3 ZWG	TOTAL ZWG
CONSOLIDATED								
Small business Lending								
Good(AAAto-BBB-)	2 072 256	2 398	15 559	2 090 213	2 547 234	2 238	4 374	2 553 846
Special Mention (BB+toCCC-)	889	64 752	-	65 641	-	151 239	-	151 239
Non performing (CCTOD)	-	-	6 006 488	6 006 488	-	-	227 074	227 074
Impairment allowance for small business lending	2 073 145	67 150	6 022 047	8 162 342	2 547 234	153 477	231 448	2 932 159
Consumer Lending								
Good(AAAto-BBB-)	17 340 461	69 998	1 146 132	18 556 591	26 863 273	374 622	61 088	27 298 983
Special Mention(BB+toCCC-)	13 695	3 272 983	77 428	3 364 106	15 211	4 013 892	3 792	4 032 895
Non performing(CCTOD)	-	-	1 664 642	1 664 642	-	-	2 437 331	2 437 331
Impairment allowance for consumer lending	17 354 156	3 342 981	2 888 202	23 585 339	26 878 484	4 388 514	2 502 211	33 769 209
Mortgage Lending								
Good (AAAto-BBB-)	10 905 676	-	-	10 905 676	73 412	-	-	73 412
Special Mention(BB+toCCC-)	42	243 480	-	243 522	-	-	-	-
Nonperforming(CCTOD)	-	-	1 125 849	1 125 849	-	-	4 828	4 828
Impairment allowance for mortgage lending	10 905 718	243 480	1 125 849	12 275 047	73 412	-	4 828	78 240

Notes to the Consolidated and Separate Financial Statements (continued)
For the year ended 31 December 2024

39.2.4 Credit risk (continued)

	2024				2023			
	STAGE 1 ZWG	STAGE 2 ZWG	STAGE 3 ZWG	TOTAL ZWG	STAGE 1 ZWG	STAGE 2 ZWG	STAGE 3 ZWG	TOTAL ZWG
CONSOLIDATED								
Impairment allowance of guarantees and loancommitments								
Guarantees								
Good (AAA to -BBB-)	44 781 160	-	-	44 781 160	698 221	-	-	698 221
Special Mention (BB+ to CCC-)	-	-	-	-	-	-	-	-
Non performing (CC to D)	-	-	-	-	-	-	-	-
Impairment allowances for guarantees	44 781 160	-	-	44 781 160	698 221	-	-	698 221
Loan commitments								
Good(AAA to -BBB-)	34 450 239	-	-	34 450 239	31 492 719	-	-	31 492 719
Special Mention(BB+ to CCC-)	-	-	-	-	-	-	-	-
Non performing(CC to D)	-	-	-	-	-	-	-	-
Impairment allowances for loancommitments	34 450 239	-	-	34 450 239	31 492 719	-	-	31 492 719
Other financial assets								
Debentures	-	-	-	-	-	-	-	-
Non performing (CC to D)	-	-	-	-	-	-	-	-
Bonds	-	-	-	-	-	-	-	-
Good (AAA to BBB-)	-	208 622 743	-	208 622 743	-	-	-	-
Impairment allowances for other financial assets	-	208 622 743	-	208 622 743	-	-	-	-

Notes to the Consolidated and Separate Financial Statements (continued)
For the year ended 31 December 2024

39.2.4 Credit risk (continued)

	2024				2023			
	STAGE 1 ZWG	STAGE 2 ZWG	STAGE 3 ZWG	TOTAL ZWG	STAGE 1 ZWG	STAGE 2 ZWG	STAGE 3 ZWG	TOTAL ZWG
CONSOLIDATED								
Total loans and advances	3 672 194 013	337 308 789	142 081 321	4 151 584 123	2 071 942 231	110 590 711	34 494 529	2 217 027 471
Guarantees	350 586 224	-	-	350 586 224	94 302 910	-	-	94 302 910
Loan commitments	1 969 438 594	-	-	1 969 438 594	1 062 348 934	-	-	1 062 348 934
Treasury bills	-	878 799 829	-	878 799 829	330 157 187	-	-	330 157 187
Total financial assets	5 992 218 831	1 216 108 618	142 081 321	7 350 408 770	3 558 751 262	110 590 711	34 494 529	3 703 836 503
Balance at beginning of year	3 558 751 262	110 590 711	34 494 530	3 703 836 503	1 764 191 778	34 469 852	4 652 005	1 803 313 635
Effects of inflation adjustments	-	-	-	-	(3 757 094 909)	(107 677 647)	(33 817 206)	(3 898 589 762)
Effects of translation to presentation currency	3 100 996 102	26 256 270	8 430 933	3 135 683 305	(813 846 111)	(15 901 422)	(2 146 033)	(831 893 566)
New Assets	1 373 728 143	349 924 596	7 795 191	1 731 447 930	6 613 999 127	202 282 275	68 812 567	6 885 093 969
Repayments	(1 197 047 676)	(19 379 649)	(4 131 643)	(1 220 558 968)	(240 595 110)	(4 764 832)	(548 884)	(245 908 826)
Stage 1 movements	(844 209 000)	754 629 526	89 579 474	-	(7 903 513)	2 333 983	5 569 530	-
Stage 2 movements	-	(5 912 836)	5 912 836	-	-	(151 498)	151 498	-
Amounts written off	-	-	-	-	-	-	(8 178 947)	(8 178 947)
Balance at the of the end year	5 992 218 831	1 216 108 618	142 081 321	7 350 408 770	3 558 751 262	110 590 711	34 494 530	3 703 836 503

All amounts written off are still subject to collection and enforcement activities.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

39.2.4 Credit risk (continued)

	2024				2023			
	STAGE 1 ZWG	STAGE 2 ZWG	STAGE 3 ZWG	TOTAL ZWG	STAGE 1 ZWG	STAGE 2 ZWG	STAGE 3 ZWG	TOTAL ZWG
CONSOLIDATED								
Impairment allowance on total financial assets								
Total loans and advances	132 891 377	12 616 099	17 397 602	162 905 078	98 338 537	6 865 092	7 768 367	112 971 996
Treasury bills	-	-	-	-	-	-	-	-
Total Loans and other advances	132 891 377	12 616 099	17 397 602	162 905 078	98 338 537	6 865 092	7 768 367	112 971 996
In respect of guarantees	44 781 160	-	-	44 781 160	698 221	-	-	698 221
In respect of Loan commitments	34 450 239	-	-	34 450 239	31 492 714	-	-	31 492 714
Total impairment allowances	212 122 776	221 238 842	17 397 602	450 759 220	130 529 472	6 865 092	7 768 367	145 162 931
Balance at the beginning of the year	130 529 472	6 865 092	7 768 367	145 162 931	80 450 089	80 450 089	80 450 089	241 350 267
Effects of inflation adjustments	-	-	-	-	(140 171 310)	(8 561 213)	(7 275 490)	(156 008 013)
Effects of translation to presentation currency	43 782 852	40 067 263	11 283 034	95 133 149	(37 112 746)	(76 223 555)	(79 620 329)	(192 956 630)
New assets	107 334 119	160 269 058	45 132 156	312 735 333	242 452 010	12 692 053	13 978 595	269 122 658
Repayments	(25 089 095)	(681 913)	(76 501 185)	(102 272 193)	(14 809 676)	(1 352 706)	(177 390)	(16 339 772)
Stage 1 movements	(44 434 572)	18 071 239	26 363 333	-	(278 895)	(111 734)	390 629	-
Stage 2 movements	-	(3 351 897)	3 351 897	-	-	(27 842)	27 842	-
Amounts written off	-	-	-	-	-	-	(5 579)	(5 579)
Balance at year end	212 122 776	221 238 842	17 397 602	450 759 220	130 529 472	6 865 092	7 768 367	145 162 931

*All new assets are initially categorized in stage 1. They are subsequently transferred to stage 2 or 3 as appropriate, as a result of significant increase in credit risk. All new assets that are created in the current year will be transferred to the respective stage if they deteriorate during the same year.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

39.2.4 Credit risk (continued)

	31 Dec 2024 ZWG	31 Dec 2023 ZWG
ECL Movement		
Analysis of ECL on loans and advances		
Balance at beginning of year	112 971 991	82 942 647
Increase in ECL for the year	434 167 771	141 003 959
Write offs against provision net of recoveries	(69 626 656)	(23 595 565)
Effects of inflation movement	-	(49 116 452)
Effects of translation to presentation currency	(314 608 027)	(38 262 598)
Balance at end of year	162 905 078	112 971 991
Analysis of ECL on guarantees and letters of credit guarantees		
Balance at beginning of year	698 221	6 245 245
ECL for current period	43 673 261	(95 416)
Effects of inflation movements	-	(2 570 553)
Effects of translation to presentation currency	409 678	(2 881 055)
Balance at end of year	44 781 160	698 221
Analysis of ECL on loan commitments		
Balance at beginning of year	31 492 719	517 921
Increase in ECL for the year	25 679 306	32 103 063
Effects of inflation movement	-	12 399 573
Effects of translation to presentation currency	(22 721 786)	(13 527 838)
Balance at end of year	34 450 239	31 492 719
Analysis of ECL on other financial assets		
Balance at beginning of year	-	130 624
(Decrease) / increase ECL for the year	(208 622 743)	(22 526)
Effects of inflation movements	-	(47 838)
Effects of translation to presentation currency	-	(60 260)
Balance at end of year	(208 622 743)	-
Movements in the allowance for impairment in respect of trade receivable.		
The movement in the allowance for impairment in respect of trade receivables during the year was as follows: -		
Balance at beginning of year	1 642 772	107 834
Net loss allowance charged to Profit of loss	(1 076 655)	2 941 754
Effects of translation to presentation currency	329 298	(1 406 816)
Balance at end of year	895 415	1 642 772

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

39.2.4 Credit risk (continued)

Impact evaluation

Credit risk was rated high due to the volatile operating environment, unpredictable government policy changes as well as unavailability of foreign currency.

The default and downgrade risk components of credit risk were more prevalent in the year 2023. Settlement risk posed by counterparties remains manageable.

Strategies for management / mitigation

The Group has a credit risk management process which operates through a hierarchy of exposure discretions. All exposures above a certain level require the approval of the Board Credit Committee which comprises executive and non- executive directors. Exposures below the Board Credit Committee's discretion are approved according to a system of tiered exposure discretions delegated to management committees.

Monitoring and controlling mechanisms

Regular credit audits and reviews are conducted and problem accounts are highlighted and management action is taken as appropriate.

Adequacy and effectiveness of risk management systems

The credit risk management and control techniques alluded to above are adequate and effective and all staff members are required to adhere to them is indicated in the mitigation strategies.

Risk Communication

Risk communication is prioritised to ensure that management / stakeholders have all the available risk information to aid their decision making as well as to facilitate assessment of the effectiveness and efficiency of the risk management function.

Sensitivity analysis

Migration of 10% of the Bank's assets classified as Good to a "loss" classification would result in the reported profit being reduced by an amount of ZWG158.7 million compared to an amount of ZWG82.7 million as at 31 December 2023 and the total assets in the statement of financial position reducing by an amount of ZWG641.9 million compared to an amount of ZWG334.6 million as at 31 December 2023.

39.3 Insurance Risk

Definition

Insurance risk is the risk that future claims (in relation to death, disability, retrenchment and withdrawal) and expenses will exceed the allowance for expected claims and expenses in the measurement of policyholder liabilities and in product pricing. In addition to these insurance risks, the Group assumes further risks in relation to policyholder behavior (including lapses and converting recurring premium policies to paid up status) and tax regulations which could have adverse impact on the Group's earnings and capital if different from that assumed in the measurement of policyholder liabilities and product pricing. From a risk management perspective, management groups these under insurance risk.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

39.3 Insurance Risk (continued)

Ownership and identification

Group management is responsible for the day to day identification, management and monitoring of insurance risk. It is also management's responsibility to report any material insurance risks, risk events and issues identified to the Board of Directors. The statutory actuaries provide independent oversight of the compliance with the Group's risk management policies and procedures and the effectiveness of the Group's insurance risk management process.

Risk identification, assessment and measurement

Insurance risks are due to the uncertainty of the timing and amount of cash flows arising under insurance contracts. The timing is specifically influenced by future mortality, longevity, morbidity, withdrawal and expenses about which assumptions are made in the measurement of policyholder liabilities and in product pricing. Deviations from assumptions will result in actual cash flows being different from those expected. As such each assumption represents a source of uncertainty.

Experience investigations are conducted regularly on all material insurance risks so as to ascertain the reasons for deviations from assumptions and their financial impacts. If the investigations indicate that these deviations are likely to persist in future, the assumptions will be adjusted accordingly in the subsequent measurement of policyholder liabilities.

Insurance risks are assessed and reviewed against the Group's appetite for risk. Mitigating actions are developed for any risks that fall outside management's assessment of risk appetite in order to reduce the level of risk to within the approved tolerance limits.

Risk Management

The management of insurance risk is effectively the management of deviations of actual experience from assumed best estimate of future experience. The first line of defense processes and procedures that manage insurance risk differ considerably by risk type. These are described by each risk type in the sections which follow.

The consulting actuaries provide insight into the insurance risks undertaken by the Group in that they are required to:

- Assess the ability of the Group to continue as a going concern whilst providing an equitable return to the Group's shareholders and benefit to policyholders and other stakeholders
- Report at least annually on the financial soundness of the Group
- Set the assumptions used to provide best estimate liabilities, and allowing for prudence via appropriate margins
- Report on the actuarial soundness of premium rates in use for new business and the profitability of the business, taking into consideration the reasonable benefit expectations of policyholders and the associated insurance and market risks.

In addition, all new products and premium rates are set in consultation with the consulting actuary. The Group also makes use of reinsurance to reduce its exposures to some insurance risks.

Reporting

The consulting actuaries include information and propose mitigating actions on insurance risk in the annual actuarial valuation report. The report is presented to the Board for decision making and adoption.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

39.3.1 Policyholder Behavior risk

Policyholder behavior risk is the risk of loss arising due to actual policyholder behavior being different from expected.

The primary policyholder risk is persistency risk. This arises due to policyholders discontinuing or reducing contributions or withdrawing benefits partially or in total when this is not in line with expectations. This behavior results in loss of future charges that are designed to recoup expenses and commission incurred early in the life of the contract and to provide a profit margin or return on capital.

The Group has policies and procedures in place to ensure that new business is of an acceptable quality. Persistency is monitored on an ongoing basis and corrective action taken whenever the ratios start deteriorating.

Mortality risk is the risk of loss arising due to the actual death rates on life insurance business being higher than expected. The Group has the following processes and procedures in place to manage mortality risk.

Pricing

Premiums are differentiated by factors which historical experience has shown are material determinants of mortality claims experience.

Where adequate claims data is available, actual claims experience is monitored on an on-going basis. Product pricing and the measurement of liabilities are revised if deteriorating experience is identified and expected to continue - and where no alternative risk mitigating measures are available.

Allowance for HIV and AIDS and other terminal illnesses (where identified) are made in product pricing, as well as when setting the actuarial liabilities.

Terms and conditions

To mitigate mortality risk, the policy terms and conditions allow for specific exclusions, as well as premium loadings when accepting non-standard risk.

Underwriting

Underwriting guidelines are in place. These cover authorization limits and procedures on assessing new policy proposals.

All applications for risk cover are underwritten except for some policies with cover below defined thresholds where specific allowance for no underwriting has been made in the product design. Covers in excess of specified limits are reviewed by experienced underwriters. For Group Life covers these specified limits are scheme-specific and based on the size of the scheme and distribution of individual covers. The annually reviewable terms on Group Life business enable premiums to be aligned with emerging claims experience.

Specific testing for HIV is carried out in all cases where the applications for risk cover exceed set limits. The expertise of reinsurers is used to assist in the rating of new applications.

Financial underwriting is used where necessary to determine insurable interest.

Claims management

Experienced claims assessors determine the merits of a claim in relation to the policy terms and conditions.

Reinsurance

Reinsurance arrangements are put in place to reduce the mortality exposure per individual and provide cover in catastrophic events.

The Group performs an annual review of the reinsurance arrangements in line with the stated risk appetite.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

39.3.3 Longevity risk

Longevity risk is the risk of loss arising due to policyholders living longer than expected. For life annuities, the risk is due to the Group having undertaken to make regular payments to policyholders for their remaining lives and possibly to the policyholders' spouses for their remaining lives. The most material risk on these liabilities is continued medical advances and improvement in social conditions that lead to longevity improvements being better than expected.

The Group manages longevity risk as follows:

- Where adequate in-house data is available, the actual longevity experience is monitored on an on-going basis and trends assessed over time.
- Allowance is made for future mortality improvements in the pricing of new business and the measurement of policyholder liabilities. Such allowances are based on the trends identified in experience investigations and external data.

39.3.4 Expense risk

"Expense risk is the risk of loss arising due to expenses incurred in the administration of individual policies and pension funds being higher than expected.

Allowance is made for expected future maintenance expenses in the measurement of policyholder liabilities utilizing a cost per policy methodology for prospectively valued business as well as the allowance for the additional expense reserve to allow for potential expense shortfall while the business is below scale. As a result the risk of expense loss arises due to expenses increasing by more than expected as well as the number of in force and or new business policies being less than expected. The management of expense risk is core to the business. The expenses that the Group is expected to incur on policies are allowed for in product pricing. If the expenses expected to be incurred are considerably higher than those of assurers offering competing products, the ability of the Group to sell business on a profitable basis will be impaired. This not only has capital implications but can also affect the Group's ability to function as a going concern in the long term."

The following table details the impact of changes in key assumptions on the Group's profit or loss, equity and CSM before and after risk mitigation from reinsurance contracts held. This analysis is based on a change in one risk variable with all other variables held constant. Sensitivity analysis assumes that changes to variables can be made independently, which is very unlikely to occur in practice. There were no changes made from the previous period in the methods and assumptions used in preparing the sensitivity analysis.

39.4 Other business risks

39.4.1 Operational risk

Definition

Operational risk is defined as the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. This definition includes legal risk but excludes strategic and reputational risk. Legal risk includes, but is not limited to, exposure to fines, penalties or punitive damages resulting from supervisory actions, as well as private settlements.

Operational risk is not typically taken in pursuit of an expected return but exists as part of the normal course of business at all levels. The main sources of operational risk include;

- Legal risk
- Compliance and regulatory risk
- Financial crime

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

39.4.1 Operational risk (continued)

Legal risk

Legal risk arises from the necessity that the Group conducts its activities in conformity with the business and contractual legal principles applicable in each of the jurisdictions where it conducts its business. The possibility of a failure to meet these legal requirements may result in unenforceable contract disputes, litigation, fines, penalties, claims for damages or other adverse consequences.

Compliance and regulatory risk

Compliance and regulatory risk refer to the risk of failure to comply with laws, rules, regulations and other ethical and statutory standards. Compliance andregulatory risk have become increasingly material and there continues to be considerable demand for compliance with various new and amended regulatory requirements. The Group remains committed to the highest regulatory and compliance standards.

The Group has started implementing the European Organization for Sustainable Development (EOSD)'s Sustainability Standards and Certification Initiative. The Group is targeting the first level certification by 31 December 2025. An Environmental Risk management policy was adopted by the Board as at 31 December 2023.

Financial Crime

Financial crime refers to all crimes committed by an individual or a group of individuals that involve taking money or other property that belong to someone else, to obtain a financial or professional gain.

Operational risk management

The Group business units act as the first line of defense and are responsible for the identification, measurement, monitoring and reporting of operational risk. Operational risk is reported and monitored through the Operational Risk function within the Group Business Risk department and overseen by the Board Risk Committee.The Operational Risk function acts as the second line of defense.

The primary responsibilities of the Operational Risk unit are to develop, maintain and champion the Group Operational Risk Management Framework, policies and enablers to support operational risk management in the business as well as the implementation of the Basel II and regulatory requirements and international best practice for operational risk management.

In addition, the Group has an independent Compliance function that it reports directly to the Group Chief Executive and they form part of the second line of defense within the risk management governance structure and the Group Internal Audit, being the third line of defense, provides assurance to the Board.

Measurement methods

The risk is measured by the extent of loss due to system failure reported during the period.

The primary operational risk measurement processes include Operational Risk Self Assessments (ORSA), internal loss data collection processes and governance, the tracking of key risk indicators (KRIs) and scenario analysis, which are designed to function in an integrated and mutually reinforcing manner.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

39.4.1 Operational risk (continued)

Impact evaluation

The level of inherent operational risk is considered high and the aggregate operational risk management systems in place are acceptable, hence the overall composite operational risk is moderate. The direction of the risk is stable.

The Group's operational risk is heightened by the partial compliance to the Anti - Money Laundering (AML) and Counter Terrorist Financing (CFT) regulations; however, there is a comprehensive, formal, well-documented and closely monitored plan to be fully compliant to the AML/CFT regulations.

Operational risk losses as at 31 December 2024 were within the set risk tolerance levels and a scenario where operational risk losses rise by 100% will have a minor impact on the Capital Adequacy Ratio.

The Group has put in place acceptable tools and techniques for managing operational risk.

Strategies for management / mitigation

The Group minimises people risk by ensuring that controls are incorporated into the recruitment and selection processes of all employees, including contractors, temporary employees and consultants. This process aims to minimise the Group's vulnerability to fraud, embezzlement, theft, corruption and mismanagement of job responsibilities. Fraud prevention measures include internal and external whistle blowing reporting lines and the Group maintains a policy of zero tolerance towards any dishonesty among staff members.

The Group has a qualitative insurance programme for its financial and non-financial risks to mitigate its operational and fraud exposures. A business continuity management system which is aimed at ensuring resilient business activities in emergencies and disasters is in place.

Monitoring and controlling mechanisms

A well-defined and embedded reporting process is in place. Risk profiles, loss trends and risk mitigation actions are reported to and monitored by the risk governance structures of the Group.

Adequacy and effectiveness of risk management systems

The Group has put in place acceptable risk management systems to protect the Group's assets and mitigate operational risk.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

39.4.2 Reputational risks

Definition

Reputational risk arises when a situation, occurrence, business practice or event has the potential to materially influence the public and stakeholder's perceived trust and confidence in the Group. Reputational risk may arise from a variety of sources, such as fraud and non-compliance with statutory or regulatory requirements. Other sources of reputational risk may arise from failing to safeguard non-public customer information through outsourcing relationships, a high volume of customer complaints, or public regulatory sanctions.

Reputational risk management

Reputational risk is, to a large degree, mitigated by adequately managing the other key risks the Group faces. External communication to stakeholders is controlled by risk management policies, with a designated Group spokesperson.

The Group Corporate Services unit plays a major role in managing the Group's image and reputation. Key functions include marketing and communications.

Impact evaluation

The level of inherent reputational risk is considered high and the aggregate reputational risk management systems in place are acceptable, hence the overall composite reputational risk is moderate. The direction of the risk is stable.

The continued delay in the resolutions of the ZB Group shareholders' issues is heightening the reputational risk of the Group due to negative market perception.

The ZB Group has in place a Strategy Committee to oversee reputational risk, among other deliverables, including policy direction and guidance on brand visibility, innovation, new product development, product profitability and pricing.

Strategies for management through mitigation

The Group manages this risk through staff training and development, regular and independent audits.

Monitoring and controlling mechanisms

Any losses incurred are reported to the Board Audit, Board Risk and Board Executive Committees. Lessons learnt are used in staff training to avoid recurrences.

Adequacy and effectiveness of the risk management system

The management system for legal, reputational and compliance risks is adequate and effective and all staff members adhere to the system.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

39.4.3 Technologial risk

Definition

Technology risk stems from risks associated with misalignment with business strategy; an uncoordinated or inefficient information technology (IT) strategy; failure of projects to deliver desired change, data protection and information privacy; effects of physical disasters on information systems; IT outsourcing, IT performance and information systems governance.

Information technology risk deals with the management of all risks associated with the ownership, involvement, operation, influence, adoption and use of IT in the Group.

Identification techniques

An Information Technology Committee which reviews developments and proposes enhancements to the technological platform is in place. The Group also has Business Continuity Plans (BCP) and Disaster Recovery Plans (DRPs) and these are tested and maintained up to date. Access to computer systems is restricted to authorized personnel through a hierarchy of authority levels. A comprehensive information security policy drives and guides every aspect of acquisition and use of information technologies.

Impact evaluation

The level of inherent IT risk is considered high and the aggregate IT risk management systems in place are acceptable, hence the overall composite IT risk is moderate. The direction of the risk is increasing.

Measurement methods

The Group measures the risk through setting and monitoring the maximum tolerance limits for system downtimes, ensuring that the reports are available at the appropriate times and generally that operational efficiency is being achieved. An enterprise wide risk management framework identifies and measures each domain of information technology risk, appropriating the level of inherent risk and the direction.

Strategies for management/mitigation

The Group manages this risk through continuous learning and staff development, regular and independent audits. Issues are also escalated to system vendors in accordance with the service level agreements in place and these are resolved expeditiously. Further, the Group updates BCPs and DRPs regularly and also conducts business continuity and disaster recovery simulations annually. The information technology policy document is reviewed, updated and shared on a regular basis, in view of the on-going changes in IT.

Monitoring and controlling mechanisms

The deadlines for the production of all reports are monitored strictly. Any system breakdowns are attended to and reported promptly to ensure that appropriate corrective action is instituted. The Group constantly reviews new technologies and adopts them where appropriate. All computer rooms are temperature controlled and well ventilated. Access is restricted to authorized persons only. There are various levels of access to the system based on the seniority of the officers concerned.

Adequacy and effectiveness of risk management systems

The management system for identifying, monitoring and controlling technological risk is adequate and effective and all staff members adhere to the system.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

39.4.4 Solvency risk

Definition

Solvency risk is the risk that the Group may incur liabilities that are far in excess of its ability to pay leading to financial distress.

Identification techniques

The Group strictly monitors the assets and liabilities and has set limits to the liabilities that can be incurred and the placements arising there from. The loan/deposit ratio is monitored regularly and corrective action instituted where appropriate.

Impact evaluation

The Group considers this risk as moderate as there are adequate systems of identifying, monitoring and controlling solvency risk. However, funding pressures remain pronounced whilst revenue expansion, as source of funding, is constrained.

Measurement methods

The Group measures this risk through setting maximum levels for loan/deposit ratios and reviewing the relationship between liabilities and assets through maturity profiles and term structures.

Strategies for management/mitigation

The Group manages the risks through setting limits for the loan/deposit ratio and ensuring that these limits are not exceeded.

Adequacy and effectiveness of risk management systems

The management system for identifying, monitoring and controlling solvency risk is adequate and effective and all staff members adhere to the system.

39.4.5 Underwriting risk

Definition

Underwriting risk in reinsurance business is the probability of losses incurred in a given reinsurance period exceeding premium in the corresponding period. On the other hand, in life assurance business underwriting risk is the risk that the actual exposure to mortality and disability risks will exceed the best estimate of the statutory valuator, thereby causing financial loss.

Impact evaluation

The underwriting risk in reinsurance business would only materialize in the case of a catastrophe. The risk in case of a catastrophe has been reinsured and is limited to equivalent of USD75 000 (2023: USD75 000) and concentration of insurance risk is in fire and motor classes, as management consider these classes to be profitable. There is no concentration of risk in terms of exposure to single customers.

Measurement methods

In life assurance business, all applications for life and disability cover are assessed using sound underwriting techniques and methods, including HIV testing, where necessary. Mortality and disability investigations are periodically carried out and actuarial assumptions are adjusted accordingly.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

39.4.5 Underwriting risk (continued)

Strategies for management/mitigation

In reinsurance business, this is normally mitigated by the purchase of reinsurance from the London insurance market annually. All mortality and disability risks above periodically determined retention levels are reassured with professional reassurance firms.

Details of underwriting risk in reinsurance business are as follows:

	31 Dec 2024 USD	31 Dec 2023 USD
CONSOLIDATED		
Total insurance risk before retrocession	6 000 000	6 000 000
Retroceded risk	(5 000 000)	(5 000 000)
Insurance risk after reinsurance	1 000 000	1 000 000

39.5 Risk rating

39.5.1 Regulatory risk rating

The Reserve Bank of Zimbabwe conducts regular offsite and onsite examinations of the institutions that it regulates. The last on-site examination of the Group was concluded on the 9th of December 2014 using data as at 30 September 2014. The RBZ shall conduct an onsite examination during the first quarter of 2025.

Being a Bank Holding Group (BHG), the condition of ZB Financial Holdings Limited was assessed using the RFI/(C)D rating system which is an acronym for Risk Management; Financial Condition; Potential Impact of the parent Group and non-depository subsidiaries on the subsidiary depository institutions; Composite rating based on an evaluation and rating of its managerial and financial condition; and assessment of the subsidiary Depository institutions.

ZB Bank Limited and ZB Building Society were assessed using the Risk Assessment System (RAS) and the CAMELS5 rating model.

The individual components of the rating systems were rated as follows:

RFI/(C)D/CAMELS/CEFM Component	Latest Rating	
	ZB Bank	ZB Building Society
Capital Adequacy	4	4
Asset Quality	4	2
Management	3	3
Earnings	4	3
Liquidity and Funds Under Management	2	2
Sensitivity to Market Risk	2	2
Composite rating	**4**	**3**

Key: 1 = Strong; 2 = Satisfactory; 3 = Fair; 4 = Weak; 5 = Critical

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

39.5.1 Regulatory risk rating (continued)

Summary of Risk Assessment

RAS Component	Latest Rating	
	ZB Bank	ZB Building Society
Aggregate inherent risk	High	Moderate
Quality of aggregate risk management systems	Acceptable	Acceptable
Overall composite risk	High	Moderate
Direction of overall composite risk	**Increasing**	**Stable** [1]

Overall Risk Matrix – ZB Bank Limited

Type of Risk	Level of Aggregate Inherent Risk	Adequacy of Aggregate Risk Management Systems	Overall Composite Risk	Direction of Overall Composite Risk
Credit Risk	High	Inadequate	High	Increasing
Liquidity Risk	Moderate	Acceptable	Moderate	Stable
Interest Rate Risk	Moderate	Acceptable	Moderate	Stable
Foreign Exchange Risk	Low	Acceptable	Low	Stable
Strategic Risk	Moderate	Acceptable	Moderate	Increasing
Operational Risk	High	Acceptable	Moderate	Stable
Legal & Compliance Risk	High	Inadequate	High	Increasing
Reputational Risk	High	Acceptable	High	Stable
Overall Risk	**High**	**Acceptable**	**High**	**Increasing**

1 "CAMELS" stands for Capital Adequacy Asset Quality Management Earnings, Liquidity management and Sensitivity to market risk

Overall Risk Matrix – ZB Building Society

Type of Risk	Level of Aggregate Inherent Risk	Adequacy of Aggregate Risk Management Systems	Overall Composite Risk	Direction of Overall Composite Risk
Credit Risk	Low	Acceptable	Low	Stable
Liquidity Risk	Moderate	Acceptable	Moderate	Stable
Interest Rate Risk	Moderate	Acceptable	Low	Stable
Foreign Exchange Risk	Low	Acceptable	Low	Stable
Strategic Risk	Moderate	Acceptable	Moderate	Stable
Operational Risk	Moderate	Acceptable	High	Increasing
Legal & Compliance Risk	High	Weak	High	Increasing
Reputational Risk	Moderate	Acceptable	Moderate	Stable
Overall Risk	**Moderate**	**Acceptable**	**Moderate**	**Stable**

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

39.5.1 Regulatory risk rating (continued)

Interpretation of risk matrix

Level of Inherent Risk

Low - reflects a lower-than-average probability of an adverse impact on a banking institution's capital and earnings.Losses in a functional area with low inherent risk would have little negative impact on the banking institution's overall financial condition.

Moderate - could reasonably be expected to result in a loss which could be absorbed by a banking institution in the normal course of business.

High - reflects a higher-than-average probability of potential loss. High inherent risk could reasonably be expected to result in a material and harmful loss to the institution.

Adequacy of Risk Management Systems

Weak - risk management systems are inadequate or inappropriate given the size, complexity and risk profile of the banking institution. Institution's risk management systems are lacking in important ways and therefore a cause of more than normal supervisory attention. The internal control systems will be lacking in important aspects particularly as indicated by continued control exceptions or by the failure to adhere to written policies and procedures.

Acceptable - management of risk is largely effective but lacking to some modest degree. While the institution might be having some minor risk management weaknesses, these have been recognized and are being addressed. Management information systems are generally adequate.

Strong - management effectively identifies and controls all types of risk posed by the relevant functional areas or per inherent risk. The board and senior management are active participants in managing risk and ensure appropriate policies and limits are put in place. The policies comprehensively define the Bank's or Society's risk tolerance, responsibilities and accountabilities are effectively communicated.

Overall Composite Risk

Low - would be assigned to low inherent risk areas. Moderate risk areas may be assigned a low composite risk where internal controls and risk management systems are strong and effectively mitigate much of the risk

Moderate - risk management systems appropriately mitigate inherent risk. For a given low risk area, material weaknesses in the risk management systems may result in a moderate composite risk assessment. On the other hand, a strong risk management system may reduce the risk so that any potential financial loss from the activity would have only a moderate negative impact on the financial condition of the organization.

High - risk management systems do not materially mitigate the high inherent risk. Thus, the activity could potentially result in a financial loss that would have a material impact on the bank's overall condition.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

39.5.1 Regulatory risk rating (continued)

Direction of Overall Composite risk

Increasing- based on the current information, risk is expected to increase in the next twelve months.
Decreasing - based on current information, risk is expected to decrease in the next twelve months.
Stable- based on the current information, risk is expected to be stable in the next twelve months.

The Group has made significant progress in attending to the issues highlighted. The majority of the issues have been resolved.

The Group's material trading companies subscribe to an internationally recognised rating agency, Global Credit Rating Group (GCR) and the ratings for the last three (3) years were as follows:

Long-term debt rating scale:

Entity	2024	2023	2022
ZB Bank Limited	BBB	BBB	BBB+
ZB Building Society	B-	B-	B-
ZB Reinsurance Company	A-	A-	BBB

The ratings for ZB Bank Limited and ZB Building Society expire in September 2025, whilst the rating for ZB Reinsurance expires in May 2025.

40. COMPLIANCE WITH REGULATIONS

40.1 Regulatory capital requirements- Banking operations

Commercial banks and building societies in Zimbabwe were required to maintain a minimum capital level of ZWG equivalent of USD30 million and USD20 million respectively, using the spot rate as at 31 December 2024. ZB Bank Limited met this requirement as at 31 December 2024, whilst ZB Building Society was not in compliant with this minimum regulatory capital requirement as at 31 December 2024.

As a result of non compliance of ZBS with the minimum capital requirements, its the shareholders made a resolution in July 2024 to surrender the banking license to RBZ. Subsequently, the Group applied for the surrender to RBZ. RBZ responded to the application, outlining specific conditions and guidelines that must be satisfied beofre the license is cancelled. The Group is currently working to fulfill these conditions, which include but not limit to smooth handling of deposits in compliance with the Consumer Protection Framework No.1-2017/BSD

The Group paid total penalties amounting to USD65 100 (equivalent to ZWG1 693 524) in respect of ate publication of 31 December 2023 financial results and non-compliance with submision of regulatory returns.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

40.2 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 life assurance businesses and 10% of the market value of total adjusted assets in the case of short-term re-insurance businesses.

ZB Life Assurance Limited did not comply with these ratios throughout 2024, closing the year with ratio at 9.35% (2023: 6.04%). 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. The non-compliance persisted up to the date of release of these financial statements. No penalties have been levied on ZB Life Assurance Limited for the non-compliance.

ZB Reinsurance complied with this requirement as at 31 December 2024 with a ratio of 11% (2023: 12%).

40.3 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.

41 SUBSEQUENT EVENTS

Migration of QUPA Microfinance to the Banking Cluster

With effect from 1 January 2025, the Qupa Microfinance business was moved from the Investment cluster to the Banking cluster due to the similarities of its operations with the rest of the banking operations. This move does not result in any changes in the operations of the Qupa Microfinance Company and also has no impact on the Group Financial Statements for the year ended 31 December 2024.

Reopening of ZB Asset Management

The Group is resuscitating its Asset Management arm through the planned reopening of ZB Asset Management under the Investments Cluster which plays a key role in supporting the Group's Wealth management strategy. This will bring in scope for the Group to offer pooled Investment products to the market and in the process enhance its profile as a one stop shop for financial products. Resultantly, the Investment Properties under ZB Financial Holdings will be transferred back to ZB Asset Management Company. This has no impact on the financial statements for the year ended 31 December 2024.

Closure of ZB Capital (Private) Limited

Following the resolution referred to in Note 9.2, the operations of ZB Capital were ceased effective 1 January 2025. ZB Capital's corporate finance operations were transferred to ZB Bank Limited and its assets to ZBFH. This has no impact on the financial statements for the year ended 31 December 2024.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2024

42. GOING CONCERN

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

The Monetary Policy Committee of the Reserve Bank of Zimbabwe revised minimum capital requirements for banking institutions which became effective from 31 December 2021. The revised limit for Tier 1 Banks is the ZWG equivalent of USD30m and for Building Societies is the ZWG equivalent of USD20m reckoned with reference to the exchange rate ruling at that time.

In order to address the capital shortfall at ZBBS, the group resolved to surrender the Building Society's bank licence.The group has already applied for the surrendering of banking licence of ZBBS to RBZ, who has bresponded with conditions that should be satisfied before the cancellation of the licence and the Group is addressing the conditions raised by RBZ as guided by Consumer Protection Framkework No. 1 -2017/BSD,which sets out the rights of customers and obligations of banking instituitions. The Group has assessed the conditions specified by RBZ and concluded that it is highly probable it will comply with these conditions before 31 December 2025.

The Group will ensure that it continues to support the ZBBS to meet customer demands in the normal course of business until the surrender of the licence process is finalised.

The Board has reviewed budgets for 2025 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.

Consequently, the financial statements for the year ended 31 December 2024 have been prepared on going concern basis.

Annexures

GRI Content Index

Statement of use	ZB Financial Holdings Limited has reported the information cited in this GRI content index for the period from 01 January 2024 to 31 December 2024 in accordance with GRI Standards.
GRI used	GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	LOCATION (Page)	Omission Part Omitted	Reason	Explanation
GRI 2: General Disclosures 2021	2-1 Organisational details	13-14, 321			
	2-2 Entities included in the organisation's sustainability reporting	13			
	2-3 Reporting period, frequency and contact point	1			
	2-4 Restatements of information	1			
	2-5 External assurance	1			
	2-6 Activities, value chain and other business relationships	18-21			
	2-7 Employees	67-68			
	2-8 Workers who are not employees	68			
	2-9 Governance structure and composition	27			
	2-10 Nomination and selection of the highest governance body	28			
	2-11 Chair of the highest governance body	28			
	2-12 Role of the highest governance body in overseeing the management of impacts	28			
	2-13 Delegation of responsibility for managing impacts	28-29			
	2-14 Role of the highest governance body in sustainability reporting	29, 31			
	2-17 Collective knowledge of the highest governance body	24			
	2-18 Evaluation of the performance of the highest governance body	28			
	2-22 Statement on sustainable development strategy	11, 31			

GRI Content Index (continued)

GRI STANDARD	DISCLOSURE	LOCATION (Page)	Omission		
			Part Omitted	Reason	Explanation
	2-25 Processes to remediate negative impacts	39-44, 80-81			
	2-26 Mechanisms for seeking advice and raising concerns	46-49			
	2-27 Compliance with laws and regulations	31			
	2-28 Membership associations	14			
	2-29 Approach to stakeholder engagement	46			
	2-30 Collective bargaining agreements	70			
GRI 3: Material Topics 2021	3-1 Process to determine material topics	50			
	3-2 List of material topics	51			
	3-3 Management of material topics	51			
	201-2 Financial implications and other risks and opportunities due to climate change	80-81			
	201-3 Defined benefit plan obligations and other retirement plans	69			
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	85			
	203-2 Significant indirect economic impacts	86			
GRI 207: Tax 2019	207-1 Approach to tax	90			
	207-2 Tax governance, control, and risk management	90			
	207-3 Stakeholder engagement and management of concerns related to tax	90			
	207-4 Country-by-country reporting	91			
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	78			
	302-2 Energy consumption outside of the organisation	78			
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	75			
	303-2 Management of water discharge -related impacts	75-76			
	303-5 Water consumption	7, 76			
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	81-82			
	305-2 Energy indirect (Scope 2) GHG emissions	81-82			

GRI Content Index (continued)

GRI STANDARD	DISCLOSURE	LOCATION (Page)	Omission		
			Part Omitted	Reason	Explanation
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	76-77			
	306-2 Management of significant waste-related impacts	76			
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	67-68			
	401-3 Parental leave				
GRI 402: Labor Management Relations 2016	402-1 Minimum notice periods regarding operational changes	1 month			
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	72			
	403-2 Hazard identification, risk assessment, and incident investigation	73			
	403-3 Occupational health services	72-73			
	403-4 Worker participation, consultation, and communication on occupational health and safety	72-73			
	403-5 Worker training on occupational health and safety	72			
	403-6 Promotion of worker health	72			
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	72			
	403-8 Workers covered by an occupational health and safety management system	72			
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	72			
	404-2 Programs for upgrading employee skills and transition assistance programs	72			
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	27, 67			
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	70			
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	85			

Proxy Form

For the year ended 31 December 2024

I/We ....

....

of...

.... being (a)

member(s) of ZB Financial Holdings Limited entitled to ....

.... votes/shares held, do hereby appoint ....

.......................or failing whom, ...

As my proxy to attend, speak and vote for me/us on my/our behalf at the Annual General Meeting of members of the Company to be held virtually on Microsoft Teams application Friday 27 June 2025, commencing at 1000 hours, and any adjournment as follows:

ORDINARY BUSINESS

Resolution Number	Type of Resolution	Provision of the Resolution	In favour of	Against	Abstain
1	Ordinary	To receive, consider, and adopt, if appropriate, the financial statements, and the reports of the directors and auditors for the year ended 31 December 2024.			
2	Ordinary	To confirm the final dividend of US0.57 cents per ordinary share for the year ended 31 December 2024 as recommended by the Board, subject to regulatory approvals. A separate dividend notice will be published to this effect.			
3	Ordinary	To approve the remuneration of Directors for the past financial year.			
4	Ordinary	4.1 To elect the following directors who retire by rotation in terms of Article 68 of the Company's Articles of Association, and having been eligible offered themselves for re-election. Unless otherwise resolved, the election of the Directors will be done by separate resolution for each Director.			
		i. Samuelle Zvikomborero Goodson Dimairho			
		ii. Peter Michael Victor Wood			
		4.2 To elect the following Director who was appointed to the Board after the last Annual General Meeting of the Company, and retires at the end of the meeting in terms of Article 62 of the Company's Articles of Association. Being eligible, he offers himself for re-election.			
		Shepherd Tonya Chimutanda			
5	Ordinary	5.1 To approve the remuneration to Ernst and Young (Zimbabwe), the Company's Auditor for the 2024 financial year's audit, in terms of Article 112 of the Articles of the Company.			
		5.2 To appoint auditors for the ensuing year until the conclusion of the next Annual General Meeting. Ernst and Young (Zimbabwe), the current auditors of the Company have indicated their willingness to continue as auditors of the Company.			

Proxy Form (continued)

For the year ended 31 December 2024

ANY OTHER BUSINESS

Resolution Number	Type of Resolution	Provision of the Resolution
6	Ordinary	To transact any other business as may be transacted at an Annual General meeting.

Please indicate with an "X" in the spaces provided how you wish your vote to be cast. If no indication is given the proxy will vote or abstain at his/her discretion.

Signed at .... this .... day ....of ....2025.

Full name(s) ....

Signature of member ....

NOTES:

i. Appointment of Proxy

In terms of the Companies and Other Businesses Entities (Chapter 24:31), a member entitled to attend and vote at a meeting is entitled to appoint a proxy to attend and vote and speak in his stead.

The proxy form must be delivered at the registered office of the Company not less than 48 hours before the meeting is scheduled to commence.

A proxy need not be a member of the Company.

ii. General Information

a) The minutes of the last Annual General Meeting held on 30 June 2023 are available for inspection at the Company's registered office.

b) Electronic copies of the Company's 2024 Annual Report comprising of the Directors Report, the independent Auditor's Report and the consolidated and separate Company's financial statements for the year ended 31 December 2024, can be accessed on the Company's website https://www.zb.co.zw/investor-updates/. Copies have been emailed to shareholders whose e-mail addresses are on record.

c) Physical attendance at the meeting may be difficult for some members. The Company will therefore facilitate electronic participation at the meeting for any such affected members, subject to that any voting for such member must be in the form of a duly executed form of proxy to be received by the company in the manner prescribed under the "Appointment of Proxy" above.

Members requiring log in credentials or any other assistance with regards to electronic participation should contact ZB Transfer Secretaries on +263-08677002001 or +263-242 2934 585. In the alternative, e-mails can be sent to Robert Mutakwa (rmutakwa@zb.co.zw) or Paidamoyo Mberikwazvo (pmberikwazvo@zb.co.zw) or transfersecretaries@zb.co.zw.

Shareholder Information

ANALYSIS OF SHAREHOLDERS as at 31 December 2024

Size of holding	Number of Shareholders	% holding	Total Holding	% holding
1 - 500	317	21.52	60 344	0.03
501 - 1000	459	31.27	263 032	0.15
1001 - 10000	384	25.99	1 558 388	0.89
10001 - 20000	195	13.11	2 710 322	1.55
20001 - 50000	69	4.84	1 798 084	1.03
50001 - 100000	10	0.67	726 243	0.41
100001 - 500000	20	1.59	3 734 971	2.13
500001 - 10000000	11	0.74	33 808 921	19.30
10000001+	4	0.27	130 530 337	74.51
Totals	**1 469**	**100**	**175 190 642**	**100**

ANALYSIS OF SHAREHOLDERS as at 31 December 2024

Shareholders Group	Number of Shareholders	% holding	Total Holding	% holding
COMPANIES	129	8.92	152 590 453	87.10
FCDA RESIDENT AND NEW NON RESIDENT	20	1.16	69 558	0.04
INDIVIDUALS	1227	83.67	6 388 439	3.63
INSURANCE COMPANIES	4	0.27	185 678	0.11
INVESTMENT, TRUST AND PROPERTY COMPANIES	15	1	5 364 866	3.07
NOMINEE COMPANY	38	2.56	8 580 649	4.9
PENSION FUNDS	36	2.42	2 010 999	1.15
Totals	**1469**	**100**	**175 190 642**	**100**

TOP TEN SHAREHOLDERS as at 31 December 2024

Shareholder's Name	Total Holding	Percentage of total issued shares
DATVEST NOMINEES (PVT) LTD	59 565 522	34.00
TRANSNATIONAL HOLDINGS LIMITED	40 914 032	23.35
ZB FINANCIAL HOLDINGS LIMITED	17 667 740	10.08
QUANTAFRICA WEALTH MANAGEMENT	12 383 043	7.07
QUANTAFRICA WEALTH MANAGEMENT	8 974 102	5.12
FINHOLD GROUP STAFF TRUST	5 273 438	3.01
PIM NOMINEES (PVT) LTD	5 135 082	2.93
OLD MUTUAL LIFE ASSURANCE OF ZIMBABWE LIMITED	3 730 491	2.13
GENESIS ENVIRO SOLUTIONS	2 720 614	1.55
MASHONALAND HOLDINGS LIMITED	2 403 802	1.37
TOTAL HOLDING OF TOP SHAREHOLDERS	**158 767 866**	**90.63**
REMAINING HOLDING	**16 422 776**	**9.37**
TOTAL ISSUED SHARES	**175 190 642**	**100**

Notice to Shareholders

NOTICE IS HEREBY GIVEN THAT the 36th Annual General Meeting of the shareholders of ZB Financial Holdings Limited will be held virtually via the Microsoft Teams application, on Friday 27 June 2025, commencing at 1000 hours to transact the following business:

ORDINARY BUSINESS

1. Financial Statements and Statutory Reports

To receive, consider, and adopt, if appropriate, the financial statements, and the reports of the Directors and Auditors for the year ended 31 December 2024.

2. Dividend

To confirm the final dividend of US0.57 cents per ordinary share for the year ended 31 December 2024 as recommended by the Board, subject to regulatory approvals. A separate dividend notice will be published to this effect.

3. Directorate

i. In terms of Article 68 of the Company's Articles of Association, Messrs Samuelle Zvikomborero Goodson Dimairho and Peter Michael Victor Wood retire by rotation. The directors have offered themselves for re-election.

ii. Mr Shepherd Tonya Chimutanda was appointed to the Board after the last Annual General Meeting of the Company, retire at the end of the meeting in terms of Article 62 of the Company's Articles of Association. Being eligible, he offers himself for re-election.

iii. The election of the Directors will be done by separate resolution for each Director.

4. Remuneration of Directors

To approve the remuneration of Directors for the past financial year.

(NOTE: In terms of Section 3 of Practice Note 4 issued by the ZSE on the 17th of January 2020, the Director's Remuneration Report shall be available for inspection by members at the registered office of the Company).

5. External Auditors

i. To approve the remuneration to Ernst and Young (Zimbabwe), the Company's Auditor for the 2024 financial year's audit, in terms of Article 112 of the Articles of the Company.

ii. To appoint auditors for the ensuing year until the conclusion of the next Annual General Meeting. Ernst and Young (Zimbabwe), the current auditors of the Company have indicated their willingness to continue as auditors of the Company. Ernst and Young (Zimbabwe) have served as auditors of the Company for two (2) financial periods.

Notice to Shareholders (continued)

6. Any Other Business

To transact any other business as may be transacted at an Annual General Meeting.

Notes

i. Appointment of Proxy

In terms of the Companies and Other Business Entities (Chapter 24:31), a member entitled to attend and vote at a meeting is entitled to appoint a proxy to attend and vote and speak in his/her stead.

The proxy form must be delivered at the registered office of the Company not less than 48 hours before the meeting is scheduled to commence.

A proxy need not be a member of the Company.

ii. General Information

a. The minutes of the last Annual General Meeting held on 28 June 2024 are available for inspection at the Company's registered office.

b. Electronic copies of the Company's 2024 Annual Report comprising of the Directors Report, the independent Auditor's Report and the consolidated and separate Company's financial statements for the year ended 31 December 2024, can be accessed on the Company's website https://www.zb.co.zw/investor-updates/. Copies have been emailed to shareholders whose e-mail addresses are on record.

c. Physical attendance at the meeting may be difficult for some members. The Company will therefore facilitate electronic participation at the meeting for any such affected members, subject to that any voting for such member must be in the form of a duly executed form of proxy to be received by the company in the manner prescribed under the "Appointment of Proxy" section above.

Members requiring log in credentials or any other assistance with regards to electronic participation should contact ZB Transfer Secretaries on +263-08677002001 or +263-242 2934 585. In the alternative, e-mails can be sent to Robert Mutakwa (rmutakwa@zb.co.zw) or Paidamoyo Mberikwazvo (pmberikwazvo@zb.co.zw) or transfersecretaries@zb.co.zw.

By order of the Board

T. F. A. MASIIWA
Group General Counsel
6 June 2025
First Floor, 21 Natal Road Avondale
HARARE

CORPORATE INFORMATION

ZB FINANCIAL HOLDINGS HEAD OFFICE AND REGISTERED OFFICE
21 Natal Road, Avondale
Harare
T: +263 867 700 2001
E-mail: zb@zb.co.zw
Facsimile: +263 4 251029
Web address: www.zb.co.zw

AUDITORS
Ernst & Young Chartered Accountants (Zimbabwe)
Angwa City
Cnr Julius Nyerere Way /
Kwame Nkrumah Avenue
Harare

LAWYERS
ChimukaMafunga Commercial Attorneys
9th Floor, ZB Life Towers
Corner 2nd Street, Jason Moyo Ave
Harare

SUSTAINABILITY ADVISORS
Institute for Sustainability Africa (INSAF)
65 Whitwell Road
Borrowdale West
Harare

ZB TRANSFER SECRETARIES (PRIVATE) LIMITED
21 Natal Road
Avondale
Harare

ZB Financial Holdings Group Footprint Contact Details

For the year ended 31 December 2024

ZB FINANCIAL HOLDINGS HEAD OFFICE AND REGISTERED OFFICE

21 Natal Road
Avondale
Harare
Telephone: +263 (0) 867 700 2001
E-mail: zb@zb.co.zw
Facsimile: +263 - 4 - 251029
Web address: www.zb.co.zw

ZB BANK UNITS

Managing Director's Office

21 Natal Road
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Telephone: +263 (0) 867 700 2001
E-mail: zb@zb.co.zw
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Head Corporate and Investment Banking

21 Natal Road
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Harare
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E-mail: zb@zb.co.zw
Facsimile: +263 - 4 - 251029
Web address: www.zb.co.zw

Credit Services Bulawayo

Cnr Fife Street and 10th Avenue
PO Box 849
Bulawayo
Telephone: (09) 888501/5, 75031/9
Fax: (09)75030,76032
E-mail: info@zbco.zw
Web address: www.zb.co.zw

Agribusiness

21 Natal Road
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Web address: www.zb.co.zw

Head Treasury

21 Natal Road
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Telephone: +263 (0) 867 700 2001
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Facsimile: +263 - 4 - 251029
Web address: www.zb.co.zw

Investment Banking

21 Natal Road
Avondale
Harare
Telephone: +263 (0) 867 700 2001
E-mail: zb@zb.co.zw
Facsimile: +263 - 4 - 251029
Web address: www.zb.co.zw

Head Retail Banking

21 Natal Road
Avondale
Harare
Telephone: +263 (0) 867 700 2001
E-mail: zb@zb.co.zw
Facsimile: +263 - 4 - 251029
Web address: www.zb.co.zw

International Business and Trade Finance

21 Natal Road
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Harare
Telephone: +263 (0) 867 700 2001
E-mail: zb@zb.co.zw
Facsimile: +263 - 4 - 251029
Web address: www.zb.co.zw

Electronic Banking

Cnr Robert Mugabe Road/Chinhoyi Street
P O Box 3198
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Tel: (04) 781361/6
Fax: (04) 751869

RETAIL BANKING UNITS

21 Natal Road Service Centre

21 Natal Road
Avondale
Harare
Telephone: +263 (0) 867 700 2001
E-mail: zb@zb.co.zw
Facsimile: +263 - 4 - 251029
Web address: www.zb.co.zw

Airport Service Centre

Harare International Airport
P O Box 4189
Harare
Telefax: 575364

Avondale Service Centre

Riverside Walk
King George Way
P O Box A92
Avondale
Harare
Tel: (04) 334281/4
Fax: (04) 302798

Borrowdale Service Centre

34 Sam Levy Village
P O Box BW480
Borrowdale
Tel: (04) 885686/8
Fax:- (04) 883262

ZB Financial Holdings Group Footprint Contact Details (continued)

For the year ended 31 December 2024

ZB BANK (continued)

Chisipite Service Centre
2 Hind House
P Box CH 233
Chisipite
Harare
Tel: (04) 495145/61
Fax: (04) 495161

Douglas Road Service Centre
Lytton/Douglas Roads
P O Box ST491
Southerton
Harare
Tel: (04) 772181/772182
Fax: (04) 772183

Electronic Transactions Centre
Ground Floor, ZB Centre
Harare
Tel: (04) 796849
Fax: (04) 774303

First Street Service Centre
46 Speke Avenue
ZB House
P O Box 3198
Harare
Tel: (04) 757471/9 757535/40
Fax: (04) 752211

Gazaland
5986- 237 Street
Western Triangle
Highfield
Harare
Tel: 0772 453 455

Graniteside Service Centre
27B, Cripps Road
Graniteside
Harare
Tel: (04) 772062/5
Tel/Fax: (04) 772062

High Glen
1027, Glenview Complex
Glenview
Harare
Tel: +263 (0) 8677002001

Longcheng
Shop 99-100
Longcheng Plaza Complex
Cnr Mutley Bend/Samora Machel West
Avenue
Belvedere
Tel: +263 (0) 8677002001

Msasa Service Centre
Colonade Complex Beverley West
P O Box AY160
Amby
Tel: (04) 486427/9
Fax: (04) 486427/9

Premier Tobacco Service Centre
334. Affirmative Way
Willowvale
Harare
Tel: 611240

Rotten Row Service Centre
Kaguvi St/Kwameh Nkrumah Avenue
P O Box 1374
Harare
Tel: (04) 774281/9, (04) 774303/9
Fax: (04) 774281 Ext 6012

Ruwa
Stand No. 428
Bay 1 Maha
Ruwa
Tel: (0273) 2691

Siyaso
Block 33, Siyaso
Mbare
Harare
Tel: 0777 939 270, 0772 308 532

Tobacco Sales Floor Service Centre
161 Eltham Road
Gleneagles Road
Willowvale
Harare
Tel: 621621
Fax: 621639

Westend Service Centre
Cnr Robert Mugabe Road/Chinhoyi
Street
P O Box 3198
Harare
Tel: (04) 781361/6
Fax: (04) 751869

Belmont Service Centre
10 Birmingham Road
P O Box 8025
Bulawayo
Tel (09) 61795/7
Fax: (09) 889579

Bulawayo Polytechnic
Corner 12th Street and Park Road ,
Bulawayo
Tel:(09) 231422/424

Fife Street Service Centre
Cnr Fife Street/10th Avenue
P O Box 849
Bulawayo
Tel: (09) 888501/6
Fax: (09) 75030

Jason Moyo Service Centre
Old Mutual Centre
Cnr Jason Moyo St/8th Avenue
P O Box 2148
Bulawayo
Tel: (09) 882491/9
Tel: (09) 68801

Beitbridge Service Centre
Bloomfield Centre
P O Box 250
Beitbridge
Tel: (0286) 22641
Fax: (0286) 22817

ZB Financial Holdings Group Footprint Contact Details (continued)

For the year ended 31 December 2024

ZB BANK (continued)

Colleen Bawn Service Centre
Stand No. 90
P O Box 40
Colleen Bawn
Tel: (0284) 24445/6
Fax: (0284) 24445

Gwanda Service Centre
Shop No. 8, NSSA Complex,
P O Box 371
Gwanda
Tel: +263 (0) 8677002001

Hwange
Coronation Drive
Hwange
P. O. Box 191
Tel: (0281) 23208 / 22444 / 23587
Cell: 0774 144 281

Plumtree Service Centre
Kingsway Drive
P Bag 5924
Plumtree
Tel: (019) 2282/2410

Victoria Falls Service Centre
P O Box 100
Livingstone Way
Victoria Falls
Tel: (013) 44541/2
Fax: (013) 42070

Gweru Service Centre
36 R. Mugabe Way
P O Box 736
Gweru
Tel: (054) 222501/4
Fax: (054) 225938

Kadoma Service Centre
42 R. Mugabe Street
P O Box 430
Kadoma
Tel: (068) 22112/4

Kwekwe Service Centre
Cnr 3rd Avenue/ R. Mugabe Street
P O Box 478
Kwekwe
Tel: (055) 22813/4
Fax: (055) 24124

Midlands State University Campus
Senga Road
Gweru
Tel: (054) 260622

Sanyati Service Centre
Stand 39/42
P Bag 2002
Sanyati
Tel:- (0687) 2507/9

Shurugwi Service Centre
287/288 Beit Street
Shurugwi
Tel: (052) 6813 & 6604

Zvishavane Service Centre
86 Fowler Avenue
Zvishavane
P O BOX 7
Zvishavane
Tel:- (051) 2934
Telefax (051) 2934

Marondera Service Centre
Ash Street
P O Box 414
Tel: (079) 24001/1

Mutare Service Centre
88 Herbert Chitepo Street
P O Box 646
Mutare
Tel: (020) 63587
Fax: (020) 68673

Rusape Service Centre
20 Herbert Chitepo Street
Box 234
Rusape
Tel: (025) 2395/2336

Chiredzi
350 Chilonga Drive
Chiredzi
Tel: (031) 3116 / 2746
Cell: 0772 405 649

Gutu Service Centre
Stand 362/3 Mpandawana
P O Box 19
Gutu
Tel: (030) 2564/66

Masvingo Service Centre
Electricity House
R. Mugabe Street
P O Box 600
Masvingo
Tel: (039) 262856/7
Fax:(039) 265285

Mwenezana Service Centre
P O Box 60
Mwenezana Estates
Mwenezi
Cell: 0772 420 828
Fax: 014/273

Triangle Service Centre
Ground Floor, Vernon Crooks Court
Triangle
Tel: (033) 6992
Fax: (033) 6993

Chinhoyi Service Centre
Stand 47 Magamba Way
P O Box 399
Chinhoyi
Tel: (067) 22274, 23146
Fax: (067) 25845

Chinhoyi University
78, Off-Harare Chirundu Road
Chinhoyi
Tel: (067) 28541/28527

ZB Financial Holdings Group Footprint Contact Details (continued)

For the year ended 31 December 2024

ZB BANK (continued)

Karoi Service Centre
No. 3 Rose Way Road
Karoi
Tel: (064) 7350/1

Kariba Service Centre
Stand No. 636, Nyamhunga T/Ship
P O Box 270
Kariba
Tel: 061-3101/3102/3043-4
Fax: 061-2892

Murombedzi Service Centre
Murombedzi Township
P O Box 100
Murombedzi
Tel: (0678) 2133/2131
Fax: (0678) 2133

Ngezi Service Centre
Old Mutual Complex
Shop no 6
Turf Village, Ngezi
Cell: 0772 415 175

Bindura
28 Robert Mugabe Road
Bindura
Tel: (0271) 6373 / 6870
Cell: 0772 990 266

Mt Darwin Service Centre
Cnr Hospital/Bindura Road
P O Box 110
Mt Darwin
Tel: (076) 2532, 335
Fax: (076) 2633

QUPA MICROFINANCE

Head Office
2nd Floor
ZB Chambers
Corner George Silundika and First Street
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Telephone: +263 (0) 867 700 2001

QUPA ZB Chambers Service Centre
2nd Floor
ZB Chambers
Corner George Silundika and First Street
Harare
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ZB LIFE ASSURANCE LIMITED

Head Office
ZB Life Towers
Sam Nujoma Street /Jason Moyo Avenue
P O Box 969
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Telephone: 708801/09
E-mail: info@zblife.co.zw
Website: www.zb.co.zw

Bulawayo
ZB Life Centre
90 Main Street
P O Box 517
Bulawayo
Tel: (09) 65632
Fax: (09) 71002
Bulawayo@zblife.co.zw

Gweru
Intermarket Place
36 – 6th Street
P O Box 1931
Gweru
Tel: (054) 227826
gweru@zblife.co.zw

Harare
Chiyedza House
Frist Street/Kwame Nkrumah Avenue
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Harare
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info@zblife.co.zw

Mutare
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Mutare
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Fax: (020) 64084
mutare@zblife.co.zw

ZB Financial Holdings Group Footprint Contact Details (continued)

For the year ended 31 December 2024

ZB BUILDING SOCIETY

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Shop No. 5
Old Mutual Complex
Chitungwiza
Tel: (0270) 22281
Cell: 0772 606 905
E-mail: info@zbco.zw
Website: www.zb.co.zw

ZB REINSURANCE LIMITED

Head Office
Finsure House
5th Floor
Sam Nujoma Street/Kwame Nkrumah Avenue
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Telephone: 759735-7
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E-mail: info@zbre.co.zw
Website: www.zb.co.zw

Bulawayo Office
2nd Floor ZB Centre
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Bulawayo
Tel: (09) 65631/3
Fax: (09) 71002
E-mail: info@zbco.zw
Website: www.zb.co.zw

ZB CAPITAL (PRIVATE) LIMITED

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Tel: +263 (0) 8677002001
Fax: +263 (04) 251029
E-mail: info@zbco.zw
Website: www.zb.co.zw

ZB TRANSFER SECRETARIES (PRIVATE) LIMITED

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Fax: +263 (04) 251029
E-mail: info@zbco.zw
Website: www.zb.co.zw


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today
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@zbforyou
@zb_foryou
@zb_foryou
ZB Financial Holdings