Financial Holdings

Annual Report 2025

ZB Bank Sustainability Certified Financial Institution

Purpose, Vision, Mission and Core Values

Our Philosophies

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

- Empathy
- Accountability
- Excellence
- Integrity
- Innovation

About this Report

ZB Financial Holdings Limited, a diversified financial services Group listed on the Zimbabwe Stock Exchange (ZSE) since 1967, presents the integrated annual report for the year ended 31 December 2025. This report demonstrates commitment to supporting sustainable economic growth by offering a wide range of services, including banking, insurance, and investments, with a focus on innovation, strong risk management, and customer-centric solutions. We remain committed to promoting financial inclusion, maintaining sound governance, and supporting sustainable finance.

Reporting Scope

This report contains information for ZB Financial Holdings Limited (the Company), and its subsidiaries. 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' and 'ZBFH', 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).

This report includes elements of IFRS Sustainability related disclosures (IFRS S1 and S2) applied in the identification of material sustainability and climate related risks and opportunities. Although these standards are not yet mandatory in Zimbabwe, the Group, operating within the financial services sector, took a proactive forward looking approach by aligning selected disclosures for an anticipated implementation of the roadmap of the Public Accountants and Auditors Board (PAAB) for Zimbabwe.

Sustainability Data and Assurance

This report was compiled using qualitative and quantitative data extracted from Group 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. ZB Financial Holdings Limited did not make any restatement of sustainability data previously published. All financial figures in this report are stated in ZWG.

The Financial statements were prepared in accordance with the IFRS Accounting Standards as issued by the International Accounting Standards Board and audited by Ernst and Young Chartered Accountants (Zimbabwe) in accordance with the International Standards on Auditing (ISAs) as issued by the International Auditing and Assurance Standards Board (IAASB). The independent auditors report is found on page 106-113. 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 is found on pages i-v. The sustainability data provided in this report was not externally assured.

About this Report (continued)

Materiality

The sustainability materiality assessment for ZB Financial Holdings Limited was conducted using a double materiality approach, reflecting the Group's significant impacts on the economy, environment, and society, as well as how these factors influence the business and its stakeholders. The results of the assessment are presented on page 54-55.

ZB Financial Holdings Service Offering

Banking
- Personal Banking
- Corporate Banking
- International Banking

Insurance
- Life Assurance
- Reinsurance Cover
- Cash Funeral Plan

Investments
- Property Investment
- Investment Banking
- Asset Management

Loans
- Personal Loan
- Business Loan
- Microfinance

Security
- Fraud Awareness
- Security Personal

Sustainable Development Goals

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 do 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 General Counsel Email: tmasiiwa@zbholdings.co.zw

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Performance Review

- Key Performance Reflections
- Chairman's Statement
- Group Chief Executive's Statement

Key Performance Reflections

Financial Highlights

Total Assets (ZWG)	Total Capital Reserves (ZWG)	Profit After Tax (ZWG)	Revenue (ZWG)	Cash Generated from Operations (ZWG)
12.85% ↑	13.43% ↑	34.84% ↓	25.13% ↑	27.1% ↑
16,080 billion (2025)	7,381 billion (2025)	0,679 billion (2025)	3,889 billion (2025)	0,741 billion (2025)
14.249 billion in 2024	6,507 billion in 2024	1.042 billion in 2024	3,108 billion in 2024	0,583 billion in 2024

Tracking our Sustainability Impacts

Grid Electricity (kWh)	Water Consumed (m^3)	Diesel (Litres)	Petrol (Litres)	Average Training Hours	Total Employees
38.04% ↓	65.92% ↑	14.71% ↑	28.06% ↑	63.40% ↓	14.41% ↓
3,416,345 (2025)	18,070 (2025)	428,031 (2025)	319,426 (2025)	1.27 (2025)	855 (2025)
5,514,111 in 2024	10,891 in 2024	373,148 in 2024	249,432 in 2024	3.47 in 2024	999 in 2024

Key Performance Reflections (continued)

Awards

First runner up at the Corporate Shared Values awards for a brand that has invested in improving communities

The winner of Life Insurance Award merit from the Top Companies Survey 2025.

Non- Life Reinsurance Award from the Top Companies Survey 2025

Outstanding Cybersecurity team of the year awarded to ZB Financial Holdings by the ICSZ.

Stakeholder Engagement Award – awarded to ZB Financial Holdings.

Capital Markets Awards – ZB Transfer Secretaries -Best Transfer Secretary award.

Group Compliance Team awarded by Institute of Corporate Governance & Enterprise Risk.

Confederation of Zimbabwe Retailers-Financial Services Provider of the Year: Business to Consumer

ZB Bank voted the Outstanding Financial institution in Mash West and best in Corporate Social Responsibility Award.

ESG Awards Sustainable Standards Certification Initiative (SSCI) Pioneer, ESG Network Zimbabwe

SMEDCO Awards-1st Runner Up-Financial Access to MSMEs

Chairman's Statement

"Despite the challenging environment, the Group's operations remained profitable, posting a Profit after Tax (PAT) of ZWG0.679 billion compared to the ZWG 1.042 billion restated profit, in 2024."

Agnes Makamure
Chairman

Operating Environment:

The operating environment during the period under review remained relatively stable, although global headwinds continued to weigh on economic activity. Heightened US policy uncertainty, combined with ongoing geopolitical and trade tensions, dampened global growth prospects.

In Zimbabwe, the economy grew by 6.6% in 2025, underpinned by strong performances in the agricultural and mining sectors. During the 2024/25 agriculture season, good performance was recorded in wheat and maize crops, while tobacco output reached a historic high of over 350 million kilograms. In mining, gold output surged by 28% in 2025, rising to 46.70 tonnes from 36.48 tonnes in 2024.

The official exchange rate remained largely stable, depreciating by 0.7% for the full year, from US$1: ZWG25.7985 on 1 January 2025 to US$1: ZWG25.9807 on 31 December 2025. This relative stability reflects the Reserve Bank of Zimbabwe's (RBZ) tight monetary policy stance, with the bank policy rate maintained at 35% throughout 2025. Statutory reserve requirements also remained unchanged at 30% for demand and call deposits and 15% for savings and time deposits for both foreign and local currency deposits. While these measures supported currency stability, they also constrained credit growth, limiting the banks' lending capacity.

Inflationary pressures moderated over the course of the year. Annual weighted inflation fell from 42.7% in January 2025 to 13.3% in December 2025, with monthly weighted inflation averaging 1.1% across the year. For ZWG inflation, annual levels spiked to a peak of 95.8% in July 2025, before easing significantly to 15% by December 2025. This decline reflected tighter liquidity management and improved currency stability. Monthly ZWG inflation slowed sharply in the final quarter, averaging below 1%. Regarding USD inflation, annual rates remained relatively contained, easing from 14.4% in mid-2025 to 12.4% by December 2025. This was supported by stronger export earnings and steady foreign currency reserves, which contributed to maintaining price stability in the USD economy.

Chairman's Statement (continued)

Stable macroeconomic conditions also encouraged greater use of the ZWG currency, with its share of National Payment System electronic transactions increasing to between 30% and 40% of total transactions by December 2025.

Group Performance:

Despite the challenging environment, the Group's operations remained profitable, posting a Profit after Tax (PAT) of ZWG0.679 billion compared to the ZWG 1.042 billion restated profit, in 2024. The decline in profit was largely impacted by a drop in Exchange gains as a result of stabilisation of ZWG exchange rates. However, I am pleased to advise that maintainable earnings (excluding unrealised Exchange Gains and Fair Values) improved from a loss of (ZWG0.292) billion in 2024 to a positive position of ZWG0.073 billion as the Group placed more reliance on revenues from its core business. The Business also recorded increased operating costs due to the staff rationalisation exercise carried out during the year.

Capital Requirements:

The Group remains committed to maintaining robust capital adequacy. As at 31 December 2025, all the Group companies were in compliance with the prescribed minimum capital requirements. The Group made a resolution to surrender the Building Society's banking operating licence to the Reserve Bank of Zimbabwe (RBZ) in a bid to optimise capital and address the shortfall at Building Society. The Reserve Bank of Zimbabwe approved and cancelled the license on 19 December 2025. Subsequent to year end, the Group has appointed the Depositors Protection Commission as the liquidator in compliance with regulation, who will be managing the winding down of the Society's operations and distribution of assets.

Dividends:

The Board has declared a final dividend of USD0.84 cents per share for the year ended 31 December 2025. A separate announcement with further details will be published in due course.

Strategy

The Group's five-year strategic plan for 2021-2025 concluded at the end of the year, and the Group has crafted another fiveyear strategic plan which will run from 2026-2030. Building on the base established thus far, this strategy focuses on attaining sustainable business growth and market expansion whilst creating happy people.

Directorate:

Mrs Emmah N Mungoni resigned from the ZB Financial Holdings Board on 30 June 2025. On behalf of the Board and Management, I extend my gratitude for her contributions and appreciate her for her distinguished service to the Group as both Director and Chief Financial Officer. I wish her success in her future endeavours.

Mrs Letwin Mawire was appointed as the Chief Financial Officer and Executive Director of ZB Financial Holdings Limited Board with effect from 09 October 2025. We look forward to her invaluable contribution towards the Group's continued success.

Mr. Peter M.V. Wood retired by rotation at the Annual General Meeting held on 27 June 2025, and being eligible, did not offer himself for re-election. The Board, Management, and staff would like to thank Mr. Peter M.V. Wood for his dedicated service and commitment to ZB Financial Holdings Limited. The Board wishes him well for the future.

Outlook:

Looking ahead, Zimbabwe's economy is projected to register positive growth of 5.0% in 2026 according to the World Bank. This expansion is expected to be driven largely by strong agricultural performance, supported by anticipated La Niña weather conditions and increased investment in high-value crops such as wheat and horticulture. Developments in the mining sector are likely to be mixed: while gold production should benefit from persistently high global prices, demand for other minerals—particularly Platinum Group Metals (PGMs)—may remain subdued amid weaker global industrial activity. Other key sectors, including manufacturing, tourism, and services, are forecast to record moderate growth, underpinned by a relatively stable macroeconomic environment. Despite this outlook, downside risks remain. Domestic structural constraints, including foreign currency shortages, energy supply challenges, and infrastructure gaps, may weigh on economic expansion. These risks are compounded by global headwinds, notably geopolitical tensions and heightened trade uncertainty.

Chairman's Statement (continued)

On the policy front, the Reserve Bank of Zimbabwe (RBZ) is expected to maintain a cautious stance, skewed towards tight monetary policy aimed at preserving macroeconomic stability. Likewise, fiscal policy is also anticipated to remain anchored on supporting price and currency stability. However, the need to balance between stability and growth may see policymakers recalibrating policies to avoid constraining private sector investment and overall economic growth. Furthermore, de-dollarization is increasingly becoming a realistic prospect, anticipated to be implemented anytime in line with the Central Bank's new policy to base the transition not on a specific date (2030), but on the attainment of certain monetary conditions particularly exchange rate and inflation stability.

Against this backdrop, the Group will continue to support Government in advancing Vision 2030, with a particular focus on strengthening productive sectors of the economy and promoting greater financial inclusion.

Conclusion:

I extend my appreciation and gratitude to our valued customers and all other key stakeholders, without whom the Group would not have been able to sustain its operations. Furthermore, I remain grateful to Board colleagues, Management and Staff, whose collective contributions enabled the ZBFH Group to attain this performance for the financial year ended 31 December 2025.

Despite the challenges posed by the operating environment, our combined interventions and inputs have ensured that the Group continues to maintain its strong position.

A. Makamure
(Chairman)

30 March 2026

Group Chief Executive's Statement

"The Group's total income increased from ZWG3.108 billion in 2024, to ZWG3.889 billion in 2025. 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."

Shepherd T Fungura
Group Chief Executive Officer

Introduction:
Dear Stakeholder, I am pleased to present the financial results of ZB Financial Holdings for the year ended 31 December 2025.

Performance Outturn:

Preamble
The average exchange rate moved from USD1: ZWG17.94 for the year ended 31 December 2024 to USD1: ZWG26.59 for the 2025 financial year end. This has resulted in significant movements and distortions in the Statement of Profit or Loss and Other Comprehensive Income lines, therefore comparability should be taken in that context.

The Group's total income increased from ZWG3.108 billion in 2024, to ZWG3.889 billion in 2025. This performance outturn was on the back of significant improvement in non-funded income mainly from Commissions, Fees, despite a decline in Other income streams, whilst Funded income registered a steady improvement.

Despite decrease in loans and advances, the Group's net interest income increased from ZWG0.475 billion in 2024 to ZWG1.202 billion in 2025. Loan impairment charges, net of recoveries increased from ZWG0.104 billion in 2024 to ZWG0.256 billion in 2025. Resultantly, Income from lending activities rose from ZWG0.370 billion in 2024 to ZWG0.946 billion in 2025, aided by improved interest margins.

Banking Commissions and Fees went up to close 31 December 2025 at ZWG1.773 billion. The improvement was mainly due to the efficiency of the new banking system which resulted in the increased usage of our digital platforms by our customers.

Insurance Service Result increased to ZWG0.211 billion in 2025 against a loss of ZWG0.007 billion in 2024, largely as a result of an increase in Insurance Service Revenue from ZWG0.424 billion in 2024 to ZWG0.976 billion in 2025. This performance was largely due to policy upgrades which resulted in the improvement in the sum assured by the Life Assurance business while the Reinsurance business recorded increased new business and share participation.

Group Chief Executive's Statement (continued)

The Group's operating costs increased from ZWG1.813 billion in 2024 to ZWG2.923 billion in 2025. The Group incurred rationalisation costs as it continued to optimise its staff compliment. Cost savings are expected in the coming years as processes become fully automated.

The Group's profit after tax closed at ZWG0.679 billion in 2025 from ZWG1.042 billion in 2024. The decline was mainly as a result of reduction in Exchange gains and also increased operating costs due to the staff rationalisation exercise. However, I am pleased to advise that maintainable earnings (excluding unrealised Exchange Gains and Fair Values) improved from a loss of (ZWG0.292) billion in 2024 to a positive position of ZWG0.073 billion as the Group placed more reliance on revenues from its core business.

Meanwhile, the Group's total assets increased, from ZWG14.249 billion as at 31 December 2024 to ZWG16.080 billion as at 31 December 2025. The growth emanated from an increase in the Cash balances, Investment Properties and Investments in Financial Assets.

Deposits and other related funding account balances closed the year at ZWG6.570 billion as at 31 December 2025, representing a growth from ZWG5.483 billion as at 31 December 2024. The growth was supported by an increase in USD deposits across all sectors.

The Group maintained a comfortable liquidity margin of safety, with the ratio of liquid assets to customer deposits being above 82% throughout the year against a prescribed ratio of 30%.

Operations Review

Banking Operations:

ZB Bank Limited reported a profit after tax of ZWG0. 433 billion in 2025 from ZWG1.080 billion in 2024. The decline in profitability was mainly due to the reduction in Exchange gains due to the stabilisation of exchange rates. Operating costs also increased due to the Staff rationalisation exercise.

The Bank's total assets increased to ZWG11.792 billion as at 31 December 2025, compared to ZWG10.235 billion as at 31 December 2024. Treasury Bills worth ZWG1.291 billion had matured by 31 December 2025 and the Government of Zimbabwe has started issuing replacement Treasury Bills in 2026.

Insurance Operations:

ZB Reinsurance posted a profit after tax of ZWG0.121 billion in 2025, up from ZWG0.036 billion in 2024, representing an increase in earnings. Its total assets grew from ZWG0.487 billion as at 31 December 2024 to ZWG0.499 billion at the end of 2025.

P & C Reinsurance (Botswana Operations) continued on its growth trajectory with Profit After Tax improving from USD1.004 million in 2024 to USD1.336 million in 2025 while the Total Assets grew from USD4.805 million to USD7.505 million respectively. The strong performance of the entity was driven by prudent underwriting complimented by expanded product mix and new markets acquired over the period.

ZB Life Assurance recorded a profit of ZWG 0.043 billion in 2025, in comparison to ZWG0.209 billion in 2024. The decline in profitability was mainly due to the reduction in Exchange gains due to the stabilisation of exchange rates. Its total assets increased from ZWG 1.009 billion as at 31 December 2024 to ZWG 1.150 billion as at 31 December 2025.

Investments:

In 2025, Mashonaland Holdings Limited (Mash) posted a profit after tax of ZWG 0.107 billion, up from ZWG 0.050 billion in 2024, representing an increase in profitability. Its total assets rose from ZWG 2.449 billion as at 31 December 2024 to ZWG 2.647 billion at the end of 2025. During the year, Mash commissioned the Pomona Commercial Centre and 12 Van Praagh Day Hospital projects.

ZB Asset Management was licenced in August 2025 and officially opened to the public on 1 November 2025 following approval from Securities Exchange Commission to commence operations. The Company has various products which include multi asset funds, high interest money market funds among others. It has also entered into strategic offshore partnerships and therefore offers USD denominated offshore products with exposure to global securities.

Group Chief Executive's Statement (continued)

Internal Processes:
One of the major projects in FY2025 was the launch of the new core banking system, which has resulted in the Group improving its capacity to enhance customer journeys, exceed customer expectations and improve efficiencies. In a related initiative, the Group also launched a twinned Digital Product, Smile Cash and Smile n Pay which has increased digital solutions to customers and enhanced financial inclusion.

ZB Bank was the first institution in Zimbabwe to get sustainability certification through the Reserve Bank of Zimbabwe (RBZ)-led Sustainability Standards Certification Initiative (SSCI), awarded by the European Organisation for Sustainable Development (EOSD) on 25 September 2025. Going forward, ZB will be working towards implementing Sustainability and Environmental, Social and Governance (ESG) strategies.

People & Culture:
The Group has continued to leverage off the benefits of adopting the new business model and organisational design which seeks to come up with a structure that better serves its strategy and enhance the operational efficiencies. In the period under review, 78 Staff members were disengaged under the Compulsory Disengagement Scheme (CDS).

The Group's staff complement as at 31 December 2025 stood at 855 (2024: 999).

Industrial relations remained cordial during the period under review.

Appreciation:
I am grateful to our valued customers and stakeholders for the support and commitment that they continue to render to the ZBFH Group.

I also extend my profound gratitude to the ZBFH Group Staff and Management team for their diverse contributions and efforts which enabled the Group to attain this performance for the year ended 31 December 2025.

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

S. T. Fungura
(Group Chief Executive Officer)

Harare
30 March 2026

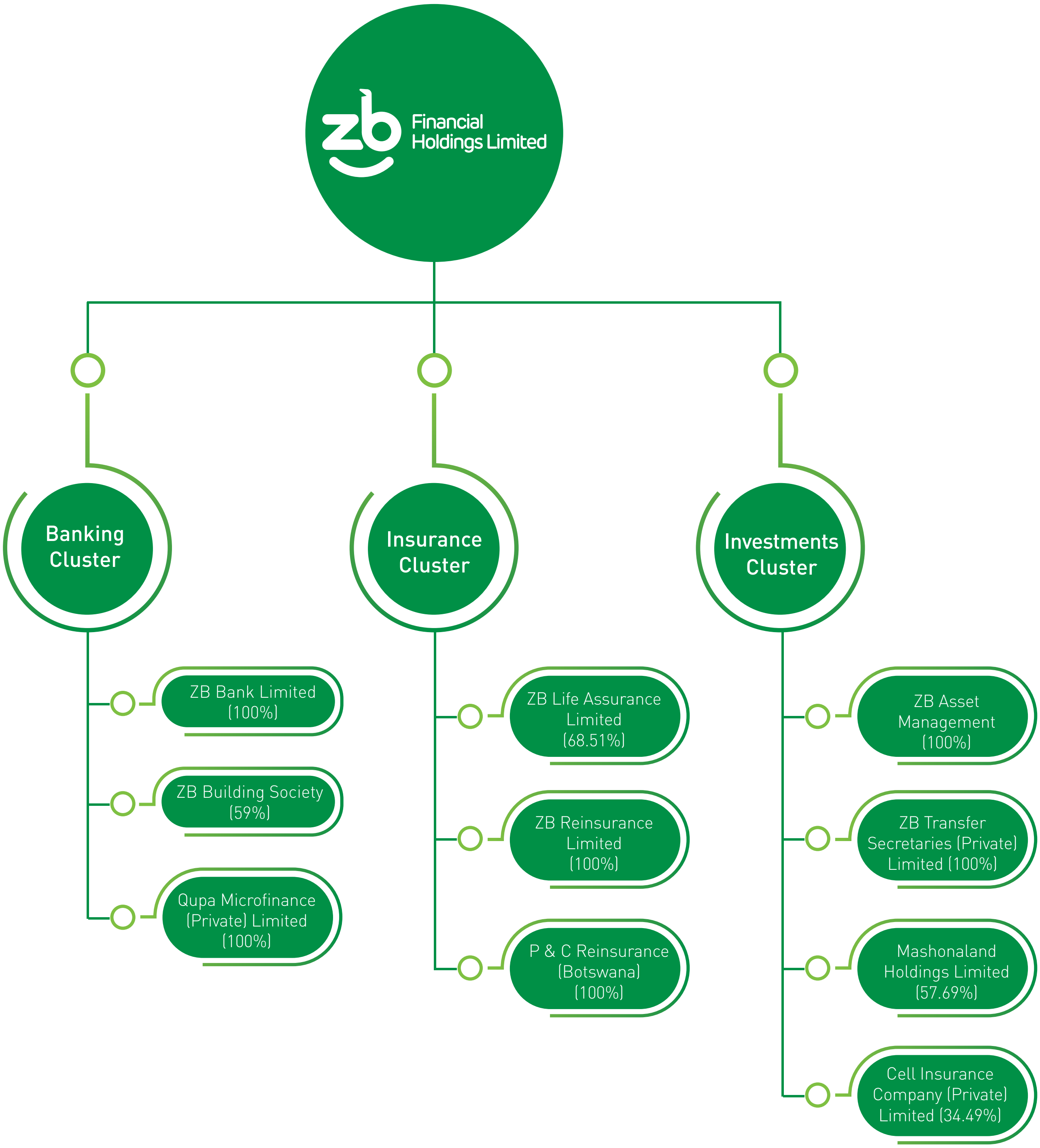
Corporate Overview

- Who we Are
- Our Journey
- Our Products and Services
- Our Business Model
- Our Operation Segments

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 Financial 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:



Who we Are (continued)

Standard Certifications

Memberships to Business Associations

- Life Offices Association
- Marketers Association of Zimbabwe (MAZ)
- Zimbabwe Association of Pensions Funds
- Bankers Association of Zimbabwe (BAZ)
- Institute of Directors Zimbabwe (IODZ)

Our Journey

1951

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

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.

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.

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).

1990

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

1992

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.

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 (32%) 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 Financial Holdings invested in a credit only Microfinance unit (QUPA Microfinance).

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 its key subsidiaries are described below:

ZB Bank Limited (ZB Bank)

ZB Bank is the flagship operation of ZBFH. 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
- Agents 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

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 ZBFH. 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 citizens
    - Savings accounts
    - FX target accounts
    - Funeral cover

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

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

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 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 ZBFH, Intermarket Life Assurance Limited changed its name to ZB Life Assurance Limited. ZB Life Assurance Limited specialises in mobilising financial resources and managing the process of wealth creation and protection through life assurance solutions. ZB Life Assurance Limited has two major products namely the individual Life Business and the Employee Benefits Business, which comprises Defined Benefit and Defined Contribution Schemes.

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

2. **Employee Benefits Products**
    - Employer sponsored occupational pension arrangements covering defined benefit and defined contribution plans as well as hybrids on the two.
    - Group insured benefits schemes from group life assurance, mortgage protection, credit life assurance solutions to funeral assurance plans.

3. **Consultancy Services**
    - Administration or secretarial
    - Actuarial
    - Insured risk benefits underwriting
    - Investment

Our Products and Services (continued)

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

ZB Reinsurance Limited is the re- insurance arm of ZBFH, offering a diverse range of reinsurance services. Establishes as Intermarket Reinsurance Limited 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 (ZBFH) 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 a regional presence.

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

1. **Fire**
   This covers fire and allied perils, including business interruption insurance cover.

2. **Engineering**
   Includes machinery breakdown, contractors all risks, electronic equipment, plant all risks, erection all risks as well as loss of profits.

3. **Motor**
   This includes comprehensive cover and third-party insurance cover for personal and commercial lines.

4. **Marine**
   - 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 ZBFH incorporated on 31 December 2010 and provides services listed below:

- Scrip management
- Transfer secretarial services

Qupa Microfinance (Private) Limited

Qupa Microfinance is a wholly owned subsidiary of ZBFH, 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 2025 ZB Financial Holdings owns 57.69%. Mash is listed on the Zimbabwe Stock Exchange (ZSE) and was incorporated in 1966, and its services include:

1. **Property Research and Development**
   The Company has undertaken landmark developments which include significant residential, commercial, and industrial projects.

2. **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)

ZBFH 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.

The following are the services offered:

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

Our Business Model

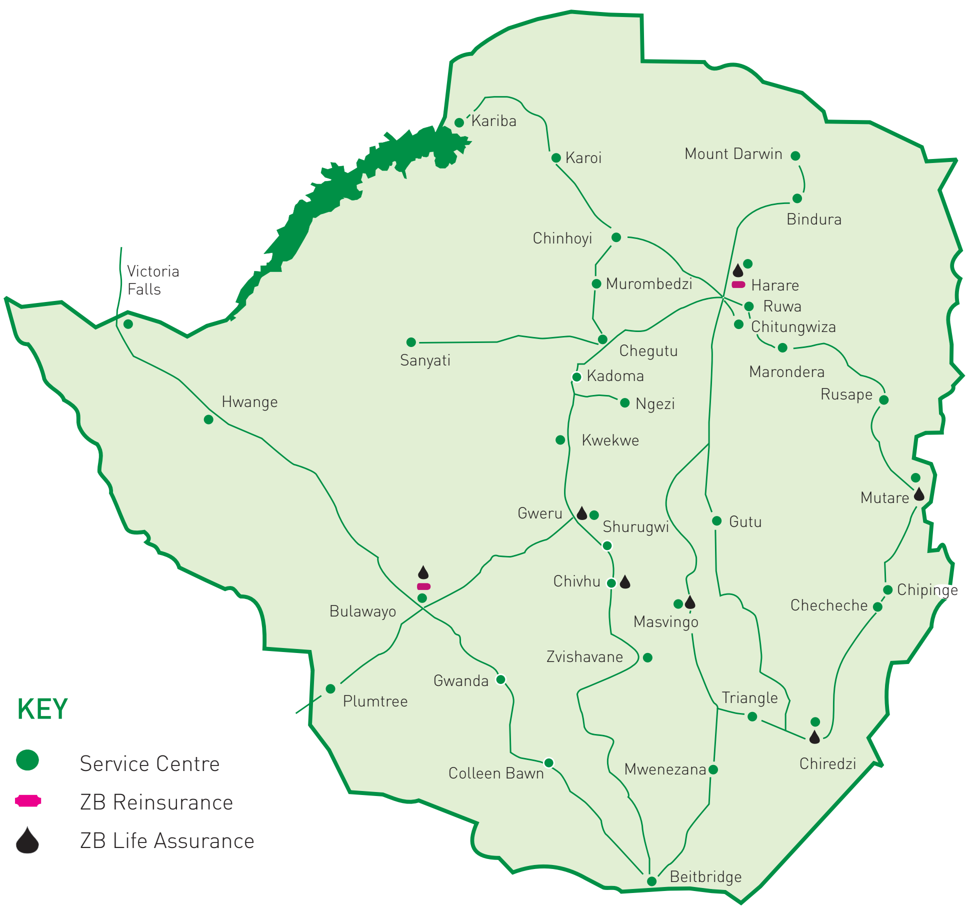
Our Business Model offers guidance on the key parameters that must be considered, facilitating the timely conclusion of investment decisions. This structured approach enables the Group to achieve substantial returns whilst minimising losses. The team acknowledges that a rigid business model, which does 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. 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. 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 Operation Segments

For the year ended 31 December 2025



Leadership and Governance

- Board of Directors
- Senior Management
- Corporate Governance Report
- Sustainability Governance
- Compliance Statement

Overview

Our leadership and governance framework is built on integrity, accountability, and a commitment to sustainable value creation. We believe strong governance is essential for long term business resilience, ethical conduct, and maintaining the trust of our stakeholders.

Leadership

- Women on the Board: **33%**
- Women in Management Positions: **38%**
- Executive Directors: **33%**
- Non-Executive Directors: **67%**
- Independent Directors: **33%**
- Average Board Tenure: **3 years**

Governance

- Board Meetings Held: **4 meetings**
- Committee Meetings Held: **4 per committee**
- Director Training Hours: **20 hours**

SDG's

Board of Directors

Agnes Makamure
Chairman (Independent)

Qualifications: Bachelor of Accountancy (Honours) Chartered Accountant (Z)

Tenure: 6 Years

Shepherd T Fungura
(Group Chief Executive)

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

Tenure: 4 Years

Other Directorships: ZB Bank, ZB Reinsurance

Letwin Mawire
(Chief Financial Officer)

Qualifications: BAcc (Honors) (UZ); Chartered Accountant (CA(Z);

Tenure: 3 months

Other Directorships: Qupa Microfinance Limited & ZB Transfer Secretaries

Thenjiwe Sibanda
Non Executive (Independent)

Qualifications: MSc in Investment Analysis, Masters in Banking and Finance. B.A Economics (Hons)

Tenure: 4 Years

Shepered Chimutanda
Non Executive (Independent)

Qualifications: FCCA Member
BSc. Honours in Applied Accounting, Oxford Brookes University (UK), Public Accountant

Tenure: 1 Year

Samuelle Dimairho
Non Executive (Independent)

Qualifications: FCCA, RPA(Z), Bsc (Hons) Applied Accounting (Oxford Brookes University), Advanced Diploma in Accounting and Business (ACCA), Certified Accounting Technician (ACCA)

Tenure: 4 Years

Other Directorships: Aura Group

Senior Management

ZBFH Senior Management

Executive Name	Designation	Qualifications
Dr Shephered Fungura	Group Chief Executive	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	MBA ,BBS(Hons), AIOBZ.
Letwin Mawire	Chief Finance Officer	Chartered Accountant, Zimbabwe B.Acc (Hons) UZ
Tandiwe Masunda	Chief Executive Officer-Investments	CA (Z), CFA (USA), Finance Bcomm. (NUST), B Compt. (UNISA)
Clement Kahiya	Chief Corporate Services Officer	Master's in Business Administration Bachelor of Business Studies (UZ)
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 and Culture Officer	MBL (University of South Africa) BSc (Hons) Political Science & Administration (University of Zimbabwe) Diploma in People Management (IPMZ)
Tinashe Masiiwa	Group General Counsel	Master's Degree Post Graduate Certificate in Risk, Compliance and Governance Bachelor of Laws (LLB)
Alex Mapako	Group Risk Executive	PhD Student (Strategic Management) Masters in Actuarial Science BSc (Hons) Applied Mathematics

Senior Management (continued)

ZBFH Senior Management (continued)

Executive Name	Designation	Qualifications
John Ziki	Group Internal Audit Executive	Post Graduate Certificate in Finance Bachelor of Accounting Science; Accounting and Auditing Association of Chartered Certified Accountants (ACCA)
Jeffery Rukwati	General Manager – Operations	Masters in Business Administration
Stephen Matsikira	Group Compliance Executive	Certified Anti-Money Laundering Specialist (CAMS) - Association of Certified Anti Money Laundering Specialists (ACAMS) Certificate in Advanced Business Risk Management Certificate in Business Risk Management Certificate in Compliance Management Diploma in Banking (AIBZ) - Institute of Bankers of Zimbabwe

ZB Bank Senior Management

Executive Name	Designation	Qualifications
Elisha Chibvuri	Chief Executive Officer	Master in Business Administration Bachelor of Business Studies (Hons)
Edmore Masinire	Finance Director	Chartered Accountant Masters in Business Leadership Bachelor of Accountancy (Hons) Bachelor of Computing Science
Faith Chauya	General Manager – Wholesale Banking	Masters in Business Administration BSc in Economics (Hons)
Rudo Manjengwa	Executive Head Retail and Digital Banking	Masters in Marketing Strategy BBA in Marketing Management Diploma in Marketing
Noah Kazingachire	Head Treasury	MSc in Banking and Financial Services BSc Economics (Hons)

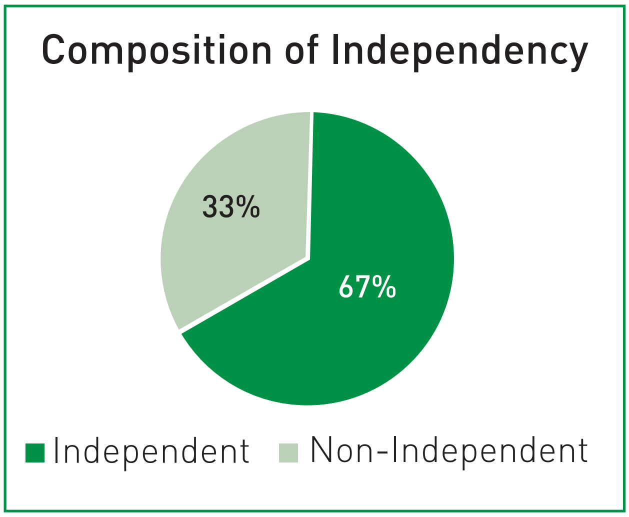
Corporate Governance

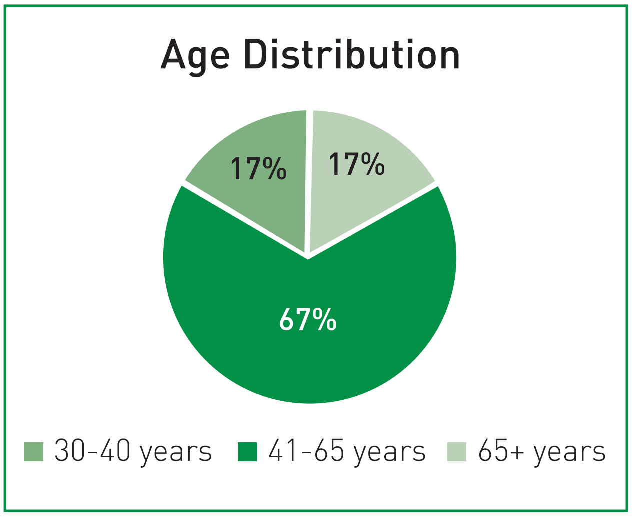
The Group upholds the highest standards of corporate governance, emphasising transparency and accountability across all operations. The formation and management of subsidiaries are guided by best practices from the King IV Report on Corporate Governance (South Africa) and the National Code on Corporate Governance in Zimbabwe (ZIMCODE). 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.

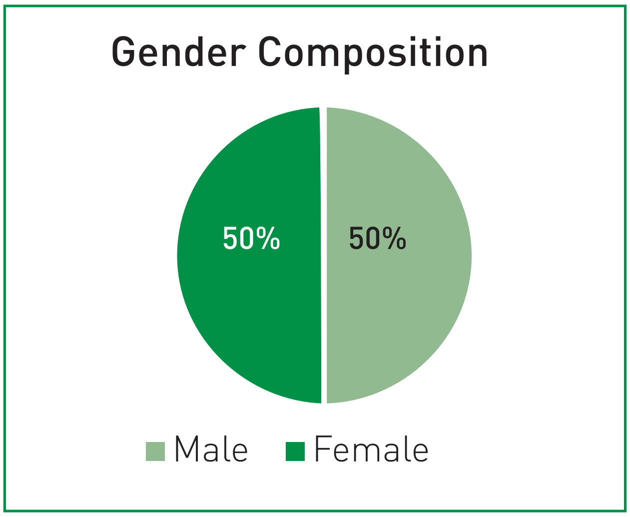
Board Composition

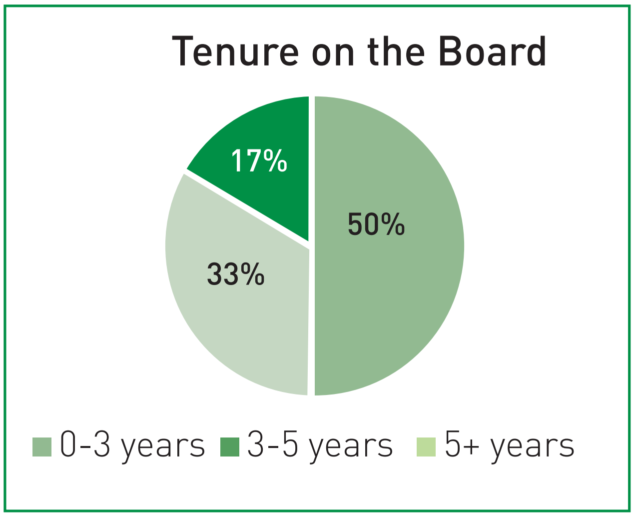
The Board of Directors consists of two Executive Directors and four Non-Executive Directors, with the Chairman serving as an Independent Non-Executive Director. Oversight of the Group's operations is delegated to the Group Executive Committee, which includes the Group Chief Executive Officer, Cluster 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 (continued)

Board Appointment

The appointment of Directors to the ZB Financial Holdings follows a formal 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 Financial Holdings 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 Financial Holdings Board established the following Board Committees:

Committee	Members	Responsibilities
Audit Committee	S. Chimutanda (Chair) T. Sibanda	• 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 (continued)

Committee	Members	Responsibilities
Governance, Risk and Compliance Committee	T. Sibanda (Chair) S. Diamairho 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 ZBFH application of its risk management systems and internal control structures.
Nomination Committee	A. Makumure (Chair) S. Dimairho	• Overseeing the process of identifying, evaluating, and recommending individuals for appointments 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.Makumure (Acting Chair) S. Dimairho T. Sibanda	• 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 (Chair) 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 (continued)

Group Committee Meeting Attendance

Board Member Name	Board Attendance	Audit Committee	Governance Risk and Compliance Committee	Nomination Committee	People and Culture Committee	Investment and Innovation Committee
Agnes Makamure	4/4	N/a	N/a	1/1	4/4	N/a
Shepherd T Fungura	4/4	N/a	N/a	N/a	N/a	N/a
Shepherd T Chimutanda	4/4	4/4	4/4	N/a	N/a	4/4
Thenjiwe Sibanda	4/4	4/4	4/4	N/a	4/4	4/4
Samuelle Dimairho	4/4	N/a	4/4	1/1	4/4	4/4
Letwin Mawire*	1/4	N/a	N/a	N/a	N/a	N/a
Peter M.V Wood^	2/4	N/a	4/4	N/a	N/a	N/a
Emmah N Mungoni ~	1/4	N/a	N/a	N/a	N/a	N/a

Key:
Not a member of the committee – N/a

Appointments

* Letwin Mawire (Appointed with effect from 09 October 2025)

Letwin is a Chartered Accountant (Zimbabwe) by profession and an insurance practitioner having worked in the industry for more than 20 years. Letwin was the Managing Director for ZB Life Assurance Limited from 2019 to 2022 before she was promoted to her role as the Chief Executive Officer: Insurance for ZB Financial Holdings Limited. Letwin also serves as a Non-Executive Director for Qupa Microfinance Limited and ZB Transfer Secretaries (Private) Limited.

Resignations

^ Peter M.V Wood (Resigned from the board with effect from 30 June 2025)
~ Emmah N Mungoni (Resigned from the Board with effect from 30 June 2025)

Corporate Governance (continued)

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];
- The 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 [PAABZ] in Zimbabwe;
- Securities and Exchange Act [Chapter 24:25]; and
- SI 134 of 2019 Securities and Exchange (Zimbabwe Stock Exchange listing Requirements) Rules, 2019.

Corporate Governance (continued)

Compliance with ZSE Practice Note 16.

The Zimbabwe Stock Exchange (ZSE) issued Practice Note 16, prescribes sustainability disclosures across 20 key metrics for listed entities.

ZB Financial Holdings complied with the following:

Economic	Environmental	Social	Governance
• Economic performance (page 95-96) • Indirect Economic Impacts (page 96) • Procurement (page 96-97) • Tax (page 97-99)	• Energy (page 87-88) • Water (page 84-85) • Waste (page 85-86) • Emissions (page 91-92)	• Employment (page 71-73) • OHS (page 77-79) • Training (page 75-77) • Gender Diversity (page 27, 73) • Local Community (page 79-80)	• Board Composition (page27) • Board Committees (page 28-29) • Board Qualifications (page 24) • Company Profile (pages 14) • Compliance with Laws (page 31)

Business Ethics and Conduct

- Ethical Compliance and Business Conduct
- Preventing Corruption and Promoting Transparency
- Anti-money Laundering
- Anti-competitive Behaviour
- Protecting and Empowering Rights
- Cybersecurity and Data Protection
- Diversity, Equity and Inclusion

Business Ethics and Conduct

Overview

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.

SDG's	5 Gender Equality; 8 Decent Work and Economic Growth; 10 Reduced Inequalities; 16 Peace, Justice and Strong Institutions

Ethical Compliance and Business Conduct

The Group's ethics and compliance practices play a central role in safeguarding operational integrity, protecting customers, maintaining regulatory confidence, and promoting a strong internal culture. These impacts arise through the way the Group designs and sells products, manages customer data, adopts emerging technologies, oversees vendors, and upholds leadership and decision-making standards. Risks may occur where client profiling is inadequate, sales incentives create pressure, or data privacy controls are insufficient, while misalignment between ethical expectations and third-party behaviour including outsourced service providers, joint-venture partners, and borrowers can expose the Group to regulatory, reputational, and operational challenges.

Actions taken to Manage Ethics and Compliance Impacts

- Mandatory ethics, AML/KYC, anti-corruption, and data privacy training for all employees.
- Anonymous whistleblower hotline and escalation channels overseen by an independent committee.
- Governance and guardrails for data use, analytics, and AI enabled decision tools.
- Enhanced third party due diligence and monitoring across higher risk outsourced activities.
- Internal investigations and proportionate disciplinary actions, up to termination and legal proceedings.
- Customer remediation in cases such as mis selling or data breaches.
- Culture building programmes that promote ethical leadership and decision making.

Policies

- Code of Conduct.
- Whistleblower Protection Policy.
- Third Party Risk Management Policy.
- Data Privacy and Information Security Policy.
- Anti Corruption, AML, and KYC Policies.

Our evaluation system is summarised below:

Monitoring System	• Compliance Monitoring Systems (CMS) for real time oversight, regulatory horizon scanning, and incident alerts. • KPI dashboards covering breaches, audit findings, customer complaints, and training completion. • Whistleblower mechanism reviews to ensure confidentiality, timeliness, and effectiveness.
Goals	• Enhance regulatory compliance across all business units. • Promote an ethical culture that reduces misconduct and risk incidents. • Improve customer trust in ethical practices and data protection. • Advance financial inclusion through responsible product design and delivery. • Support environmental responsibility through governance led oversight.

Business Ethics and Conduct (continued)

Targets	• Achieve 100% compliance with new regulatory requirements. • Ensure 100% employee participation in ethics and compliance training annually.
KPIs	• Number of regulatory breaches or penalties. • Frequency and outcomes of regulatory inspections and internal or external audits. • Number of internal ethics audits and investigations completed. • Customer satisfaction scores on ethics, security, and fair treatment.
Effectiveness and Progress	• No major regulatory penalties recorded during the period. • Faster adaptation to new regulatory requirements and supervisory expectations. • Higher completion rates for ethics and compliance training across all levels. • Improved internal ethics audit results and fewer confirmed misconduct cases. • Higher satisfaction scores for data security, fair treatment, and ethical conduct. • Lower levels of compliance related customer complaints.

Preventing Corruption and Promoting Transparency

The Group's approach to preventing corruption and unethical conduct plays a critical role in maintaining stakeholder trust, safeguarding financial stability, and ensuring responsible business practices. Effective governance structures, strong internal controls, and a culture of integrity support long-term sustainability and protect the Group, its customers, and the wider financial system from fraud, bribery, and misconduct. However, corruption risks may still emerge through isolated incidents, misconduct by employees or third parties, or weaknesses in oversight processes. These risks can lead to financial losses, reputational harm, legal consequences, and erosion of public confidence.

Actions Taken to Manage Anti Corruption Impacts

- Mandatory anti-corruption training for all employees and management.
- Pre employment screening and conflict of interest declarations.
- Due diligence on suppliers, agents, intermediaries, and high risk third parties.
- Segregation of duties and approval thresholds for financial transactions.
- Inclusion of anti corruption clauses in contracts and procurement agreements.
- Investigation of reported incidents led by Internal Audit, Risk, and Compliance department.
- Cooperation with regulators, law enforcement, and external investigators where required.
- Implementation of remedial actions to strengthen controls and close identified gaps.
- Disciplinary action, up to termination, for confirmed cases of misconduct.
- Awareness campaigns promoting integrity, accountability, and ethical decision making.
- Continued investments in systems and controls that prevent corruption.

Our evaluation system is summarised below:

Monitoring System	• Internal audits and compliance reviews to assess control effectiveness. • Risk assessments focusing on corruption-prone functions and processes. • Monitoring of whistleblowing reports, trends, and outcomes. • External audits and regulatory examinations. • Periodic policy reviews and updates.
Goals	• Maintain a zero-tolerance environment for confirmed corruption incidents. • Strengthen ethical culture and preventive controls.
Targets	• 100% employee completion of mandatory ethics and anti-corruption training. • Timely investigation and closure of all reported cases.

Business Ethics and Conduct (continued)

KPIs	• Reduction in control deficiencies identified during audits. • Number and resolution rate of whistleblowing cases. • Percentage of employees trained in anti-corruption compliance.
Effectiveness and Progress	• Timely resolution of reported cases demonstrates improved responsiveness. • Audit outcomes indicate reduced control weaknesses and stronger oversight. • Training programmes continue to raise awareness and reinforce ethical conduct. • Whistleblowing mechanisms remain active, confidential, and trusted.

Anti-money Laundering

As money laundering techniques continue to evolve, ZBFH recognises the importance of robust, risk-based AML frameworks that ensure regulatory compliance while promoting ethical and responsible business practices. Effective AML controls help protect the economy by preventing the diversion of funds into illicit activities and by reducing the facilitation of crimes such as corruption, human trafficking and organised crime. Risk based approaches support responsible financial inclusion by balancing access to financial services with the management of financial crime risks. ZBFH acknowledges that AML measures can create challenges, including increased compliance costs and customer inconvenience arising from enhanced due diligence and transaction monitoring. When applied too rigidly, these measures may unintentionally restrict access to financial services for certain customer groups.

The Group remains committed to full compliance with all AML/CFT laws and regulations and maintains a zero tolerance approach to financial crime. This includes the timely detection and reporting of suspicious activities, supported by strong internal controls and well trained employees. ZBFH continues to enhance its AML systems and monitoring capabilities and works closely with regulators and law enforcement agencies to strengthen financial system integrity and address emerging risks.

The following were our policies, goals and targets for the reporting period:

Policies	• Risk Management and Compliance Policy
Processes	• Internal audits and compliance reviews. • Independent AML/CFT assessments. • Regulatory examinations and inspections. • Ongoing monitoring of AML alerts and case outcomes. • Management and Board reporting on AML metrics.
Goals	• Protect the integrity of the Bank and the financial system. • Maintain full compliance with AML/CFT regulatory requirements. • Strengthen detection and prevention of financial crime.
Targets	• 100% completion of mandatory AML training. • Timely investigation and escalation of AML alerts. • Zero material regulatory sanctions for AML non-compliance.
KPIs	• Number of AML alerts generated and investigated. • Timeliness of Suspicious Transaction Report filings. • Percentage of customers with up-to-date KYC documentation. • AML-related audit findings and remediation status.
Progress	• Progress has been achieved through enhanced transaction monitoring, improved customer risk assessments, and increased employee awareness and training completion.

Business Ethics and Conduct (continued)

Anti-competitive Behaviour

ZB Financial Holdings actively promotes fair pricing and transparent product offerings to build customer trust and support market stability. The Group recognises the risk of potential anti competitive behaviour, including perceived collusion or misconduct by third party brokers, which could result in reputational or regulatory exposure. To manage these risks, ZBFH maintains strong market conduct controls and a culture of fair competition. This includes clear procedures for fair marketing and transparent communication, partner policies that define expected conduct for brokers and reinsurers, and strict adherence to competition laws in Zimbabwe and applicable regional regulations. Unethical or anti competitive behaviour can be reported through confidential and anonymous whistle blowing channels. The Group prohibits unfair competitive practices such as misleading advertising, predatory pricing and exclusive dealing, and prioritises client focused innovation that supports market integrity. Employees and partners receive regular training on competition compliance, supported by internal investigations of complaints and contractual review or termination where non compliant conduct is identified.

The following were our goals and targets for the reporting period:

Goal	• To ensure no substantiated cases of anti-competitive behaviour are reported. • Building a trusted brand reputation based on fairness, integrity, and client-centred services.
Targets	• To maintain 100% compliance with national competition laws and market conduct regulations.
KPIs	• Number of competition-related complaints resolved. • Completion rate of competition compliance training. • Broker compliance assessment results.
Progress	• 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.

Protecting and Empowering Rights

The Group's activities influence a wide range of human rights outcomes across employees, customers, suppliers, and the communities it serves. These impacts relate to equality, non discrimination, workplace dignity, safety, privacy, fair labour practices, access to remedy, and responsible service delivery. Strong policies and fair employment practices support positive outcomes such as inclusion, equitable treatment, grievance access, financial inclusion, and broader social well being. However, risks may arise from workplace discrimination or harassment, mental health pressures linked to workload, data privacy breaches, or limited trust in reporting mechanisms. Additional risks may stem from contractors, outsourced service providers, suppliers, and financed clients whose practices may fall short of human rights expectations. Recognising this, the Group integrates prevention, early detection, remediation, and continuous improvement throughout its human rights management approach.

Policies

- Human Rights Policy
- Code of Conduct
- Equal Employment Opportunity and Anti-Discrimination Policy
- Anti-Harassment and Dignity at Work Policy
- Whistleblowing and Grievance Policy

Business Ethics and Conduct (continued)

Actions Taken to Manage Human Rights:

- Integrated human rights considerations into HR policies, risk assessments, and operational procedures.
- Delivered training on human rights, ethical conduct, non discrimination, and respectful behaviour.
- Ensured fair and transparent recruitment, promotion, and performance management practices.
- Strengthened grievance and whistleblowing systems to ensure safe, confidential access.
- Conducted due diligence on suppliers, contractors, and service providers to identify potential human rights risks.
- Promptly investigated reported incidents through impartial processes.
- Applied corrective and disciplinary actions where violations were confirmed.
- Provided remedy, support, or access to justice for individuals affected.
- Engaged independent experts where needed to support complex remediation.

Our evaluation system is summarised below:

Monitoring System	• Regular internal audits and compliance reviews covering human-rights-related controls. • Monitoring grievance and whistleblowing cases, including resolution times and outcomes. • Employee surveys assessing perceptions of fairness, inclusion, and respect. • Periodic management and board-level reviews of human rights risks and performance.
Goals	• Foster a workplace free from discrimination, harassment, and violence. • Strengthen access to remedy and trust in grievance mechanisms. • Improve human rights awareness and compliance across operations and the supply chain.
Targets	• 100% employee training on human rights and ethical conduct. • Timely investigation and resolution of all grievances.
KPIs	• Number of human rights related grievances received and resolved. • Average grievance resolution time. • Percentage of employees trained on human rights. • Number of substantiated discrimination or harassment incidents.
Effectiveness and Progress	• Increased participation in human-rights and ethics training. • Improved grievance-resolution timelines and outcomes. • Updated HR and operational policies to incorporate lessons from incidents and audits.

Business Ethics and Conduct (continued)

Cybersecurity and Data Protection

In an increasingly digital environment, ZBFH recognises that cyber security is central to sustainable business performance. As the Group's reliance on data, digital platforms and interconnected systems grows, so too does exposure to cyber risks. ZBFH therefore regards cyber security not simply as an IT function, but as a key pillar of responsible governance and long-term value creation. Through the implementation of cybersecurity controls, the Group protects sensitive business and personal information, safeguards client trust, and supports secure digital transactions and effective fraud prevention. These measures also uphold privacy and human rights while contributing to broader economic stability.

ZBFH acknowledges that cyber incidents or data breaches could lead to operational disruption, financial loss, regulatory penalties or reputational damage, particularly as cyber threats and compliance requirements continue to evolve. Despite these risks, strong cybersecurity practices enhance stakeholder confidence and provide a competitive advantage. The Group remains committed to protecting information assets, complying with data protection laws, and continuously strengthening its cyber and privacy management systems to maintain resilience in a changing digital landscape.

The following were our policies, goals and targets for the reporting period:

Policies	• Information Security Policy. • Data Privacy and Data Protection Policy. • Cyber Incident Response and Breach Management Policy. • Access Control and Acceptable Use Policy.
Processes	• Continuous security monitoring and incident logging. • Internal IT and security audits. • External audits or certifications where applicable. • Regular testing of incident response and business continuity plans.
Goals	• Maintain a strong cybersecurity posture and protect personal and business data.
Targets	• Timely resolution of identified security vulnerabilities. • Completion of mandatory cybersecurity and privacy training by all relevant employees. • 100% of third-party vendors reviewed for cybersecurity compliance.
KPIs	• Number of cybersecurity incidents and data breaches. • Time taken to detect and respond to incidents. • Percentage of employees completing cybersecurity and privacy training. • Results of internal and external security audits.
Progress	• Improved incident response times, increased training completion rates, and enhanced system security through regular updates and testing.

Business Ethics and Conduct (continued)

Diversity, Equity and Inclusion

ZBFH's people focused activities influence the culture, and broader stakeholder ecosystem. The Group's commitment to fairness, equal opportunity, and inclusive culture creation results in meaningful benefits such as improved employee engagement, stronger talent attraction and retention, and enhanced performance through diverse perspectives. The Group acknowledges that risks may arise from discrimination, unconscious bias, cultural exclusion, inconsistent policy application, supplier practices, and barriers faced by underrepresented groups.

Policies

- Diversity and Inclusion Policy.
- Equal Employment Opportunity Policy.
- Anti Discrimination and Anti Harassment Policy.
- Employee Code of Conduct.
- Supplier Code of Conduct Commitments.

Commitments

- Ensuring equal opportunity and fair treatment for all employees.
- Preventing discrimination, harassment, and victimisation in the workplace.
- Building a diverse workforce at all levels, including leadership.
- Ensuring equal pay for equal work and transparent compensation practices.
- Providing continuous diversity, equity, and inclusion training.

Actions taken to manage DEI Impacts:

- Adoption of bias free recruitment practices, including structured interviews and diverse hiring panels.
- Mandatory diversity, inclusion, and unconscious bias training programmes.
- Standardised promotion and performance management processes.
- Strengthened reporting mechanisms for discrimination and harassment.
- Flexible working arrangements to support diverse employee needs.
- Investigation of reported discrimination or harassment cases and application of disciplinary action where necessary.
- Implementation of corrective action plans in departments with identified issues.
- Provision of coaching, counselling, and support for affected employees.
- Engagement of external experts for remediation or culture improvement interventions where required.
- Establishment of employee resource groups and affinity groups for underrepresented populations.
- Targeted leadership development initiatives to diversify the leadership pipeline.
- Partnerships with diverse recruitment networks to expand candidate pools.
- Development of inclusive workplace policies and benefits, including parental leave and disability accommodations.

Business Ethics and Conduct (continued)

Monitoring System	• Internal audits and reviews of recruitment, promotion, and compensation systems. • Ongoing Human Resources analytics and reporting. • Employee engagement, culture, and inclusion surveys. • External benchmarking and diversity assessments where applicable. • Anonymous reporting channels and follow up investigations.
Goals	• Increase representation of underrepresented groups across all organisational levels. • Ensure equitable pay and promotion practices. • Improve employee inclusion and culture survey scores. • Build a work environment where all employees feel valued, respected, and supported.
Targets	• Achieve 50% representation of women in leadership by the end of the strategic period. • Increase representation of minority groups by 75% within two years. • Reduce the gender pay gap toward parity by 2026. • Achieve an inclusion score of 9/10 in organisational surveys.
KPIs	• Workforce diversity ratios (gender, age, ethnicity, disability). • Representation in leadership and decision making roles. • Gender pay gap and other pay equity metrics. • Employee engagement and inclusion survey results. • Number of discrimination/harassment cases and resolution timelines. • Training completion rates for diversity and unconscious bias programmes.
Effectiveness and Progress	• Recruitment process enhancements broadened the diversity of candidate pools, while mentorship and development programmes supported career progression for underrepresented groups. • Progress has been made in strengthening gender representation, embedding inclusive practices, and promoting leadership diversity.

Risk Management

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

Risk Management

Overview

Our risk management approach reflects our commitment to resilient, responsible growth. We strengthen enterprise risk governance, integrate sustainability considerations, and proactively turn risks into opportunities, guided by transparency and continuous improvement.

Enterprise Risk Management

Enterprise Risk Management Framework

This framework entails an evaluation of both internal and external factors to identify potential risks and opportunities. It involves the continuous assessment of the levels and types of risk that ZB Financial Holdings is prepared to accept in pursuit of its strategic objectives, along with the implementation of appropriate measures to mitigate those risks. The risk management process encompasses risk identification, assessment, response, communication, as well as ongoing monitoring and review. ZBFH adopts the three lines of defence model, where the business constitutes the first line, Group Risk provides oversight as the second line, and Internal Audit serves as the third line of defence by offering assurance over Group Risk across all risks within the ZBFH risk universe.

Our three lines of defence ERM framework 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.

Risk Management (continued)

Approach to Managing Financial Risks

Our approach to managing financial risks is centred on the Risk Appetite Framework (RAF), which aligns strategic decision-making with the Group's risk tolerance. The RAF forms a core component of the Enterprise Risk Management (ERM) system, designed to align risk-taking with strategic objectives by clearly defining the levels and types of financial risks the Group is prepared to accept. The framework employs both qualitative and quantitative measures to address a range of financial risks, including credit, liquidity, market, investment, foreign exchange, and interest rate risks. ZB Financial Holdings sets specific limits, controls, and reporting mechanisms to ensure these risks remain within acceptable thresholds, with oversight provided by the Board of Directors and implementation carried out by senior management, supported by continuous monitoring and review to respond to both internal and external changes.

Several tools are deployed in managing financial risks (credit and market risks) as part of the risk management framework. The metrics are compared to the board approved risk appetite to ascertain the level of risk and recommendations are made based on the comparison. Metrics include Non-Performing loans, Foreign currency Net open position, loans to deposits ratio, liquidity ratio, Rate sensitive assets to rate sensitive liabilities among others.

Significant risks identified during the reporting period were as follows:

Risk Category	Risk Description	Mitigation Measures
Strategy and Execution Risk	The risk associated with failing to effectively implement strategic goals and plans.	• Organic growth through aggressive increase in transactional business and general business or revenue growth. • Pursuing greenfield business as part of efforts to promote financial inclusion and boost economic growth. • Introduction of financial solutions to meet diverse customer needs, enhance service offerings, and drive customer loyalty.
Credit Risk	The risk of loss due to a borrower's failure to repay a loan.	• Effective credit governance structure, policies and procedures in place. • Ongoing and continuous monitoring through interim review and client visits. • Continued focus on aggressive recovery efforts through group recoveries, monitoring of key metrics on a weekly/ monthly/quarterly basis for proactive default risk management and control.
Regulatory and Compliance Risk	The risk of legal penalties and financial loss due to failure to comply with laws and regulations.	• Regulatory tracker or dashboard for the various mandates and guidelines of RBZ, IPEC. • Group compliance unit is in place for compliance oversight.
Liquidity Risk	The risk that an entity will not be able to meet its short-term financial obligations.	• Diversified lines of credit, inter-entity injection of liquid capital constant and continuous monitoring of liquidity risk by Investment Committees. • Stress testing and scenario analysis on a continued basis - impact on capital.
Transformation Risk (AI, Cybersecurity)	The risks associated with adopting new technologies and undergoing organisational change.	• Data loss prevention policy, cybersecurity resilience policy, data protection and privacy policy, encryption policy are in place to administer data loss, cyberthreats, enforce online employee cybersecurity awareness done quarterly. • Enhance controls to curb emerging risks associated with the disruptive technologies (AI). • Regular Risk assessments and system audits.

Risk Management (continued)

Risk Category	Risk Description	Mitigation Measures
Market Risk (Macro-Environment)	The risk of losses due to unfavourable movements in market prices.	• Constant and continuous monitoring of market parameters by Investment Committees. • Stress testing and scenario analysis to proactively manage capital levels. • Monitoring of the re-pricing gap and direction of interest rates by Group entities.
People Risk	The risk related to human capital, including the skills, performance, and behaviour of employees.	• Continued monitoring of employee turnover statistics, employee engagement exercises and initiatives in place. • Governance structures in place to review and address people risk issues such as the Board P and C and remuneration committee.
Operational Risk	The risk of loss resulting from inadequate or failed internal processes, people, and systems, or from external events.	• Governance structures, policies and procedures in place. • Disaster recovery plans and business continuity plans in place.
Reputational Risk	The risk of damage to the Group's reputation that can affect its ability to operate effectively.	• Reputational risk mitigation strategies involve proactive measures like developing a crisis plan, building a positive corporate culture through ethical practices and transparency, and continuously monitoring online presence. • Reactive strategies include promptly and accountably responding to negative feedback, addressing issues quickly, and communicating openly with stakeholders. • Other key tactics include conducting thorough risk assessments and integrating the risk strategy into overall business planning.

Risk Management (continued)

Sustainability Related Risks and Opportunities (SRRO)
The Group embeds the management of sustainability risks within its operations by recognising exposures related to Environmental, Social and Governance (ESG) factors, analysing their potential effects across short-, medium- and long-term horizons, and implementing targeted mitigation actions that advance its overall sustainability ambitions.

Our sustainability-related risks and opportunities for the period under review were as follows:

SRRO	Resource Scarcity	Reputation	Regulations	Workforce Transition	Carbon Emissions
SRRO Description	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.	Refers to the overall perception of the Group's credibility, reliability, and conduct, shaped by its past actions and stakeholder opinions.	Refers to the authoritative rules or directives established by a governing body to control or guide the actions and operations of organisations.	Refers to the process of reskilling, upskilling, or redeploying employees to adapt to changes.	Refers to o the release of carbon dioxide (CO_2) into the atmosphere, primarily from burning fossil fuels.
Risk	• Increased operational costs reduce the Group's profits and results in increased cash outflows which impacts liquidity.	• Failure to meet stakeholder expectations on sustainability.	• Non-compliance with ZSE Practice Note 16 on Sustainability reporting requirements and other (EMA).	• Resistance to sustainability-related operational changes.	• Increased scrutiny on corporate carbon footprint.
Financial Implications	• Increased operational costs reduce the Group's profits and results in increased cash outflows which impacts liquidity.	• 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.	• 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.	• 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.	• 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.

Risk Management (continued)

SRRO	Resource Scarcity	Reputation	Regulations	Workforce Transition	Carbon Emissions
Opportunity	• Investment in renewable energy and water conservation initiatives.	• Building brand trust through transparent ESG disclosures.	• Establishing leadership in sustainability reporting and achieving regulatory compliance.	• Training employees on sustainability initiatives and fostering a culture of innovation.	• Transitioning to low-carbon operations and promoting green technologies.
Affected Stakeholders	Employees Customers Suppliers	Employees Customers	Employees Government and Regulators Shareholders and Potential	Employees Government and Regulators Shareholders and Potential	Employees Government and Regulators Shareholders and Potential

Sustainability

- Our Sustainability Approach
- Stakeholder Engagement
- Sustainability Materiality Assessment

Sustainability

Overview

Our sustainability journey demonstrates our dedication to responsible growth and delivering long-term value to all stakeholders. We remain focused on strengthening governance, empowering our people, driving climate action, and improving responsible operations, all guided by transparency and a commitment to continuous improvement.

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, cultivating strong stakeholder relationships is essential for long term success. As ZBFH, we engage a wide range of stakeholders through our Stakeholder Management Plan for Sustainability (STAMPS), ensuring their views are incorporated into our High Impact Goals. Guided by a multidisciplinary Stakeholder Management Task Force, this approach builds trust, strengthens confidence, and provides a competitive edge by aligning our strategies with emerging challenges and opportunities.

ZBFH understands its stakeholder groups and continues to improve the engagement process by assessing potential stakeholders through brainstorming and categorisation. We consistently research the needs of our customers, employees, and regulators to maintain alignment of objectives. Our stakeholders' interests remain central to our decision making as we strive to balance and merge expectations.

Key Stakeholder Groups

Internal	External
• Employees • Shareholders	• Government and Regulators • Potential Investors • Suppliers • Communities • Customers

Sustainability (continued)

Our stakeholder engagement for the period under review was as follows:

Employees

Concerns

Need for career development, inclusivity, wellness support, fair remuneration, adherence to brand standards.

Mitigation Measures

Diversity and ethics training, mentorship programs, wellness initiatives, performance-linked incentives. Employee surveys, Mystery shopping on service quality.

Communication Channels

Employee surveys, meetings, intranet updates, HR grievance mechanisms, Brand guidelines, brand adherence survey and internalisation programs, service quality focus and training.

Frequency of Engagement

- Ad hoc
- Monthly

Government and Regulators

Concerns

Compliance with financial regulations, sustainability standards, consumer protection.

Mitigation Measures

Alignment with SSCI and Level 3 Sustainability Certification, internal compliance audits, transparent reporting

Communication Channels

Regulatory filings, compliance meetings, industry forums.

Frequency of Engagement

- Ad hoc

Sustainability (continued)

Shareholders and Potential Investors

Concerns

Sustainable growth, transparency in reporting, risk management.

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.

Communication Channels

- External Media
- Social Media
- Website
- Emails

Frequency

- Regularly, aligned with financial reporting schedules.

Suppliers

Concerns

Ethical procurement, diversity in supplier base and timely payments.

Mitigation Measures

Supplier diversity requirements, compliance checks, capacity-building support and a streamlined payment process.

Communication Channels

- External Media
- Social Media
- Website

Frequency

Ad-hoc

Sustainability (continued)

Communities

Concerns

Financial literacy, access to affordable services, enhanced service quality for the industries and the nation health and wellness support.

Mitigation Measures

Sustainable Community outreach programs, partnerships with NGOs and health institutions, CSR investments in education and health.

Communication Channels

Sustainable Community outreach programs, partnerships with NGOs and health institutions, CSR investments in education and health.

Frequency

Ad hoc

Customers

Concerns

Accessibility of services in rural areas, digital literacy gaps, affordability of products and the right to quality service.

Mitigation Measures

Expansion of mobile agents, introduction of USSD services, financial literacy campaigns, subsidised fees and digital products and services.

Communication Channels

Customer surveys, social media, community outreach programs, direct SMSs and emails.

Frequency

Ad-hoc

Sustainability (continued)

Sustainability Materiality Assessment

The Group conducts an annual materiality assessment to identify the most significant issues and impacts associated with its operations on the economy, environment, and society, including human rights. During the reporting period, the materiality assessment was guided by the Global Reporting Initiative (GRI) Standards, which are based on the principle of double materiality. We mapped 34 topics using GRI Standards, Sustainability Accounting Standards Board (SASB) for industry specific metrics, and benchmarked with similar companies, these were narrowed down to the top 15 material topics to determine the most significant material issues to the Group, society and the environment. To determine material issues, we considered perspectives and expectations of external stakeholders, informed by insights from internal departments. This assessment enabled us to identify critical sustainability issues that may impact our business performance, financial position, and long-term value creation, while considering potential impacts on the society and the environment in the short, medium and long term.

Our materiality process was conducted through the following stages:

Identification	Prioritisation	Validation	Matrix Generation
ZBFH conducted an internal sustainability materiality assessment by identifying topics relevant while benchmarking with other companies in our industry.	Identified topics are ranked as material topics based on their significance to the business and stakeholders' interests by management from all departments.	The executives validate and approve the final topics by assessing the consistency of the topics with the business activities.	These topics are plotted as a matrix showing their importance to the Group and stakeholders.

Material Topics

The identified topics were categorised into ESG as presented below:

Economic Topics relating to the flow of capital among different stakeholders, value chain, and monetary effect on the business.	**Environment** Topics associated with our impacts on both living and non-living elements of the natural ecosystem.	**Social** Topics covering our impacts on society, and those affected by our activities.	**Governance** Topics relating to system of managing sustainability impacts.
• Tax • Economic Performance • Supply Chain Management • Responsible Financing • Responsible Investment • Financial Inclusion • Property Valuation • Property Portfolio	• Water • Waste • Energy • Greenhouse Gas Emissions • Climate Change • Biodiversity • Natural Disasters • Green Buildings	• Diversity and Inclusion • Employment • Employee Relations • Occupational Health and Safety • Property Quality • Training and Education • Human Rights • Access and Affordability • Collective Bargaining Agreement • Tenant Satisfaction	• Business Ethics and Compliance • Anti-corruption • Cybersecurity and Privacy Protection • Customer Satisfaction • Innovation and Digitalisation • Competitive Behaviour • Anti-Money Laundering • Transaction Processing Time • Agility and Self-service

Sustainability (continued)

ZBFH Materiality

Materiality Matrix

The matrix shown in the scatter graph below illustrates the results of material topics identified and prioritised according to their importance to the Group and their potential impact on the society and the environment. The topics are plotted based on the total number of topics surveyed, which were narrowed down to the top 15 topics.

Frequency raised by Stakeholders - These are matters that can influence stakeholders' decisions regarding our operations due to their effects on society and the environment.

Importance to the Group (ZBFH) - These are matters that have a potential impact on our operations, financial performance, access to capital and business opportunities.

The matrix below presents outcome of the materiality assessment for the reporting period:

Sustainability (continued)

Our Identified Topics		SDG in Focus	Material Target Areas
1	Tax	16 Peace, Justice and Strong Institutions	• Transparent tax reporting, regulatory compliance, contribution to national economic development.
2	Cybersecurity and Privacy Protection	9 Industry, Innovation and Infrastructure	• Data protection, cyber risk management, customer information security, digital trust.
3	Economic Performance	8 Decent Work and Economic Growth	• Sustainable profitability, shareholder value creation, operational efficiency, economic resilience
4	Anti-corruption	16 Peace, Justice and Strong Institutions	• Fraud prevention, ethical governance, whistleblowing mechanisms, zero tolerance for bribery.
5	Customer Satisfaction	9 Industry, Innovation and Infrastructure	• Improved customer experience, service excellence, complaint resolution, customer retention.
6	Responsible Financing	8 Decent Work and Economic Growth	• Sustainable lending, ESG integration, responsible investment, risk-sensitive financing.
7	Innovation and Digitalisation	9 Industry, Innovation and Infrastructure	• Digital banking solutions, fintech partnerships, automation, enhanced digital accessibility.
8	Education and Training	4 Quality Education	• Employee skills development, leadership training, financial literacy programmes, continuous learning.
9	Business Conduct, Ethics and Compliance	16 Peace, Justice and Strong Institutions	• Regulatory compliance, ethical culture, governance frameworks, code of conduct adherence.
10	Anti-money Laundering	16 Peace, Justice and Strong Institutions	• KYC compliance, transaction monitoring, financial crime prevention.
11	Agility and Self Service	9 Industry, Innovation and Infrastructure	• Self-service banking platforms, faster service delivery, operational agility, customer convenience.
12	Financial Inclusion	10 Reduced Inequalities	• Access to affordable financial services, SME financing, rural banking, underserved communities.
13	Digital Transformation	9 Industry, Innovation and Infrastructure	• Enterprise digitalisation, process optimisation, digital customer engagement, technology integration.
14	Human rights	10 Reduced Inequalities	• Fair labour practices, employee wellbeing, stakeholder rights protection, non-discrimination.
15	Diversity and Inclusion	10 Reduced Inequalities	• Gender equality, inclusive workplace culture, equal opportunities, employee diversity.

Delivering Responsible Financial Services

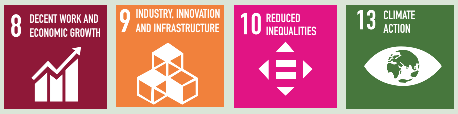
- Sustainable and Inclusive Finance
- Responsible Investment Practices
- Access and Affordability of Financial Services
- Promoting Financial Inclusion
- Driving Innovation and Digital Transformation
- Improving Transaction Processing Time
- Agility Through Self-Service and Digital Channels
- Placing Customers at the Centre

Delivering Responsible Financial Services

Overview

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.

SDG's



Sustainable and Inclusive Finance

Integrating environmental, social, and governance (ESG) principles into financial activities enables ZBFH to reduce harmful practices, promote ethical behaviour, and direct capital toward projects that foster inclusive growth. Fair lending practices play a role in protecting people and upholding human rights by promoting financial inclusion, preventing exploitation, and ensuring equal access to financial services. These practices help create a more equitable financial system where individuals and communities can participate without discrimination or undue barriers. However, in some isolated instances, customers may encounter financial difficulties as economic conditions change, even when the original affordability assessments indicated that the credit was manageable. This raises a risk of over indebtedness if affordability checks are insufficient or not kept up to date therefore customers may end up carrying debt levels that become unsustainable.

The following were our policies, goals and targets for the reporting period:

Policies	• Credit Risk Management Policy
Processes	• Internal audits and compliance reviews. • Credit portfolio reviews and stress testing. • Environmental and social risk assessments. • External audits and regulatory examinations. • Customer complaints analysis and resolution monitoring.
Goals	• Promote responsible lending and prevent customer over-indebtedness. • Increase integration of ESG considerations in credit decisions.
Targets	• 100% compliance with affordability assessment requirements. • Reduction in credit-related customer complaints.
KPIs	• Customer complaint volumes and resolution timelines. • ESG risk screening coverage across loan portfolios. • Non-performing loan ratios.
Progress	• Progress has been made through enhanced ESG screening, improved affordability assessments, and increased awareness among employees and customers.

Delivering Responsible Financial Services (continued)

Responsible Investment Practices

ZBFH integrates environmental, social and governance (ESG) factors into its investment decision making to strengthen long term risk management and support responsible capital allocation. Through this approach, the Group directs investment towards companies and initiatives that promote environmental sustainability, social inclusion and strong governance, while contributing to economic stability and sustainable growth. Capital is increasingly allocated to climate focused solutions, including renewable energy and low carbon technologies. Through active ownership and engagement with investee companies, ZBFH encourages improved ESG performance and responsible business practices. The Group recognises that investment portfolios may be exposed to entities with weaker ESG practices, which could result in reputational, financial or indirect environmental and social risks. These risks may be heightened by ESG data gaps, inconsistent standards or evolving regulatory expectations. ZBFH continues to enhance its ESG screening, monitoring and engagement processes to manage these risks and ensure investments support sustainable long term value creation.

Actions
- Increased allocation to investments with positive environmental or social outcomes.
- Active stewardship to encourage improved ESG performance.
- Participation in collaborative initiatives and industry working groups.
- Integration of impact considerations into product development and client

The following were our policies, goals and targets for the reporting period:

Policies	• ESG Integration Policy. • Stewardship and Active Ownership Policy. • Code of Conduct.
Processes	• Internal ESG reviews and portfolio monitoring. • Periodic internal and external audits of ESG processes. • Use of third-party ESG data providers and research. • Regular reporting to management and relevant governance bodies.
Goals	• Enhance ESG integration across all investment strategies. • Reduce exposure to high-risk ESG activities. • Increase engagement effectiveness and positive outcomes.
Targets	• Defined percentage of assets under management subject to ESG integration. • Measurable reduction in portfolio exposure to identified ESG risks. • Increased engagement success rate year-on-year.
KPIs	• Percentage of portfolio assessed using ESG criteria. • Number and outcomes of engagement activities. • Proxy voting alignment with ESG objectives. • ESG risk ratings and trend analysis across portfolios.
Progress	• Continued growth in ESG-integrated assets. • Improved portfolio ESG performance metrics. • Enhanced reporting quality and stakeholder confidence.

Delivering Responsible Financial Services (continued)

Access and Affordability of Financial Services

ZB Financial Holdings continues to improve access to affordable financial services for underserved communities, particularly in rural and low income areas, supporting greater economic participation and financial security. The expansion of mobile banking reduced geographic barriers by enabling 24/7 access to banking services, while low bandwidth and offline solutions ensure accessibility in areas with limited connectivity. The Group is mindful of the risks associated with data driven and AI enabled lending, including the potential for algorithmic bias that could disadvantage certain customer groups. These risks are actively monitored to promote fair and responsible lending outcomes. In addition, ZBFH implemented financial literacy programmes within communities and introduced debt relief initiatives, such as loan restructuring, to support customers facing financial stress. Together, these initiatives promote inclusive access, responsible innovation and improved customer financial wellbeing.

The following were our goals and targets for the reporting period:

Goal	• Offer competitive, low-cost financial products that are affordable for customers at all income levels, especially those in low-income or vulnerable segments.
Targets	• Achieve year-over-year growth in digital banking adoption, especially in remote or underserved areas.
KPIs	• Number of new customers from underserved communities.

Promoting Financial Inclusion

Financial inclusion is a key driver of sustainable and equitable economic growth, enabling individuals and businesses to access affordable and appropriate financial services. Through its banking division, ZBFH expanded access to banking services for underbanked and unbanked communities, particularly in rural areas and low income urban centres. By offering microfinance solutions and inclusive lending models, the Bank supports poverty reduction, addresses income inequality, and strengthens economic resilience. ZBFH promotes inclusive growth by supporting women-led small and medium projects and providing simple, accessible digital services, such as mobile based overnight lending, ensuring wider participation in the financial system. However, the Group recognises that digital exclusion remains a challenge for individuals without access to smartphones, internet connectivity, or sufficient digital literacy, particularly the elderly and those in remote areas.

ZB Bank remains committed to advancing financial inclusion by extending credit to marginalised groups, including small scale farmers, micro entrepreneurs and low income households. The Bank conducts rigorous due diligence on fintech and third party partners and escalates any identified risks through the Board and relevant credit, compliance and risk committees. This governance approach ensures that negative impacts are addressed promptly and that appropriate controls are implemented to safeguard both customers and the Bank while supporting inclusive economic development.

The following were our policies, goals and targets for the reporting period:

Policy	• Credit Policy
Process	• External audits and ad hoc internal audits.
Goal	• To invest in small and medium enterprises, women and microfinance
Target	• Achieving 80% to 100% facility utilisation
KPI	• Facility utilisation (%)

Delivering Responsible Financial Services (continued)

Driving Innovation and Digital Transformation

Digital transformation and technological innovation are key drivers of competitiveness and long term sustainability. As customer expectations evolve and financial services become increasingly automated, ZBFH is adopting modern technologies that enhance operational efficiency, resilience and customer experience. Through ZB Bank's digital banking channels, the Group is expanding access to financial services for underserved and remote communities, while supporting growth through innovative products tailored to changing customer needs. ZBFH recognises that digital exclusion remains a challenge for some customer segments, particularly those with limited digital literacy or access to reliable connectivity. Further, increased reliance on third party technology providers introduces operational and cybersecurity risks that require careful oversight and management.

The Group is committed to delivering secure, reliable and inclusive digital banking services, underpinned by strong data protection and privacy practices. This commitment is supported by cybersecurity controls, continuous monitoring, effective incident response frameworks, and regular system testing. ZBFH invests in digital literacy initiatives for customers and employees to ensure they can confidently and securely engage with evolving digital platforms.

The following were our policies, goals and targets for the reporting period:

Policies	• Cybersecurity and Information Security Policy
Processes	• Internal IT and cybersecurity audits. • External system and security assessments. • Performance monitoring of digital platforms.
Goals	• Ensure stable, secure, and reliable digital banking services. • Enhance customer experience and digital accessibility.
Targets	• Reduction in cybersecurity incidents. • Increased adoption of digital banking channels.
KPIs	• System uptime and availability metrics. • Number and severity of cybersecurity incidents. • Digital channel usage rates.
Progress	• Progress has been demonstrated through improved system uptime, increased digital adoption by customers, enhanced security controls, and improved incident-response capabilities.

The MyZB App serves as ZB's primary digital banking platform, providing access to integrated services including Smile Cash and Smile and Pay, which forms part of our broader digital financial ecosystem.

- **Smile Cash**
- **Smile Link**
- **Smile and Pay**

ZBFH advances inclusive digital finance through innovative platforms such as Smile Link, Smile Cash, and Smile and Pay, which enhance access to secure, convenient, and integrated financial services. Smile Cash enables users, including the unbanked to transact, save, and access financial services via mobile channels, while Smile and Pay supports seamless, real-time payments for individuals and businesses across multiple platforms. Together, these solutions promote financial inclusion, digital adoption, and participation in a more connected and cashless economy.

Delivering Responsible Financial Services (continued)

Improving Transaction Processing Time

Effective management of transaction processing time is essential to operational efficiency, customer satisfaction and the reliability of financial services. Faster and more reliable processing enhances customer trust, supports economic activity by improving liquidity for individuals and businesses, and reduces operational costs through increased efficiency and automation. Improved processing time can also promote financial inclusion by enabling quicker access to funds, particularly for vulnerable or underserved customers. Enhanced automation further strengthens service resilience during periods of high transaction volumes and supports consistent service quality, reinforcing ZBFH's competitiveness and market responsiveness. ZBFH recognises that transaction delays can cause financial stress for customers and disrupt business operations, especially where payments are time sensitive. Such impacts may be more pronounced for small businesses and vulnerable customers who depend on timely cash flows.

The Group has procedures to promptly escalate, investigate and resolve transaction delays or failures. During service disruptions, customers are supported through clear and proactive communication, and where harm has occurred, appropriate redress is provided, including compensation or corrective processing. ZBFH remains committed to delivering timely, accurate and reliable transaction processing. This includes maintaining resilient and secure payment systems, ensuring transparency around processing timelines, and continuously improving internal controls and system performance to enhance customer experience and operational reliability.

The following were our policies, goals and targets for the reporting period:

Policy	• Cybersecurity and Information Security Policy
Processes	• Continuous monitoring of transaction processing metrics. • Internal operational risk reviews and performance reporting. • Periodic internal and external audits of payment and processing systems.
Goals	• Improve transaction processing speed and reliability. • Minimise transaction delays and failures. • Enhance customer experience and trust
Targets	• Reduction in cybersecurity incidents. • Increased adoption of digital banking channels.
KPIs	• Average transaction processing time by product or channel. • Percentage of transactions completed within agreed service levels. • Number and duration of processing incidents or outages. • Volume of customer complaints related to transaction delays.
Progress	• Measurable reductions in processing backlogs and exceptions. • Improved consistency in meeting transaction service-level targets. • Decline in customer complaints related to processing delays.

ZBFH monitors its POS deployment, active merchants, transaction volumes, and digital payment growth to assess improvements in transaction processing time. These metrics reflect progress in delivering faster, more efficient payment solutions.

- 7,492 of POS machines deployed.
- 3,211 active merchants.
- 2,742,717 transactions processed via POS.

Delivering Responsible Financial Services (continued)

Agility Through Self-Service and Digital Channels

As customer expectations continue to evolve, agility and self service become central to how ZBFH delivers efficient, accessible and reliable financial services. By embracing digital innovation and self service capabilities, the Group enhances customer experience, strengthens operational resilience and supports sustainable growth. ZBFH uses agile and self service digital solutions to improve customer experience, efficiency and service resilience. Online and mobile platforms provide faster, more convenient access to services, empowering customers to manage their accounts independently while reducing processing times and operating costs. Increased digitalisation lowered paper usage and contributed to a reduced environmental footprint.

The Group recognises that digital self service can create risks, including digital exclusion, cybersecurity threats, service disruptions and reduced access to human support for complex needs. To manage these risks, ZBFH focuses on secure, reliable and user friendly systems, supported by strong cyber controls and alternative service channels. This balanced approach ensures that agility and self service enhance inclusion, trust and long term sustainability.

Actions

- Implementation of strong cybersecurity controls, authentication measures and data protection safeguards.
- User testing and accessibility assessments to ensure digital platforms are intuitive, inclusive and easy to use.
- Provision of alternative service channels for customers who are unable or prefer not to use digital self-service solutions.
- Ongoing system monitoring, resilience planning and contingency measures to minimise downtime and service disruptions.

The following were our policies, goals and targets for the reporting period:

Policies	• ESG Integration Policy. • Stewardship and Active Ownership Policy. • Code of Conduct.
Processes	• Regular performance monitoring of digital platforms and self-service channels. • Internal audits and IT control reviews. • Cybersecurity testing and vulnerability assessments. • Customer satisfaction surveys and feedback mechanisms.
Goals	• Improve customer experience and service efficiency through self-service adoption. • Ensure secure, reliable, and inclusive digital services. • Minimise service disruptions and digital access issues.
Targets	• Increase the proportion of customer interactions completed via self-service channels. • Maintain system availability and uptime above defined thresholds. • Reduce customer complaints related to digital services or accessibility
KPIs	• Percentage of transactions completed through self-service channels. • System uptime and average response times. • Number of cybersecurity incidents and resolution times. • Customer satisfaction and net promoter scores related to digital services.
Progress	• Increased customer adoption of self-service platforms. • Improved system reliability and reduced downtime. • Declining trends in digital service-related complaints.

Delivering Responsible Financial Services (continued)

Placing Customers at the Centre

- Customer Satisfaction Score (CSAT) 83%
- Net Promoter Score (NPS) 85%
- First Contact Resolution (FCR) 97%
- Complaint Resolution 84%

As customer interactions increasingly span multiple channels, ZBFH recognises the importance of delivering high quality, reliable and responsive services supported by clear communication, skilled employees and effective feedback mechanisms. Strong service delivery builds customer trust and loyalty, driving repeat business, market growth and long term value creation. High levels of customer satisfaction enhance brand reputation, provide a competitive advantage and contribute to social wellbeing by ensuring customer needs are consistently met. Innovation, digitalisation and personalised service remain central to improving customer outcomes and maintaining relevance in a dynamic service environment. ZBFH acknowledges that service failures, inadequate support or poor communication may negatively affect customer satisfaction, including through third party service providers and business partners. The Group is committed to fair and responsible customer treatment, supported by transparent communication, effective complaint resolution and appropriate remediation where service shortcomings occur.

Customer satisfaction is reinforced through regular training for customer facing employees, clearly defined service standards and quality assurance processes. Performance is proactively monitored using customer feedback and service data to identify issues early. A formal complaint handling framework with clear escalation and resolution procedures ensures timely corrective action, supported by root cause analysis to prevent recurrence.

The following were our processes, goals and targets for the reporting period:

Processes	• Customer satisfaction surveys and feedback mechanisms. • Regular internal reviews of customer complaints and service performance. • External audits or certifications where applicable. • Periodic review of customer service policies and procedures.
Goals	• Improve customer satisfaction and service quality. • Reduce customer complaints and improve resolution times.
Targets	• Achieve target customer satisfaction score. • Reduce complaint volume and increase first-contact resolution rate.
KPIs	• Customer satisfaction score (CSAT). • Net Promoter Score (NPS). • Number of customer complaints and complaint resolution time. • First Contact Resolution (FCR) rate. • Customer retention rate.
Progress	• Improvements in satisfaction scores, reduced complaint volumes, and improved resolution times, supporting better customer relationships and business performance.

Property and Assest Management

- Managing and Optimising the Property Portfolio
- Enhancing Property Quality and Long-Term Value
- Property Safety and Security
- Tenant Satisfaction
- Strengthening Resilience to Natural Disasters

Property and Assest Management

Overview

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.

SDG's

Managing and Optimising the Property Portfolio

A well-structured property portfolio is fundamental to achieving sustainable performance, as it balances accommodation needs across multiple sectors while minimising exposure to poorly performing assets. An optimal mix responds to current market demand, strengthens the Group's competitive position, and supports stable rental and sales income while meeting the needs of occupants. However, poorly balanced sector allocations heighten the risk of lost revenue through missed opportunities in high-demand markets and ongoing losses from underperforming properties. Regular evaluation of property market trends is therefore essential, ensuring the portfolio remains aligned with demand patterns through increased focus on strong sectors and reduced exposure to those that no longer deliver value.

Preventative Measures	Responsive Actions
• Continuous monitoring of the portfolio mix. • Increasing investment in high demand sectors. • Ongoing assessment of tenant quality.	• Portfolio realignment. • Tenant engagement. • Remediation strategies that support income stability and long term portfolio resilience.

Clear policies, firm commitments, and proactive actions underpin effective property portfolio management and risk mitigation. Risk is spread across different property sectors and geographic regions to reduce vulnerability to sector specific or regional downturns, while exposure to poorly performing sectors is deliberately limited. Lease term diversity balances stable long term corporate rental income with shorter, flexible leases, and strict tenant selection processes prioritise quality occupants to safeguard rental income and minimise default risk. These policies are reinforced through commitments to maintaining a balanced sector mix, conducting regular performance reviews, and making timely adjustments to align the portfolio with evolving market conditions rather than retaining underperforming assets.

Our goals, targets, KPIs and progress were as follows:

Goals	• Maintain high occupancy rates and ensure tenant satisfaction.
KPIs	• Occupancy levels. • Tenant satisfaction survey. • Tenant turnover rate.
Progress	• Reduced risk of rent defaults. • High occupancy. • Low tenant turnover. • High tenant promotional score.

Property and Assest Management

Our Focus: Portfolio Efficiency and Occupancy Optimisation

Mashonaland Holdings continues to actively manage and optimise the ZBFH property portfolio to ensure efficient utilisation and strong asset performance. This includes ongoing review of occupancy levels, asset mix, and income-generating potential across properties. This optimisation provides the foundation for continuous improvements in asset condition and performance.

Enhancing Property Quality and Long-Term Value

Property quality plays a critical role in portfolio performance and occupant satisfaction. High quality properties are typically associated with reduced energy consumption, lower operating costs due to modern and efficient plant and equipment, stronger tenant retention, and enhanced property values, while also benefiting from greater structural integrity and a lower risk of damage from natural disasters. However, these assets often incorporate advanced systems and features that demand higher financial resources to maintain, increasing costs for both owners and occupants. Design elements such as large, sealed windows can negatively affect indoor air quality when ventilation systems malfunction, and buildings equipped with elevators may experience operational inefficiencies that impact resident comfort during peak usage periods. Maintaining high property quality therefore requires sustained owner commitment, increased attention, and adequate resources to preserve building performance.

Actions taken to manage property quality were as follows:
- Timely repairs and replacement of worn-out components for building plant and equipment.
- Use of high-quality material on all building facilities.
- Upholding proper house rules to ensure smooth access and use of premises.
- Ongoing inspections of buildings to check on state and condition of all facilities and promptly take remedial actions where necessary.
- Adopting modern technology.
- Continuous engagements with building occupants to understand their experiences and attend to areas of need.

Our evaluation system is summarised below:

Goals	• To enhance property efficiency and tenant satisfaction through the progressive. • Upgrade of plant and equipment, reduced energy consumption via modern systems and prepaid metering.
KPIs	• Number of replaced equipment. • % reduction in energy consumption. • Tenant satisfaction score.
Progress	• Gradual replacement of old plant and equipment with modern efficient equipment is underway. • Installation of prepaid meters and replacement of old high power consuming appliances with modern efficient units is being done. • High tenant promotional score.

Property and Assest Management

Property Safety and Security

Property safety and security are essential components of effective property management, delivering value to both occupants and the broader business environment. Strong security measures contribute to a significant reduction in theft and business losses, while minimising the risk of harm to building occupants and visitors. A safe and secure property environment enhances confidence among tenants and users, reinforcing a positive perception of safety and comfort within the buildings. These outcomes are supported through active and ongoing security upgrades at each building, ensuring that security systems, access controls, and protective infrastructure remain effective, responsive to emerging risks, and aligned with best practice standards.

Security enhancement across all buildings is supported through the implementation of layered security measures designed to deter crime and protect occupants and assets. These actions include the installation of CCTV systems, deployment of stationed security guards at premises, and the use of electronic access control to regulate entry and exit points. Together, these measures strengthen on site surveillance, improve response capabilities, and create a visible security presence that discourages unlawful activity. The effectiveness of these actions is routinely tracked through in house inspections of incident and security reports, as well as continuous internal monitoring and review of CCTV footage, enabling management to assess trends, identify vulnerabilities, and take corrective action where necessary to maintain a safe and secure property environment.

Our evaluation system is summarised below:

Goals	• Zero break-ins. • Zero harm to building occupants from intruders. • Effective control of access to sensitive parts of buildings.
KPIs	• Record of break-ins. • Record of injuries or deaths from intruders. • Records of access control.
Progress	• The measures implemented serve as a deterrent to potential intruders. No recorded major intruder incidences but only minor incidences.

Our Focus: Asset and Occupant Protection

ZBFH prioritises the safety and security of its property assets through structured risk assessments, security systems, and compliance with regulatory standards. This ensures protection of both assets and occupants. Safe and secure environments contribute directly to stronger tenant confidence and satisfaction.

Property and Assest Management

Tenant Satisfaction

Tenant satisfaction is a vital pillar of sustainable property management, reflecting the social value ZBFH creates within the communities it serves. Through a systematic and effective tenant experience strategy, ZBFH through its subsidiary Mashonaland Holdings Limited (MHL) demonstrated strong tenant sentiment, achieving a Net Promoter Score (NPS) of 81%, signalling high levels of customer satisfaction, trust, and advocacy. This performance is further supported by an 82% customer satisfaction score, reflecting consistently positive perceptions of ZBFH's service delivery and engagement. Customer retention also remained resilient, exceeding the 95% target for three consecutive years and rising from 96% in 2023 to 98% in 2025. This continued upward trend highlights strengthening tenant loyalty and the effectiveness of the Group's retention initiatives, providing a stable foundation for sustained relationships, predictable revenue streams, and long term value creation.

ZBFH, achieved this through conducting periodic Customer Satisfaction and Net Promoter Score (NPS) surveys to systematically capture tenant feedback and identify operational pain points across its property portfolio. All feedback received is formally logged and channelled to the relevant departments for action within defined resolution timelines. Management EXCO closely monitors progress and resolution status to ensure accountability, effective follow through, and disciplined service recovery. As a result of this structured approach and the timely resolution of most identified issues, improvements continue to be reflected across key customer metrics including NPS, Customer Satisfaction Score (CSAT), and Customer Retention Rate (CRR). These trends underscore strong tenant loyalty, enhanced service responsiveness, and sustained portfolio performance.

Our Focus: Service Quality and Retention

Tenant engagement is a key focus area, with emphasis on service responsiveness, facility reliability, and overall occupancy experience. Feedback mechanisms are used to support continuous improvement in service delivery. High tenant satisfaction strengthens occupancy stability and supports resilience against external disruptions.

Property and Assest Management

Strengthening Resilience to Natural Disasters

Natural disasters affect financial services by increasing demand for insurance claims, emergency financing, and rebuilding loans, while accelerating the uptake of digital banking where physical infrastructure is disrupted. Recovery efforts create opportunities to promote sustainable rebuilding, green financing, and improved financial literacy. Key risks include increased insurance claims, operational disruptions, and job losses that may worsen financial vulnerability.

The Group integrates natural disaster considerations into its enterprise risk management framework and promotes climate resilient infrastructure and sustainable land use through its financing and investment activities. Investments in cybersecurity, system redundancy, and digital resilience help minimise service interruptions during disaster events. The Group collaborates with the Government, NGOs, and multilateral institutions to support recovery and community resilience, with specific measures to ensure assistance reaches vulnerable and marginalised groups. Disaster preparedness and recovery measures are monitored through regular internal audits covering business continuity, disaster risk management, and ESG controls. Independent third party audits and ESG reviews are used to assess the effectiveness and transparency of disaster related actions and disclosures.

Our goals, targets and KPIs are summarised below:

Goals	• Strengthen operational resilience to natural disasters. • Support clients and communities in disaster preparedness, response, and recovery. • Integrate climate and disaster risks into financial products and investments.
Targets	• Annual testing and coverage of Business Continuity Plans for critical operations. • Reduced service downtime following disaster events.
KPIs	• Percentage of business units with tested disaster recovery plans. • Time taken to restore essential services. • Percentage of employees trained in disaster response.

Our Focus: Climate and Risk Preparedness

The Group continues to enhance the resilience of its property portfolio through risk preparedness measures, including structural assessments and disaster mitigation planning to reduce vulnerability to climate and environmental risks. This resilience focus completes the property management cycle by safeguarding long-term asset value and continuity.

Human Capital and Society

Human Capital

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

Our Community Engagement and Social Impact

- Corporate Social Investment
- Sustainable Development Goals (SDGs)

Human Capital and Society

Overview

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.

Employees	• Total Employees: 855 • Female Employees: 42.81% • Employees Covered by Collective Bargaining Agreements: 100% **Parental Leave** • Employees that took Parental Leave: 25
Training and Education	• Total Training Hours: 3,008 hours • Average Training per Employee: Women 1.31 hours, Men 1.22 hours
SDG's	3 GOOD HEALTH AND WELL-BEING 4 QUALITY EDUCATION 8 DECENT WORK AND ECONOMIC GROWTH 10 REDUCED INEQUALITIES

Human Capital

How We Manage Employee Matters

Employment is a core pillar of ZBFH's commitment to responsible and sustainable business practice. The Group recognises that its people are fundamental to the Group's performance, resilience, and long term value creation. ZB operates within a labour market offering a large pool of potential candidates, enabling the Group to attract and retain talented employees, particularly in highly sought-after fields such as information technology. Through continued hiring, expansion, and business growth, ZBFH contributes positively to national employment statistics and supports wider economic development. Stable employment opportunities, coupled with fair wages, benefits, and positive working conditions including strong health and safety measures and fair work policies promote employee well-being and long-term job satisfaction. Ongoing training, mentorship, and internal promotion pathways enhance skills development and career progression, improving both internal capability and the broader employability. ZBFH creates opportunities for inclusive employment, and support social equity, particularly for vulnerable groups.

Human Capital and Society (continued)

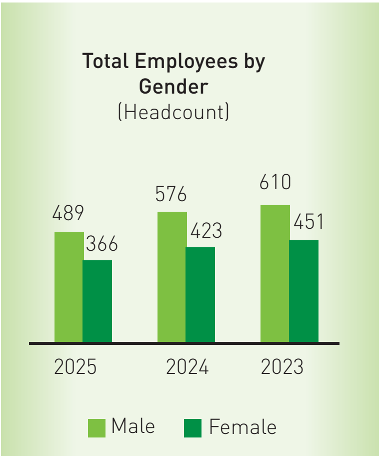
ZBFH is aware of potential risks such as job insecurity, restructuring, automation, unfair labour practices, or inconsistent working conditions across contractors, suppliers, and outsourced service providers. To mitigate these risks, the Group prioritises transparent performance management, compliance with labour regulations, and responsible employment practices across its value chain, helping safeguard employee welfare, maintain organisational integrity, and protect its reputation. By proactively managing employment related risks and championing ethical standards across its operations and value chain, ZBFH strives to foster a workplace culture that supports employee well being, enhances productivity, and reinforces the Group's reputation as an employer of choice.

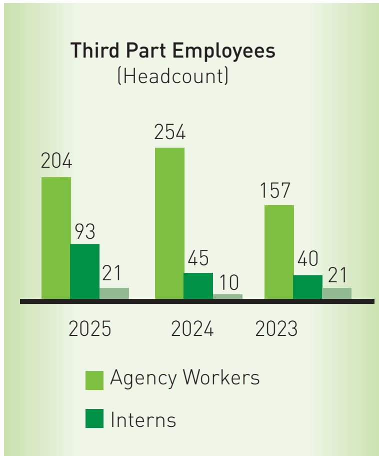
The following were our policies, goals and targets for the reporting period:

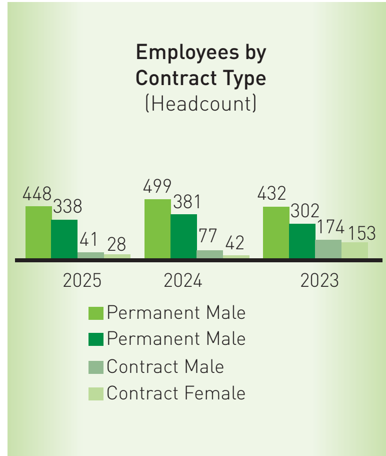
Policies	• Talent Acquisition Policy. • Compensation and Benefits Policy. • Workplace Health & Safety Policy. • Workplace Conduct Policy. • Contractor and Supplier Labour Standards Policy.
Processes	• Internal audits of People and Culture policies, recruitment, and payroll processes. • Employee satisfaction and engagement surveys. • External audits of workplace health and safety compliance. • Regular review of turnover rates, retention, and employee grievance data. • Monitoring of contractor and supplier labour practices through audits and assessment.
Goals	• To retain critical employees. • To ensure engagement levels are high. • Increase women representation at all levels.
Targets	• Aim for natural attrition of 5% to allow for renewal. • Maintain an Engagement Index of 80% and above. • Target 50/50 overall gender balance across the Group • Reduce turnover rate by 90% within 2 years. • Achieve 90% employee satisfaction score in annual survey. • Zero major workplace incidents or fatalities annually. • Increase internal promotions by 60% annually.
KPIs	• Rate of attrition. • Engagement Index. • Gender equity.
Progress	• Positive progress on culture transformation with over 80% initiatives proposed by employees implemented. • Gender balance at 43% women, which is above the market acceptable rate of 35%. The target however is to reach 50/50.

Human Capital and Society (continued)

Our employees for the period under review were as follows:

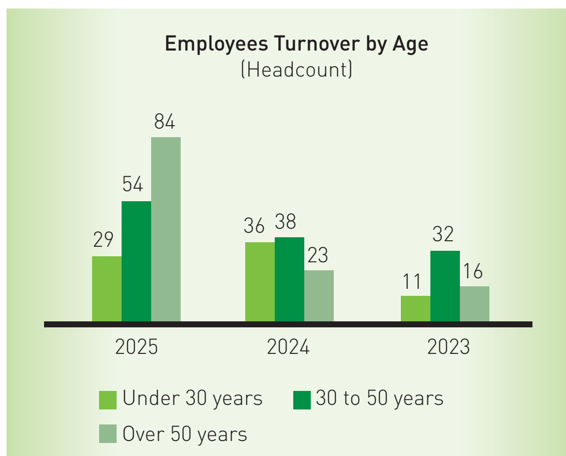






Total employee headcount declined from 999 in 2024 to 855 in 2025. Male employees decreased by 15.10% from 576 in 2024 to 489 in 2025, while female employees declined by 13.48% from 423 in 2024 to 366 in 2025. Overall, the gender mix remained stable, indicating that employee base optimisation measures were implemented proportionately across genders. Third party workers increased by 2.91% from 309 in 2024 to 318 in 2025, driven by growth in interns and graduate trainees.

Our employee movement for the period under review was as follows:



	Gender	2025	2024
Employee Hire	Male	14	25
	Female	9	10
Total		**23**	**35**
Employee Turnover	Male	97	58
	Female	70	39
Total		**167**	**97**

Human Capital and Society (continued)

Employee turnover was higher among younger employees, particularly those under 30 years, while turnover in older age groups was comparatively lower, indicating retention challenges at entry level roles and greater stability among more experienced employees. Employee hiring in 2025 was largely concentrated among employees under 30 years (14 hires), reflecting a strong focus on attracting young and early career talent to support organisational renewal. The 30–50 years age group recorded moderate hiring (8 hires) to meet specific skills and experience needs, while over 50 hires were minimal (1 hire).

Creating Strong Employee Relations

ZBFH recognises that open communication, mutual respect and trust between employees and management are essential to maintaining a positive workplace culture and supporting long-term organisational performance. Effective employee relations contribute to a harmonious work environment, improved productivity, stronger social dialogue and a more resilient organisational culture. Conversely, ineffective communication, lack of feedback, unfair management practices or job insecurity can lead to strained relationships, reduced productivity, increased costs and reputational risk. To promote constructive employee relations, the Group invests in training on industrial relations and grievance handling, regular employee engagement sessions with the Group Chief Executive Officer, quarterly Works Council meetings and annual wellness sessions. Independent employee counselling services are also provided to ensure confidential support. These measures strengthen collective engagement, enhance trust and support employee wellbeing, contributing to stable labour relations and sustainable business performance.

The following were our policies, goals and targets for the reporting period:

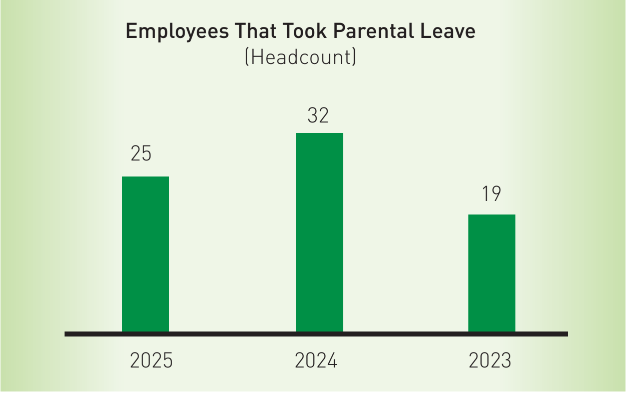
Policies	• Workplace Conduct Policy.
Processes	• Employee surveys.
Goals	• To retain critical employees and aim for natural attrition of 5% to allow for renewal. • Implement employee engagement initiatives and build teams.
Targets	• 80% on engagement index. • Retention of critical skills. • Minimise employee turnover.
KPIs	• % Employee engagement index. • Employee turnover.

Employee Welfare

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 reporting period.

Parental leave statistics were as follows:



Human Capital and Society (continued)

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:

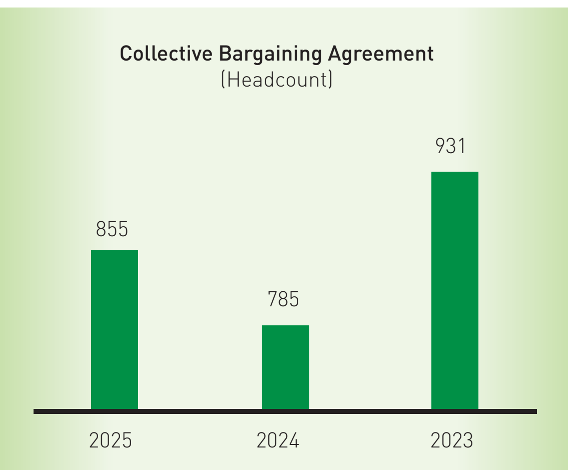
	2025 (ZWG '000')	2024 (ZWG '000')	2023 (ZWG '000')
ZBFH Pension	74,574	39,575	22,902
National Social Security Authority (NSSA)	15,106	9,045	5,459

Collective Bargaining Agreements (CBA)

Our Collective Bargaining Agreement (CBA) sets out the employment terms and conditions agreed upon by management and employee representatives, with the objective of creating fair labour practices and maintaining harmony among employees. It addresses key matters such as wages, benefits, working hours, and job security, helping to safeguard employee rights while supporting management's operational requirements. When effectively structured, a CBA can strengthen productivity, align the interests of employees and management, and help minimise employee disputes.

The Group's CBA supports positive labour relations, strengthens employee morale and job satisfaction, and in turn contributes to improved productivity. We remain committed to convening regular Works Council meetings to address employee matters and to participating actively at National Employment Council (NEC) level in shaping industry standards. Failure to uphold the terms of the CBA may, however, result in industrial action.

Employees under Collective Bargaining Agreements were as follows:



Employees covered by the Collective Bargaining Agreement increased by 8.92% from 785 in 2024 to 855 in 2025. The Group's CBA is with the Zimbabwe Banks and Allied Workers Union (ZIBAWU).

Non union working conditions are internally determined by management representatives and the employer, ensuring consistency with organisational policies and labour requirements.

Enhancing Skills Through Training and Education

The Group's education and training activities directly influence employee competence, career development, organisational performance, and long-term talent sustainability. Through providing continuous learning opportunities, the Group enhances job readiness, supports succession planning, and strengthens employee engagement and retention. However, challenges may arise when training access is uneven, programmes are outdated, or development needs are not fully identified. As such, the Group's approach prioritises equitable access, alignment of training with business needs, and continuous improvement to ensure learning initiatives strengthen both individual capability and organisational effectiveness.

Human Capital and Society (continued)

Policies	Commitments
• Training and Development Policy. • People and Culture (PnC) Framework.	• Providing fair and equitable access to training and development opportunities. • Supporting continuous professional development aligned with business strategy and career paths. • Offering education loans at 0% interest to support employee studies. • Developing personal development plans for each employee to address identified training needs. • Ensuring training incorporates emerging technologies and evolving industry demands.

Actions Taken to Promote Training and Development Initiatives:

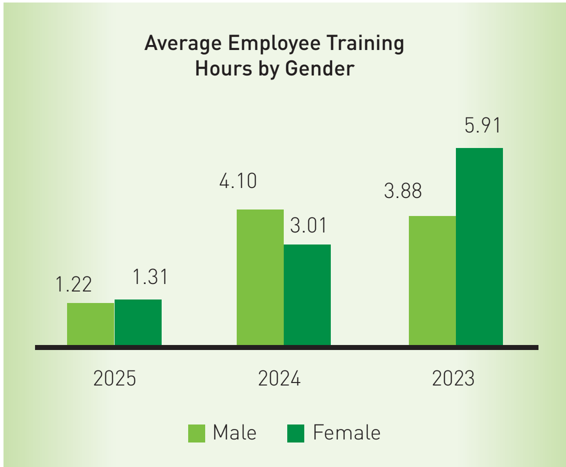
- Conducting regular training needs assessments linked to performance reviews.
- Using transparent, merit-based criteria for selection into training programmes.
- Managing training expenditure through adherence to the approved training budget.
- Adjusting training plans where skills gaps or inequities are identified.
- Providing alternative learning pathways or additional support for employees with unmet training needs.
- Strengthening programme design based on evaluation findings and feedback.
- Implementing structured onboarding and induction for new employees.
- Delivering technical, compliance, leadership, and soft-skills training.
- Providing continuous development opportunities, including mentorship, internships, and career development programmes.
- Strengthening succession planning through targeted leadership and professional development.

Our evaluation system is summarised below:

Monitoring System	• Internal reviews and management reporting of training activities. • Tracking training attendance, completion rates, and budget utilisation. • Training reports to evaluate programme outcomes. • Internal audits to assess compliance and effectiveness of learning processes.
Goals	• Build skilled, competent, and adaptable employees. • Improve employee performance and career mobility. • Increase participation in development programmes.
Targets	• 100% completion of mandatory training annually. • 90% participation in professional and leadership development programmes. • 90% training satisfaction rate. • 80% training coverage rate.
KPIs	• Training completion rate. • Training participation rate. • Training satisfaction rate. • Training coverage rate. • Average training hours per employee. • Percentage of employees with individual development plans.
Effectiveness and Progress	• Broader range of technical, leadership, and soft skills programmes introduced. • Increased investment in professional development and education support. • Continuous learning reduced skills gaps and improved readiness for new technologies and regulatory requirements.

Human Capital and Society (continued)

Average employee training hours for the reporting period were as follows:



Occupational Health and Safety

ZBFH is committed to providing a safe and healthy working environment across all operations. Through proactive safety management, ergonomic practices and awareness initiatives, the Group reduced workplace injuries while enhancing employee wellbeing, morale and productivity. Health and wellness programmes, including mental health support and emergency preparedness measures, help minimise risks and strengthen employee resilience. While recognising ongoing challenges related to ergonomic strain, workload pressures and stress, particularly in office based and customer facing roles, ZBFH continues to strengthen its occupational health and safety systems and wellbeing initiatives to reduce absenteeism, enhance compliance and support long term employee health and performance.

Occupational Health and Management System

ZBFH implemented an Occupational Health and Safety (OHS) Management System to provide a structured and consistent approach to identifying, managing and preventing work related risks across its operations. The system supports compliance with applicable OHS legislation and promotes continuous improvement in workplace health and safety. The OHS framework applies to all employees, including permanent, temporary and contract employee, and covers the branch network, head office and corporate functions, data centres and IT operations, facilities management, security services, and third party contractors operating on Bank premises.

Hazard identification, risk assessment, and incident investigation (HIRA)

ZBFH adopted a proactive approach to identifying and managing workplace health and safety risks across its operations. Routine risk assessments are conducted at branches, offices and support facilities, supported by periodic ergonomic assessments for both office-based and remote working arrangements. Security risk assessments are carried out at branch locations to address cash-handling, public access and crime-related risks, while hazards associated with maintenance and renovation activities are identified and managed in advance. Risk controls are applied in line with the hierarchy of controls, prioritising elimination and engineering measures, with administrative controls and personal protective equipment used where necessary.

Employees are encouraged to actively participate in workplace safety by reporting hazards and incidents through multiple channels. The Group maintains a strict non-retaliation policy and supports employees' right to withdraw from situations they reasonably believe pose a health or safety risk, with such hazards addressed before work resumes. All work-related incidents and near misses are recorded and investigated, with a focus on hazard identification, root-cause analysis and the implementation of corrective and preventive actions. The effectiveness of controls is reviewed through follow-up verification, and key lessons learned are shared across the Group to prevent recurrence and strengthen overall occupational health and safety performance.

Human Capital and Society (continued)

Occupational Health Services

ZBFH provides occupational health services to support employee wellbeing and safe working conditions. These include periodic medical check ups, routine health screenings, access to counselling and mental health support, and first aid facilities with trained personnel across branches. The Group supports employees returning to work after illness or injury to ensure safe reintegration. Service quality is maintained through accredited health providers, regular audits, strict confidentiality controls and employee feedback to drive continuous improvement.

Employee Participation, Consultation, and Communication on Occupational Health and Safety

ZBFH promotes effective employee participation and communication in occupational health and safety through established OHS committees that include employee representatives from both branches and head office. Regular OHS meetings are held to review incidents, identified hazards and opportunities for safety improvement, and employees are actively consulted on new safety procedures and changes to facilities. Safety information is communicated through multiple channels, including OHS bulletins and emails, notice boards in branches, training sessions and safety briefings, as well as updates on digital safety platforms, ensuring consistent awareness and engagement across the Group.

Employee Training on Occupational Health and Safety

ZBFH requires all new employees to complete mandatory occupational health and safety induction training. This is supplemented by regular refresher training covering fire safety and evacuation procedures, ergonomics and workstation safety, security awareness and robbery prevention, as well as first aid and emergency response. Role specific training is also provided for employees in higher risk functions, including cash handling, security, and facilities management. Completion of all OHS training programmes is monitored and tracked annually to ensure ongoing compliance and effectiveness.

Promotion of Employee Health

ZBFH provides employees with access to non occupational healthcare services through a comprehensive medical insurance programme. This includes primary healthcare, specialist consultations, hospitalisation and maternity care, with benefits extending to employees' dependants in accordance with company policy. In addition, the Group offers voluntary health promotion initiatives aimed at supporting preventative care and overall wellbeing. These include fitness and lifestyle programmes, mental health counselling and stress management sessions, health awareness campaigns, smoking cessation and nutrition support, and periodic vaccination drives. Together, these initiatives promote healthier lifestyles, reduce long term health risks and support employee wellbeing and productivity.

The following were our policies, goals and targets for the reporting period:

Policies	• Occupational Health and Safety Policy. • Workplace Security Policy. • Ergonomics Policy. • Emergency Response and Business Continuity Policy. • Contractor and Vendor Safety Policy.
Processes	• Regular internal Occupational Health and Safety (OHS) audits. • External audits and inspections conducted by regulators, insurers. • Incident and near-miss reporting system. • Periodic workplace inspections and risk assessments. • Employee surveys and feedback mechanisms

Human Capital and Society (continued)

Processes	• Regular internal Occupational Health and Safety (OHS) audits. • External audits and inspections conducted by regulators, insurers. • Incident and near-miss reporting system. • Periodic workplace inspections and risk assessments. • Employee surveys and feedback mechanisms
Goals	• Reduce workplace injuries and health incidents across all locations. • Improve mental health and well-being of employees. • Strengthen workplace security and emergency preparedness. • Improve OHS culture through employee participation and training.
Targets	• Achieve zero workplace fatalities and reduce lost-time injuries by 100% annually. • Ensure 100% of employee complete OHS training annually. • Conduct safety inspections in 100% of branches at least once per quarter. • Ensure 100% of incidents are investigated.
KPIs	• Lost Time Injury Frequency Rate (LTIFR). • Total Recordable Injury Rate (TRIR). • Number of workplace incidents (slips, trips, falls, security incidents). • Number of ergonomic assessments complete. • Percentage of employee completing OHS training. • Number of safety inspections conducted. • Number of emergency drills conducted. • Employee survey scores on safety and well-being. • Number of incident investigations completed and corrective actions implemented.
Progress	• Lost-time incidents reduced by 100% during the reporting period.

Our Community and Social Impact

Corporate Social Investment (CSI)

The Group is committed to making a positive difference in the communities in which it operates. Our CSI initiatives aim to uplift vulnerable groups, promote inclusive development, and strengthen community resilience. Recognising that meaningful impact requires genuine engagement and accountability, the Group designs programmes through stakeholder input. Impacts arise from support for education, healthcare, entrepreneurship, disaster relief, and community well being. These initiatives strengthen livelihoods, enhance access to services, empower vulnerable groups, and build community resilience. However, risks may occur when CSR programmes are unevenly distributed, not fully aligned with community needs, or insufficiently monitored, potentially resulting in dependency, misallocation of resources, or reputational harm.

Policies	Commitments
• CSR Policy. • Community Engagement Policy.	• Supporting communities through sustainable and impactful CSR initiatives. • Contributing to social, economic, and environmental development. • Ensuring transparency, accountability, and ethical use of CSR funds. • Engaging stakeholders to assess and prioritise community needs.

Human Capital and Society (continued)

Actions Taken to Manage Corporate Social Responsibility:
- Conducted due diligence assessments on NGOs, suppliers, and CSR partners.
- Established transparent approval, budgeting, and reporting processes for donations.
- Performed community needs assessments before launching programmes.
- Developed a CSR risk assessment framework to identify and mitigate project risks.
- Re aligned CSR projects based on community feedback when initial outcomes were weak.
- Supported priority sectors such as education, healthcare, entrepreneurship, and community development.
- Made financial and in kind donations to initiatives aligned with community needs.
- Launched volunteer programmes to engage employees in community service.
- Supported climate resilient and socially inclusive community projects.

Our evaluation system is summarised below:

Monitoring System	• Monitoring and evaluation of CSR projects using defined indicators. • Internal audits of CSR spending, governance, and internal controls. • External reviews or third-party evaluations for major programmes. • Community feedback, surveys, town halls, and beneficiary assessments. • Regular reporting to management and the board on CSR performance.
Goals	• Support sustainable and inclusive community development. • Strengthen transparency and accountability in CSR investments.
Targets	• Increase the reach of CSR programmes annually. • Support a minimum number of community projects each year. • Achieve at least 75% community satisfaction in feedback assessments. • Increase employee volunteer participation to 50% annually.
KPIs	• Total CSR spend and percentage of profit allocated to CSR. • Number of community projects supported. • Number of beneficiaries reached. • Community satisfaction scores. • Number of employee volunteer hours. • Percentage of CSR projects evaluated and reported. • Number of partnerships with vetted NGOs and community organisations.
Effectiveness and Progress	• Sustained CSR funding increased programme reach and impact. • Expanded community partnerships improved project quality and sustainability. • Monitoring and evaluation led to better targeting and greater impact of initiatives.

Human Capital and Society (continued)

Sustainable Development Goals (SDGs)

Education	Environmental Mindfulness	Wellness and Nutrition	Philanthropy
4 QUALITY EDUCATION	15 LIFE ON LAND	3 GOOD HEALTH AND WELL-BEING	11 SUSTAINABLE CITIES AND COMMUNITIES
Purpose To contribute to manpower and skills development in the country.	**Purpose** To enhance community safety and promote environmental sustainability.	**Purpose** Providing health services and facilities to the community.	**Purpose** Strengthening community relations.
Beneficiaries Schools in all provinces- Primary, Secondary, Tertiary, and Higher Tertiary	**Beneficiaries** Local schools and educational institution, Community Groups and Residents Associations.	**Beneficiaries** Local Schools, Community groups, charitable and community- based organisations.	**Beneficiaries** Families, youth and Sports Development Programmes, Local Authorities, Charitable Organisations
Items Donated Sanitary wear Digital boards	**Items Donated** Trees Clean up campaign initiative	**Items Donated** Food Hampers Healthcare facilities	**Items Donated** Sponsorship packages for youth development Programs

ZB Financial Holdings is committed to advancing the United Nations Sustainable Development Goals (SDGs) through a structured prioritisation process. This begins with aligning relevant SDGs to the Group's long term strategic vision and core business activities. The Group engages key stakeholders to identify priority social and environmental needs and assesses the most material challenges, including poverty reduction, access to healthcare, and education. Based on feasibility, relevance, and potential impact, ZB Financial Holdings prioritises SDGs where its resources, expertise, and influence can deliver meaningful and sustainable outcomes.

During the period under review, the Group's priority SDGs were:

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

Human Capital and Society (continued)

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

SDGs	Targets	Goals	Impacts
Zero Hunger	Target 2.1	End hunger and achieve food security and improved nutrition.	Donated food humpers to charitable and community-based organisations.
Good Health and Well-being	Target 3.8	Ensure healthy lives and promote well-being for all at all ages.	Healthcare facilities provided to the local community as well as sanitary wear to local schools.
Quality Education	Target 4.1 Target 4.3 Target 4.4	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.	Donated digital boards for schools in all provinces-Primary, Secondary, Tertiary, and Higher Tertiary.
Life on Land	Target 15.2	Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.	Supported tree planting initiatives and participated in clean up campaigns in partnership with Local schools and educational institutions, Community Groups and Residents Associations.

Environment and Climate

Environmental Stewardship

- Managing Water Responsibly
- Promoting Circular Practices
- Improving Energy Efficiency

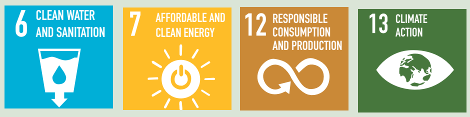
Responding to Climate Change

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

Environment and Climate Change

Overview

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.

Water	• Water Consumption: 18,070 m^3 • Year-on-Year Change: 66%
Energy	• Total Electricity Consumption: 3,416,345 kWh
GHG Emissions	• Scope 1 Emissions: 1,938,724 Kg CO2e/Litre • Scope 2 Emissions: 785,759 Kg CO2e/kWh • GHG Reduction Goal: net zero emissions by 2050
SDG's	

Environmental Stewardship

Managing Water Responsibly

ZBFH operations influence water use and water-related environmental impacts across branches, service centres, and supply chains. Positive outcomes arise from responsible water use, awareness programmes, efficient plumbing systems, and financing that supports sustainable water infrastructure and water-efficient agriculture. However, risks may arise from leaks, inefficient water fixtures, poor wastewater management, or inadequate monitoring, which could contribute to unnecessary consumption, contamination risks, or non-compliance with regulatory standards. The Group therefore integrates water stewardship, efficiency, compliance, and continuous improvement into its operational and financing activities.

Policies	Commitments
• Water Management Policy. • Environmental Management Policy.	• Responsible water use and minimising consumption across operations. • Compliance with relevant water use regulations and discharge requirements. • Continuous improvement in water efficiency.

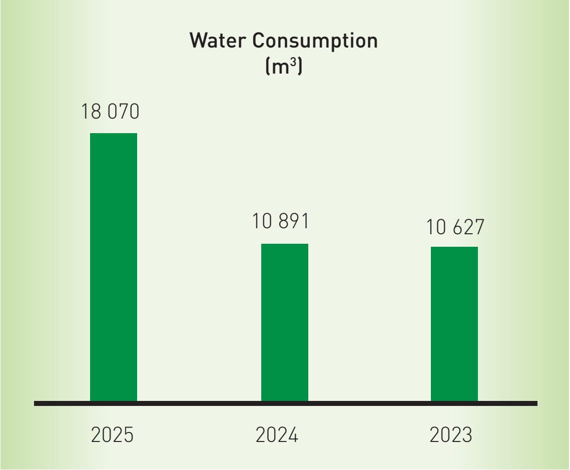
Environment and Climate Change (continued)

Actions Taken to Manage Water:
- Implemented water-saving technologies and plumbing upgrades to reduce consumption.
- Conducted regular inspections and maintenance to identify and repair leaks or inefficiencies.
- Collaborated with regulators and local authorities to resolve water-related issues.
- Provided additional training to operations teams following incidents or audit findings.
- Expanded employee awareness programmes on water conservation.
- Invested in water recycling and reuse measures where feasible.

Our evaluation system is summarised below:

Monitoring System	• Regular monitoring of water withdrawal, consumption, and discharge volumes. • Environmental performance reviews and site inspections. • Use of water-monitoring tools and dashboards where available.
Goals	• Reduce overall water consumption and improve water efficiency.
Targets	• Year-on-year reduction in total water consumption. • Zero non-compliance incidents related to water discharge.
KPIs	• Total water consumption (m^3) per site or service centre. • Number of water-related non-compliance incidents. • Number of internal or external water-management audits completed.
Effectiveness and Progress	• Water-usage tracking improved accuracy and accountability across facilities. • Audit results indicated stronger controls and fewer water-related incidents.

Our water consumption for the reporting period was as follows:



Promoting Circular Practices

The Group's operations generate various waste streams, including office paper, packaging materials, electronic waste from IT lifecycle upgrades, and hazardous waste such as batteries, toner cartridges, and fluorescent lamps. If not properly managed, waste can contribute to environmental pollution, data security risks, regulatory non-compliance, and reputational harm. Therefore, digital transformation, recycling initiatives, and responsible disposal practices offer significant opportunities to reduce the Group's environmental footprint, improve resource efficiency and support a circular economy.

Environment and Climate Change (continued)

Actions Taken to Manage Waste:

- Implemented paperless banking (e-statements, digital receipts, online approvals).
- Launched paper reduction campaigns (default double-sided printing, reduced internal printing).
- Installed segregated recycling bins for paper, plastic, metal, and e-waste across branches.
- Introduced secure data wiping procedures for IT asset disposal.
- Partnered with certified e-waste recyclers and hazardous waste handlers.
- Conducted compliance checks and clean-up actions where improper disposal occurred.
- Trained employees on proper segregation and hazardous waste handling requirements.
- Implemented corrective actions with vendors found to be non-compliant.
- Replaced unsuitable disposal processes with certified and audited handlers.
- Strengthened internal reporting and monitoring for waste-related incidents.
- Expanded digital banking services to significantly reduce paper usage.
- Encouraged customers to switch to digital channels and e-statements.
- Engaged suppliers to minimise packaging and adopt recyclable materials.

Our evaluation system is summarised below:

Monitoring System	• Internal audits of segregation and disposal practices. • External audits of e-waste and hazardous waste vendors. • Monthly tracking of waste volumes and recycling rates. • Quarterly management reviews of incidents and performance. • Supplier waste-management performance assessments.
Goals	• Reduce overall waste generation across operations. • Increase recycling and responsible disposal of hazardous and e-waste. • Achieve full compliance with waste regulations and data security standards.
Targets	• Reduce paper consumption by 50% within two years. • Increase annual recycling rates to 50% of total waste. • Ensure 100% of e-waste handled by certified recyclers. • Reduce hazardous waste incidents to zero.
KPIs	• Total paper consumption (reams/kg). • Total waste generated (kg/tons). • Percentage of waste recycled vs. disposed. • Total e-waste recycled (kg/tons). • Number of hazardous waste incidents. • Percentage of branches with full segregation infrastructure. • Number of employees trained on waste management. • Number of certified vendor audits completed.
Effectiveness and Progress	• Paperless initiatives significantly reduced printing and paper-based waste. • E-waste recycling ensured secure IT disposal and reduced environmental risks. • Segregation practices improved recycling rates and reduced landfill waste. • Compliance with hazardous waste handling improved through training and certified vendors.

Environment and Climate Change (continued)

Improving Energy Efficiency

Energy management is a central pillar of ZBFH's environmental sustainability strategy, underpinning efforts to reduce operational emissions, enhance resilience, and improve long term efficiency across the Group's facilities. ZBFH continues to strengthen its commitment to energy efficiency by investing in efficiency upgrades such as LED lighting, lower-consumption equipment, and the installation of solar systems to increase the use of renewable energy across its operations. These initiatives reduce electricity consumption, lower operational costs, and support long-term business sustainability while also cutting greenhouse gas emissions and contributing to climate-change mitigation. Energy consumption monitoring and optimisation improved reliability and operational resilience, helping the Group manage risks associated with high-energy-intensity operating environment in ZBFH operates, including blackouts, infrastructure limitations, and rising electricity costs.

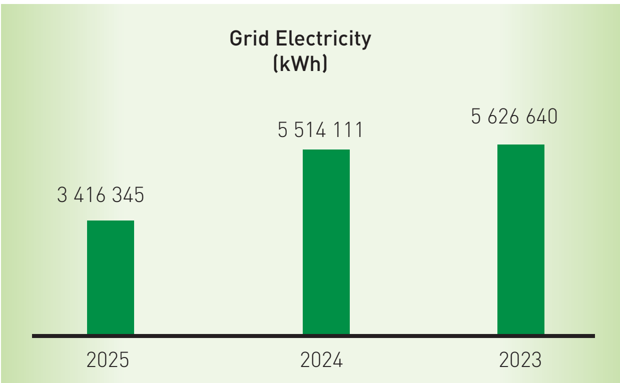
Although challenges remain such as limited availability of renewable energy, dependence on non-renewable sources, and potential increases in energy demand due to business growth ongoing digitalisation, process improvements, and technology upgrades continue to drive performance. ZBFH remains committed to efforts that not only decrease environmental impacts but also strengthen local energy resilience through reduced grid strain and on-site generation.

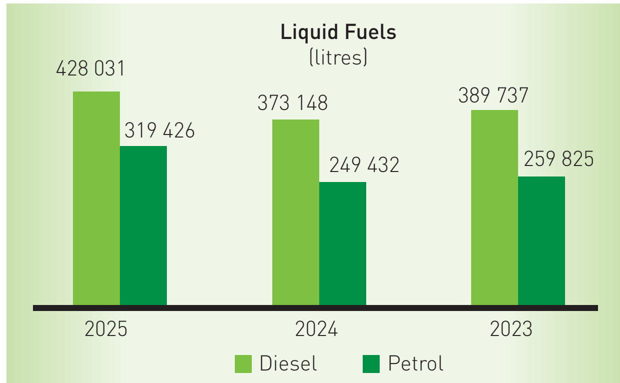
The following were our policies, goals and targets for the reporting period:

Policies	• Energy Management Policy. • Environmental Management Policy. • Climate Change and Emissions Policy.
Processes	• Energy monitoring and reporting systems. • Internal and external energy audits. • Regular review of energy performance at management level. • Periodic benchmarking and performance analysis.
Goals	• Reduce energy consumption and improve energy efficiency. • Reduce energy-related emissions and transition to cleaner energy sources.
Targets	• Year-on-year reduction in energy consumption (absolute or intensity-based). • Increase percentage of energy sourced from renewable or low-carbon sources.
KPIs	• Total energy consumption (MWh). • Energy intensity (energy per unit of output or revenue). • Percentage of energy from renewable sources. • Energy cost savings achieved through efficiency measures.
Progress	• Progress includes measurable reductions in energy use, improved energy intensity, and increased adoption of renewable energy or cleaner energy sources.

Environment and Climate Change (continued)

Our energy consumption for the period under review are as follows:





Grid electricity consumption decreased by 38.04% between 2024 and 2025.

Diesel consumption increased by 14.71% and Petrol consumption increased by 28.06% from 2024 to 2025.

** Electricity, diesel and petrol consumption figures are estimates based on the best available data at the reporting date.*

Responding to Climate

Addressing Climate Related Risks and Opportunities

ZB Financial Holdings strengthened its commitment to sustainability by integrating climate-related factors into both underwriting and investment decision-making processes. Climate risk management capabilities were further strengthened through the adoption of advanced modelling tools, enhancing the accuracy of risk assessment and pricing. The Group made notable progress in meeting climate-related financial disclosure requirements by implementing reporting frameworks and investing in employee training. Further, efforts to reduce its carbon footprint, such as increased use of digital communication contributed to improved operational efficiency while supporting better environmental outcomes.

Our climate-related risks and opportunities for the period under review were as follows:

Changing Weather Patterns

Physical

Risk
A rise in the frequency and intensity of extreme weather events may present risks to the resilience of our loan portfolio.

Financial Implications
A higher risk of borrower defaults arising from crop failures or diminished incomes linked to extreme weather conditions.

Methods to Manage
Broadening the loan portfolio to include sectors that are less vulnerable to such risks.

Environment and Climate Change (continued)

Credit Risk from Climate Exposed Borrowers

Physical

Opportunity
System upgrades, credit model recalibration, training.

Financial Implications
Increased non-performing loans (NPLs), higher impairment charges

Methods to Manage
Integrate climate risk into credit assessments, sector limits, enhanced due diligence.

Renewable Energy

Physical

Opportunity
Investments in renewable energy, such as solar, offer an opportunity to lower our carbon footprint and operating costs, while also supporting the diversification of our revenue streams.

Financial Implications
While upfront capital requirements may be substantial, longer-term savings on energy costs, together with potential income from renewable energy projects, could strengthen both profitability and sustainability.

Methods to Manage
Partnering with renewable energy developers or making direct investments in renewable energy projects.

Changes in Environmental Laws and Regulations

Transitional

Risk
Stringent environmental regulations and carbon pricing mechanisms may be introduced to address climate change, with non-compliance likely to result in penalties.

Financial Implications
The costs of complying with regulatory requirements may lead to higher operational expenses.

Methods to Manage
Tracking regulatory changes and maintaining adherence to applicable environmental legislation and standards.

Environment and Climate Change (continued)

Green Financing

Transitional

Opportunity
The increasing demand for sustainable finance products creates an opportunity to grow our portfolio of green loans and investment funds.

Financial Implications
This could lead to higher lending volumes and increased fee income generated from green finance activities.

Methods to Manage
Designing specialised financial products that meet the requirements of green projects and businesses.

Liability

Transitional

Risk
Possible legal claims against ZB Financial Holdings relating to its contribution to climate change or insufficient disclosure of climate-related risks.

Financial Implications
Potential legal expenses and financial settlements in the event of liability for climate-related damages.

Methods to Manage
Establishing environmental due diligence procedures and enhancing transparency in the disclosure of our climate-related activities and exposures.

Market Reputation

Transitional

Risk
Erosion of customer confidence resulting from insufficient action on climate-related issues.

Financial Implications
Reduced customer base and revenue.

Methods to Manage
Strengthen sustainability initiatives and enhance customer communication.

Environment and Climate Change (continued)

Greenhouse Gas (GHG) Emissions

Operational activities produce emissions through fuel use and electricity consumed in offices, branches, and data centres. Additional impacts arise from procurement, travel, commuting, suppliers, outsourced services, and third party facility management, while the largest share often comes from financed emissions linked to lending and investment portfolios. The Group reduced its operational footprint by improving energy efficiency, increasing renewable electricity use, digitising services, enabling remote work, and supporting low carbon activities through green finance. These efforts strengthen climate resilience across communities and economic sectors. However, exposure to high financed emissions, as well as physical, transition, reputational, and regulatory risks, remains a challenge if portfolio shifts are not effectively managed.

Policies	Commitments
• Climate Change / Environmental Sustainability Policy. • Energy and Resource Efficiency Policy.	• Measuring, monitoring, and disclosing GHG emissions in line with recognised standards such as the GHG Protocol. • Reducing operational emissions over time through efficiency and renewable energy initiatives. • Supporting the transition to a low carbon economy via lending and investment decisions. • Aligning our activities with national and international climate goals, including the Paris Agreement.

Actions Taken to Manage GHG Emission Impacts:

- Implementation of energy efficiency interventions such as LED lighting, efficient HVAC systems, and smart building controls.
- Increased procurement and utilisation of renewable electricity and low carbon energy sources.
- Promotion of remote work, virtual meetings, and reduced travel to lower emissions intensity.
- Integration of climate risk assessment into credit underwriting and investment evaluation.
- Emissions reduction initiatives targeted at high emission operational sites and processes.
- Engagement with high emitting clients to support development of credible transition plans.
- Adjustments to lending and investment exposure in carbon intensive sectors where warranted.
- Limited use of carbon offsets to neutralise residual operational emissions where appropriate.
- Expansion of green and sustainable finance offerings, including financing for renewable energy, efficient buildings, and climate resilient projects.

Monitoring System	• Internal systems to monitor electricity, fuel use, and related emissions. • Internal audits and management reviews assessing emissions performance. • External assurance or verification where relevant and feasible.
Goals	• Reduce operational GHG emissions. • Improve climate alignment of lending and investment portfolios. • Increase financing that supports low carbon and climate positive outcomes.
Targets	• Year on year reductions in Scope 1 and Scope 2 emissions. • Increased proportion of renewable electricity in operations. • Gradual reduction in carbon intensity of financed emissions in priority sectors. • Growth in sustainable finance volumes over set time horizons.

Environment and Climate Change (continued)

KPIs	• Total Scope 1 and Scope 2 emissions (tCO_2e). • Scope 3 emissions including financed emissions (where measurable). • Emissions intensity per employee or per square metre. • Percentage of energy sourced from renewables. • Volume and proportion of green or climate aligned financing. • Emissions from business travel.
Effectiveness and Progress	• Energy efficiency initiatives and digitalisation contributed to lower emissions intensity. • The Group increased its use of renewable electricity and expanded its sustainable finance activities. • Emissions data quality, coverage, and consistency improved, enabling more informed decision making.

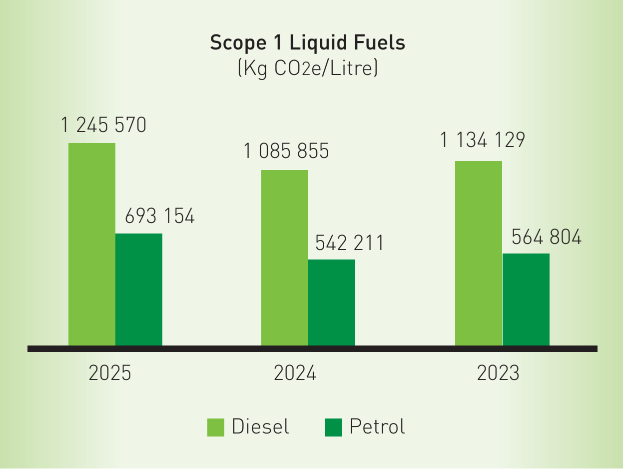
Scope 1 Emissions (Direct Emissions) - These emissions are generated directly by sources owned or controlled by ZBFH which includes stationery (generators) and mobile (vehicles) combustions.

Scope 2 Emissions (Indirect Emissions) - These are emissions generated from consumption of third party generated electricity in our offices and properties excluding generation emissions of suppliers.

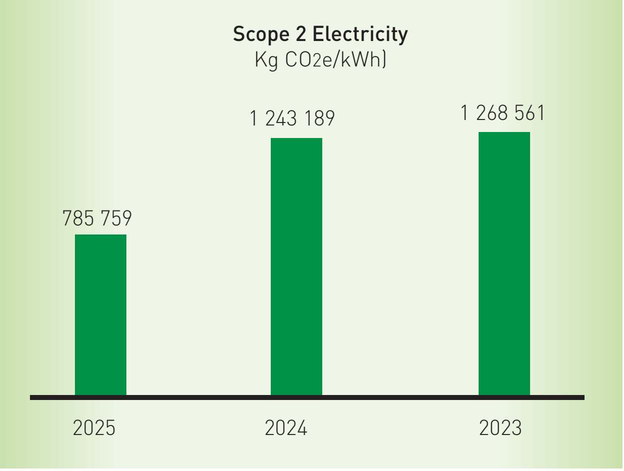
Emission Factors and Methodology

We calculated our Scope 1 and 2 emissions using energy consumed by the Group (except solar energy) and the emission factors . The energy consumed was converted to carbon emission equivalence using emission factors from the Greenhouse Gas (GHG) Protocol. The petrol emission factor was adjusted downwards by a 5% margin to cater for the blending with ethanol ratios in Zimbabwe. Grid electricity emission factor was adjusted upward by 10% to account for Zimbabwe's electricity, generated by thermal and hydropower.

Scope 1 and 2 emissions for the period under review were as follows:



Scope 1 liquid fuel emissions increased by 19.08% from in 2024 to 1,938,724 Kg CO_2e/Litre in 2025 from 1,628,066 Kg CO_2e/Litre.



Scope 2 greenhouse gas emissions decreased by 36.79% between 2024 and 2025, consistent with the significant reduction in grid electricity consumption during the reporting period.

Emission_Factors_for_Cross_Sector_Tools_V2.0_0.xlsx

Environment and Climate Change (continued)

** Greenhouse gas emissions were derived from the estimated electricity, diesel and petrol consumption figures. These emissions figures are therefore subject to estimation.*

Climate Action

Our activities contribute to a variety of climate related impacts across operations, supply chains, financed clients, and the wider community. Positive impacts arise from energy efficiency initiatives, renewable energy adoption, climate resilient financing, and efforts to reduce greenhouse gas (GHG) emissions. These actions support cleaner air, lower emissions, and improved climate resilience. However, climate related risks may arise from operational emissions (scopes 1, 2, and 3), physical climate hazards such as extreme weather events, and supply chain vulnerabilities. Additional risks stem from financing high carbon sectors, potential stranded assets, increased insurance and maintenance costs, and reputational impacts if clients or suppliers engage in environmentally harmful practices. As the effects of climate change intensify, the Group embeds mitigation, adaptation, resilience, and transition planning into its strategy and risk management processes.

Policies	Commitments
• Climate Change Policy. • Energy Management Policy. • Risk Management Policy.	• Aligning with global climate goals such as the Paris Agreement. • Implementing climate adaptation and resilience planning. • Increasing renewable energy consumption. • Enhancing climate-related financing and supporting low-carbon economic activities.

Actions Taken to Manage Climate Change:

- Conducted climate-risk assessments for operations and supply chains.
- Introduced supplier screening for climate performance and environmental compliance.
- Worked with suppliers to improve climate performance and reduce upstream emissions.
- Expanded climate-positive products and services, including renewable-energy financing and support for climate-resilient agriculture and SMEs.
- Invested in resilient infrastructure and strengthened business continuity plans.
- Provided climate awareness and capacity-building training for employees and partners.
- Supported community resilience through climate-focused education and engagement programmes.

Our evaluation system is summarised below:

Monitoring System	• Management reviews of climate performance, risks, and targets. • Monitoring of supplier climate performance using scorecards and assessments. • Environmental performance reviews and climate risk reporting.
Goals	• Strengthen climate resilience across operations, supply chains, and financed portfolios.
Targets	• Achieve 50% renewable-energy usage. • Increase financing to climate-resilient and low-carbon economic sectors.
KPIs	• Number of climate-risk assessments completed. • Number of suppliers with climate action plans. • Proportion of financing supporting climate-resilient activities.

Driving Sustainable Economic Development

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

Driving Sustainable Economic Development

Overview

ZB Financial Holdings is committed to driving sustainable economic development by creating long-term value for our customers, communities, and stakeholders. Through responsible financial solutions and support for key sectors of the economy, we promote inclusive growth and economic resilience for a sustainable future.

SDG's

Financial Performance

The Group's economic performance plays a critical role in sustaining business continuity and contributing to national and regional development. Through stable revenues, responsible financial management, and efficient operations, the Group generates economic value that supports employment, tax contributions, supplier opportunities, innovation, and community development. However , the Group operates in an environment influenced by market volatility, inflationary pressures, regulatory changes, and shifting customer needs, which can affect financial stability and long-term growth. Recognising these dynamics, the Group focuses on prudent risk management, operational efficiency, diversification, and sustainable value creation to ensure resilience, competitiveness, and long-term economic contribution.

Actions Taken to Manage Economic Impacts

- Integration of ESG criteria into credit and investment due diligence to avoid financing harmful or high risk economic activities.
- Conducting ongoing risk assessments to identify financial, market, and operational vulnerabilities.
- Implementing cost control and efficiency initiatives to maintain financial stability.
- Diversifying revenue streams, customer portfolios, and supplier relationships.
- Implementing corrective action plans to address underperformance or inefficiencies.
- Adjusting business strategies and operating models in response to economic volatility, inflation, or supply chain disruptions.
- Scaling digital transformation initiatives to enhance efficiency, reduce costs, and improve service reach.
- Supporting SMEs, start ups, and local businesses through tailored lending solutions.
- Reinvesting profits into operations, technology, people development, and community initiatives.

Policies

- Financial Management and Internal Control Policy.
- Risk Management Policy.
- Investment and Capital Allocation Policy.
- Procurement and Supplier Management Policy.
- Business Continuity and Resilience Policy.

Driving Sustainable Economic Development (continued)

Our evaluation system is summarised below:

Monitoring System	• Internal financial reporting and performance reviews. • Internal and external financial audits. • Management reviews of budgets, forecasts, and variance analysis. • Enterprise risk-management processes assessing financial resilience. • Credit-risk and capital-adequacy monitoring.
Goals	• Achieve sustainable and profitable business growth. • Maintain strong financial resilience and liquidity. • Improve operational efficiency while enhancing value creation. • Support inclusive and sustainable economic activity through responsible financing.
Targets	• Achieve year-on-year revenue and profitability growth. • Maintain liquidity and solvency ratios above regulatory thresholds. • Expand financing to productive and inclusive economic sectors.
KPIs	• Cost-to-income ratio. • Revenue growth rate. • Operating margin and net-profit margin. • Cash-flow and liquidity ratios. • Return on Investment (ROI). • Economic value distributed to stakeholders.
Effectiveness and Progress	• Revenue diversification and improved resilience against market volatility. • Expanded SME financing and inclusive products contributed to economic development. • Growth in economic value distribution to stakeholders, supporting employees, suppliers, and communities.

Economic Value Generation and Distribution

For detailed information on the direct economic value generated and distributed, please refer to pages 114 to 123 of our financial statements. These pages provide a comprehensive overview of the economic impact we achieved.

Supply Chain and Responsible Sourcing

Our procurement and supplier management activities create a wide range of environmental, social, ethical, and economic impacts across the value chain. The Group's sourcing decisions influence supplier behaviour, local economic development, labour practices, and environmental stewardship. Engagement with suppliers can promote responsible business conduct, while gaps in due diligence and supplier oversight may expose the Group to risks related to labour violations, service disruptions, or reputational damage. These impacts arise through relationships with vendors, contractors, outsourced service providers, and partners whose operations are directly linked to ZBFH's service delivery and performance.

Policies	Commitments
• Procurement and Supply Chain Policy. • Supplier Code of Conduct. • Human Rights Policy. • Environmental and Social Risk Management Policy.	• Ensuring ethical, transparent, and fair procurement practices. • Respecting human rights, labour standards, and environmental protections throughout the supply chain. • Working with suppliers to improve sustainability performance over time. • Conducting responsible sourcing that supports local economic development.

Driving Sustainable Economic Development

Actions taken to manage Supply Chain and Responsible Sourcing:
- Supplier due diligence and risk assessments during onboarding and contract renewal.
- Integration of ESG, labour, and ethical requirements into supplier contracts and tender documents.
- Training and guidance for suppliers on responsible sourcing expectations.
- Ongoing supplier monitoring through assessments, checklists, and performance evaluations.
- Increased scrutiny of outsourced service providers in high-risk categories.
- Suspension or termination of supplier relationships where improvement is not demonstrated.
- Preference for local suppliers and small to medium enterprises where feasible.

Our evaluation system is summarised below:

Monitoring System	• Internal procurement reviews and compliance checks. • Supplier performance assessments and periodic audits. • Use of supplier self assessment questionnaires. • Third party verification for high risk suppliers where appropriate. • Regular management review of supply chain risks and performance.
Goals	• Strengthen responsible sourcing and supply chain risk management. • Reduce environmental, social, and ethical risks associated with suppliers. • Promote a supply chain that aligns with sustainability and human rights standards.
Targets	• Increase the proportion of suppliers assessed for ESG risks. • Improve year on year supplier compliance with the Supplier Code of Conduct. • Expand sourcing from ethical, environmentally responsible, and local suppliers.
KPIs	• Percentage of key suppliers screened for ESG and ethical risks. • Number of suppliers non compliance cases identified and resolved. • Number and percentage of supplier audits completed. • Improvement rates in supplier compliance and corrective actions.
Effectiveness and Progress	• Progress was made in integrating ESG considerations into procurement decisions, expanding supplier evaluations, and deepening supplier engagement. • Supplier assessments and monitoring improved compliance with ethical, environmental, and labour standards, while corrective action processes reduced exposure to non compliance and improved supplier accountability.

Transparent Tax Practices

The Group's tax practices play a vital role in supporting national development, ensuring financial transparency, and maintaining stakeholder trust. Through the timely and accurate payment of taxes, the Group contributes to public revenue that enables essential social and economic services. Strong tax governance reinforces responsible corporate citizenship and supports economic stability. However, tax-related risks may arise from compliance errors, evolving tax regulations, operational complexities, or the tax behaviour of third parties associated with the Group. Managing these risks requires robust internal controls, consistent oversight, responsible tax planning, and ongoing engagement with regulators and stakeholders.

Driving Sustainable Economic Development (continued)

Policies	Commitments
• Tax Policy. • Financial Reporting and Accounting Policy. • Risk Management Policy. • Code of Business Conduct and Ethics.	• Full compliance with applicable tax laws and regulations. • Transparency, accuracy, and accountability in tax reporting. • Responsible tax planning aligned with the intent of legislation. • Maintaining a strong governance framework for tax risk management. • Engaging constructively with tax authorities and external stakeholders.

Approach to Tax

The Group maintains a formal Tax Strategy that guides the approach to tax governance, compliance, planning, and reporting. This strategy is reviewed and approved by the Board Audit and Risk Committee on an annual basis, or more frequently when there are significant regulatory or operational changes. The Group adopted a compliance-first approach, ensuring full adherence to applicable tax laws and regulations, including income tax, VAT, PAYE, withholding taxes, and statutory levies. Tax planning is conducted responsibly and within the intent of the law, avoiding aggressive structures that could undermine trust or long-term sustainability. Our approach to tax is directly linked to the broader business and sustainability strategy by contributing fairly to public finances and supporting national development priorities.

Our evaluation system is summarised below:

Monitoring System	• Internal compliance reviews. • Internal and external audits. • Oversight by risk and audit committees. • Periodic tax risk assessments.
Goals	• Maintain full compliance with tax laws and regulations. • Strengthen governance, transparency, and accountability in tax practices.
Targets	• Zero material tax penalties. • 100% timely filing and payment of taxes. • Annual review of the Tax Strategy.
KPIs	• Number and value of tax penalties incurred. • Timeliness of filings and payments. • Number of unresolved tax disputes.
Effectiveness and Progress	• Consistent on-time filings across the Group. • Reduced tax-related discrepancies in compliance reviews. • Strengthened governance and improved internal documentation processes.

Driving Sustainable Economic Development

Stakeholder Engagement and Management of Concerns Related to Tax

The Group engages openly and constructively with tax authorities through timely filings, and cooperative participation in audits, reviews, and information requests. Engagement is focused on maintaining trust, ensuring compliance, and resolving issues promptly. The Group participates in public policy discussions through industry associations and professional bodies, contributing to tax-related consultations and advocating for legislation that is clear, consistent, and aligned with responsible business practices. Stakeholder views are collected through governance forums, advisory reviews, and regulatory interactions. These insights help the Group refine its tax processes, strengthen governance, and assess the effectiveness of its tax-management approach.

Our tax payments for the period under review were as follows:

Tax	2025 (ZWG)	2024 (ZWG)	2023 (ZWG)
Corporate Tax - Subsidiaries	148,071,857	67,505,867	5,477,456
Value Added Tax (VAT)	48,569,197	48,443,282	3,704,560
PAYE	322,933,397	177,388,966	183,420,059
Withholding Tax	218,698	358,332	221,098
Withholding Tax on Foreign Payments	21,545,812	11,853,039	127,662,383
VAT on Imported Services	22,490,034	-	-
Aids Levy	14,130,158	5,321,669	5,502,602
IMTT	755,204,381	404,879,466	34,768,321
Other taxes (AFTT, Resident tax on Interest)	9,939,974	5,067,819	1,301,375
Total Taxes	**1,343,103,508**	**720,818,441**	**362,057,854**

Financial Reports

- Report of the Directors
- Directors' Statement of Responsibility
- Group Secretary Certification
- Independent Auditor's Report
- Consolidated Statement of Financial Position
- Separate Statement of Financial Position
- Consolidated Statement of Profit or Loss and Other Comprehensive Income
- Separate Statement of Profit or Loss and Other Comprehensive Income
- Consolidated Statement of Changes in Equity
- Separate Statement of Changes in Equity
- Consolidated Statement of Cash Flows
- Separate Statement of Cash Flows
- Notes to Consolidated and Separate Financial Statements

Report of the Directors

For the year ended 31 December 2025

The directors have pleasure in presenting their report to shareholders for the year ended 31 December 2025.

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 0.679 billion in 2025 compared to restated profit after taxation ZWG 1.042 billion in 2024.

The increase in equity arising from other comprehensive income amounted to ZWG 0.227 billion in 2025 compared to ZWG 2.591 billion in 2024.

Total assets as at 31 December 2025 amounted to ZWG 16.080 billion compared to the restated total assets as at 31 December 2024 of ZWG 14.249 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. The going concern basis has, therefore, been adopted for the preparation of these financial statements.

Directorate

Mrs Emmah N Mungoni resigned from the ZB Financial Holdings Board on the 30th of June 2025. On behalf of the Board and management, I extend my gratitude for her contributions and appreciate her for her distinguished service to the Group as both Director and Chief Financial Officer. I wish her success in her future endeavours.

Mrs Letwin Mawire was appointed as the Chief Financial Officer and Executive Director of ZB Financial Holdings Limited Board with effect from 09 October 2025. We look forward to her invaluable contribution towards the Group's continued success.

Mr. Peter M. V. Wood retired by rotation at the Annual General Meeting held on June 27, 2025, and being eligible, did not offer himself for re-election. The Board, Management, and staff would like to thank Mr. Peter M. V. Wood for his dedicated service and commitment to ZB Financial Holdings Limited. The Board wishes him well for the future.

The following director held shares, directly or indirectly, in the company as at 31 December 2025:

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 ending 31 December 2026.

Report of the Directors (continued)

For the year ended 31 December 2025

Shareholders will be requested to approve the Auditors remuneration for their service with respect to the year ended 31 December 2025.

By order of Board

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

Harare
25 March 2025

BOARD OF DIRECTORS

Mrs. A. Makamure	(Chairman)
Mr. S.T. Fungura	(Group Chief Executive Officer)
Mrs. L. Mawire	(Chief Finance Officer)
Ms. T. Sibanda	
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 2025, 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 2025 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 114 to 320, were approved by the Board on 10 March 2026.

The Group's independent external auditor, Ernst and Young Chartered Accountants (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 113.

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

L. Mawire CA (Z)
Registered Public Accountant number 2883

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

Harare
25 March 2025

Group Secretary 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 & BOARD SECRETARY
05 June 2026

Chartered Accountants (Zimbabwe)
Angwa City
Cnr Julius Nyerere Way
Kwame Nkrumah Avenue
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Harare

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Shape the future
with confidence

Independent Auditor's Report

To the Shareholders of ZB Financial Holdings Limited

Report on the Audit of the Consolidated and Separate Financial Statements

Qualified 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 114 to 320 which comprise the consolidated and separate statements of financial position as at 31 December 2025, 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 2025, and the 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 - Consolidated

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 as disclosed in note 3.1.1.2.

Some of the subsidiaries within the Group changed their functional currencies from ZWL to USD effective 1 January 2024. IAS 21 requires the change in functional currency to be applied prospectively. Further, the procedures set out in International Accounting Standard (IAS) 21, Effects of Changes in Foreign Exchange Rates would have required all ZWL inflation adjusted balances as at 1 January 2024 (for these subsidiaries) to be converted to USD on the date of change in functional currency.

Independent Auditor's Report (Continued)

ZB Financial Holdings Limited

Management followed an IAS 21 compliant approach for all financial statements elements with the exception of the following:

- **Group:** Investment properties and Property and equipment – Management restated the fair values of the investment properties and property and equipment as at 1 January 2024 by taking into account the USD valuations of the assets as at that date, instead of translating the ZWL inflation adjusted numbers as at 1 January 2024 to USD.

- **Company:** Investments in subsidiaries – Management restated 1 January 2024 fair values by recomputing the net asset value of the subsidiaries after having effected the above adjustments to Investment properties, Property and equipment, and Retained Earnings . This contradicts the IAS 21 requirements wherein the reported fair value as at 1 January 2024 should have been translated to USD at the spot exchange rate at that date.

As management have not corrected this matter per the requirements of IAS 8, the corresponding amounts for fair value adjustments, gain on property and equipment revaluations, deferred tax, included in income tax expense and depreciation included in the operating expenses on the consolidated and separate statement of profit or loss and other comprehensive income remain impacted. Our opinion on the current period's consolidated and separate financial statements is therefore modified due to the comparability of the current year figures to those of the prior year.

Non-compliance with IFRS 13 "Fair value measurements" and IFRS 9 "Financial instruments" in respect of Treasury Bills

The Group's treasury bills (TBs) acquired from the secondary market are classified as Financial Assets held at Fair Value Through Other Comprehensive Income (FVTOCI) under IFRS 9, and their fair value should be determined in accordance with the requirements of IFRS 13. In current year, the Group held Treasury bills amounting to ZWG1 335 881 639, a significant portion of which had matured by the end of the year and were more than 90 days past due.

a) Non-compliance with IFRS 13

The carrying amount of these Treasury Bills should reflect fair value, as defined by IFRS 13, however, for the matured TBs, management has used the face value, rather than determining and recognising the appropriate fair value as required by the standard.

b) Non-compliance with IFRS 9

The fair value of Financial Assets measured at Fair Value Through Other Comprehensive Income (FVTOCI), incorporates impairment calculated in line with IFRS 9. The impairment loss does not further reduce the treasury bills' fair value as the movement in fair value should comprise both the impairment loss recognised in profit or loss and the fair value adjustment recorded in OCI. The impairment loss should have been recognised in accordance with an IFRS 9 compliant model and the entity's accounting policy. The Group's accounting policy and IFRS 9 stipulates that financial instruments past due by more than 90 days must be classified as credit-impaired (Stage 3), with a probability of default of 100%. In this instance, management has misstated the impairment loss recognised to profit or loss on the Treasury Bills by treating them as Stage 2 assets and applying a 50% probability of default. This methodology is inconsistent with both IFRS 9 and the Group's accounting policy.

Independent Auditor's Report (Continued)

ZB Financial Holdings Limited

As a result of the above, the following amounts are materially misstated:

Statement of Financial Position

- Treasury Bills overstated by ZWG 425 029 362
- Deferred tax asset understated by ZWG 109 445 061

Statement of Profit/loss and Other comprehensive income

- Loan impairment charges, net of recoveries (P&L) understated by ZWG 282 187 223
- Fair value gains/loss on FVTOCI (OCI) overstated by ZWG 224 303 314
- Related tax expense on fair value adjustment (OCI) overstated by ZWG 57 419 880
- Income tax expense on loan impairment charges, net of recoveries (P/L) overstated by ZWG73 001 433

Due to the effects of the above, there is a consequential impact on retained income and FVTOCI in the Statement of changes in equity.

Limitation of scope related to Trade and other receivables

Included in Trade and Other Receivables on the Statement of financial position, are advance payments and sundry assets amounting to ZWG449 602 445. As disclosed on Note 11 to the financial statements, the nature and origin of the transactions comprising this balance remained under investigation by management at the time of reporting. As a result, we were unable to obtain sufficient appropriate audit evidence to verify the validity, classification, or recognition of this balance in accordance with International Financial Reporting Standards (IFRS). Consequently, we were unable to determine whether any adjustments might have been necessary with respect to the Trade and Other Receivables, or the related elements making up the statement of financial position and statement of profit or loss and other comprehensive income.

Non-Compliance with IFRS 9 "Financial instruments" on Advances and other accounts

As disclosed in Note 26.3 to the financial statements, Loan impairment charges on mortgages and other advances are ZWG 276 908 412. Management has not provided us with an IFRS 9-compliant ECL model that adequately supports this amount, nor have they provided any other basis to support the estimation of the number. This constitutes non-compliance with IFRS 9, which requires that ECL be determined using a quantitative methodology applying statistical, economic, financial, or mathematical theories, techniques, and assumptions to process input data into quantitative estimates.

Consequently, mortgages and other accounts reported in the consolidated statement of financial position at ZWG 3 089 902 781, loan impairment charges net of recoveries in the consolidated statement of profit or loss and other comprehensive income at ZWG 256 307 189 and the consequential impact on retained earnings and deferred tax, as well as the related disclosures are misstated. We were unable to quantify the extent of the misstatements due to insufficient data to perform an adequate recalculation of the correct impairment amount.

Independent Auditor's Report (Continued)

ZB Financial Holdings Limited

Basis for Qualified Opinion Company

The Company measures its investments in subsidiaries using a net asset value basis. Consequently, the misstatements arising from the issues described above, specifically the non-compliance with IFRS 13 *"Fair Value Measurement"*," IFRS 9 *Financial Instruments*" and the Limitation of scope have materially affected the carrying amount of Investments in Subsidiaries stated at ZWG5 356 929 489 in the separate statement of financial position and the related fair value adjustments stated at ZWG700 145 306 in the separate statement of profit or loss and other comprehensive income. These misstatements also have a consequential impact on retained earnings in the company's separate financial statements.

The effects of the above departures from IFRS are material but 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), as applicable to audits of financial statements of public interest entities and other requirements applicable to performing audits 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and separate 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 consolidated and separate 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 consolidated and separate 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 consolidated and separate 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 consolidated and separate financial statements.

Independent Auditor's Report (Continued)

ZB Financial Holdings Limited

<table>
<tr><td colspan="2">Refer to Accounting Policy Note 3.20 and Note 21 (Annual Report)</td></tr>
<tr><td>Key audit matter</td><td>How our audit addressed the matter</td></tr>
<tr><td colspan="2">Valuation of the Insurance Contract Liabilities (Group)</td></tr>
<tr><td>The Group's insurance contract liabilities, as presented in the Consolidated Statement of financial position, amount to ZWG 225 182 688 (2024: ZWG 268 691 070) and constitute a significant component of total liabilities. The valuation of these liabilities under IFRS 17 Insurance Contracts is inherently complex and requires significant judgment and estimation. In particular, the determination of insurance contract liabilities involves assumptions relating to discount rates, inflation, expense assumptions, and claims development patterns, including the estimation of Incurred But Not Reported (IBNR) claims. These assumptions are subject to a high degree of estimation uncertainty and small changes could result in a material overstatement or understatement of insurance contract liabilities.

There is an inherent risk that unsupported or overly optimistic assumptions could lead to understated insurance contract liabilities, with a consequential impact on the Group's financial performance and solvency.

The valuation relies extensively on complex actuarial models, and the Group engaged external independent and internal actuaries in determining these balances. Given the magnitude of the liabilities, the significant estimation uncertainty, and the degree of judgment involved, the valuation of insurance contract liabilities was of most significance to our audit and was therefore identified as a key audit matter.</td><td>Our procedures included the following:
• We obtained an understanding of the controls, assumptions and methodology applied in arriving at the estimates.
• We reviewed the trends from prior period by comparing to the actual claims received in the next financial period.
• We assessed the objectivity and competency of Management's expert
• We included an actuarial specialist on our team to:
a. Assess the measurement methodology used to determine the Insurance contract liabilities against the requirements of IFRS 17, including comparison to prior year.
b. Assess the appropriateness of key actuarial assumptions used in the valuation of insurance contract liabilities, including discount rates, claims development patterns and inflation assumptions, by tracing inputs to observable market data, and independently recalculating each liability component using the same claims data and valuation methodologies applied by management. We then compared the results to the amounts recognised in the Consolidated Financial Statements as at 31 December 2025.
c. Evaluate whether the expense assumptions reflect the expected future costs of administering the underlying policies by considering the historical accuracy of management's forecast expenses, analysing the allocations of the forecast costs to directly attributable expenses with reference to the historical allocations and future plans.
d. Assess the reasonability of the actuarial results by performing an Actual-versus-Expected IBNR analysis, reviewing the curve-fitting model applied, and evaluating whether its consistent application across accident years 2019–2025 produced stable and experience-aligned development patterns.

• We evaluated the adequacy of disclosures relating to Insurance Contract Liabilities against the requirements of IFRS 17.</td></tr>
</table>

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 Limited consolidated and separate financial statements other than the financial statements and our auditor's report thereon. We obtained the Chairman's statement, the Group Chief Executive's Report, the Report of the Directors, the Directors' Statement of Responsibility and Appendix A-Corporate Governance prior to the date of our report, and the Annual Report which is expected to be made available to us after the date of our 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 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 noncompliance with IAS 21 "Effects of changes in foreign exchange rates, IAS 8 Accounting Policies, changes in Accounting Estimates and Errors, IFRS 13 "Fair value Measurement" and IFRS 9 "Financial Instruments".

In addition, as described in the in the Basis for Qualified Opinion section above in respect of limitation of scope on trade and other receivables, we are unable to conclude whether any adjustments to the Other information is required in respect of this matter.

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 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 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 the Banking Act (Chapter 24:20) and for such internal control as the directors determine is necessary to enable the preparation of the 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 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.

Independent Auditor's Report (Continued)

ZB Financial Holdings Limited

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 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' opinion is Mrs. Elina Bvurere (PAAB Practising Number 0462).

Ernst & Young

Ernst & Young
Chartered Accountants (Zimbabwe)
Registered Public Auditors
Harare
Date: 26 March 2026

Consolidated Statement of Financial Position

As at 31 December 2025

	Notes	Audited 31 Dec 2025 ZWG	**Restated 31 Dec 2024 ZWG	**Restated 31 Dec 2023 ZWG
ASSETS				
Cash and cash equivalents	5	4 031 757 251	2 902 848 808	1 036 478 989
Treasury bills	6	1 335 881 639	878 799 829	330 157 187
Mortgages and other advances	7	3 089 902 781	3 988 679 045	2 104 055 481
Trade and other receivables*	11	1 242 751 847	406 087 456	341 006 854
Reinsurance contract assets	21	90 401 677	110 925 292	124 745 943
Insurance contract assets	21	22 725 762	-	112 805 955
Inventories	10	79 005 915	37 594 100	7 905 534
Asset held for Sale	12	45 880 150	-	47 466 296
Financial assets held at amortised cost	8.2	85 500 065	83 650 095	35 105 924
Investment in Associate	9.1	-	72 472 415	102 034 437
Financial assets held at fair value through profit or loss*		611 206 627	566 091 775	256 448 360
Right of use assets	14	32 133 668	26 941 617	42 392 526
Investment Property	13	3 685 425 819	3 543 156 990	1 696 614 680
Intangible assets	16	191 738 839	198 322 082	23 842 987
Property and equipment	15	1 455 167 683	1 412 673 554	744 998 846
Deferred tax asset*	23	80 944 426	20 464 248	5 935 202
Total assets		16 080 424 149	14 248 707 306	7 011 995 201
LIABILITIES				
Deposits and other accounts	17	6 570 023 968	5 483 003 415	2 488 251 026
Trade and other payables	19	1 006 947 832	1 231 398 440	759 347 774
Investment contract liabilities	18	231 005 474	175 413 650	96 481 041
Current tax liabilities	20	115 406 106	93 665 129	18 963 005
Reinsurance contract liabilities	21	-	-	13 606 449
Insurance contract liabilities	21	225 182 688	268 691 070	322 458 869
Long term borrowings	22.2	54 675 018	-	41 509
Offshore borrowings	22.1	209 443 807	234 531 818	221 920 345
Lease liabilities	24	47 575 387	33 662 559	27 481 249
Deferred tax liabilities	23	239 552 405	221 756 974	166 134 735
Total liabilities		8 699 812 687	7 742 123 055	4 114 686 002
EQUITY				
Share capital	25.1	3 878	3 878	4 288 875
Share premium	25.2	285 183	285 183	66 645 368
Other components of equity*	25.3	2 754 876 781	2 589 986 704	791 496 111
Retained income*	25.4	2 585 729 933	2 060 030 404	1 031 138 882
Equity Reserve	25.6	70 645 182	70 645 182	-
Attributable to equity holders of parent*		5 411 540 957	4 720 951 351	1 893 569 236
Non-controlling interests	25.5	1 969 070 505	1 785 632 900	1 003 739 963
Total equity*		7 380 611 462	6 506 584 251	2 897 309 199
Total equity and liabilities*		16 080 424 149	14 248 707 306	7 011 995 201

A. Makamure
(Chairman)

S. T. Fungura
(Group Chief Executive Officer)

T. F. A. Masiiwa
(Group Secretary)

25 March 2026

* The prior year was restated, (Refer to Note 2.3 and Note 2.4).

Separate Statement of Financial Position

As at 31 December 2025

	Notes	Audited 31 Dec 2025 ZWG	**Restated 31 Dec 2024 ZWG	**Restated 31 Dec 2023 ZWG
ASSETS				
Cash and cash equivalents	5	84 824 822	44 713 106	3 398 690
Trade and other receivables	11	176 403 083	44 540 834	40 949 200
Asset held for Sale	12	45 880 150	-	-
Financial assets at fair value through profit or loss	8	7 742 648	6 777 235	6 096 212
Investment in Associate	9.1	-	72 472 415	102 034 437
Investments in subsidiaries*	9.2	5 356 929 488	4 634 464 379	1 778 362 878
Investment properties	13	14 315 366	13 183 034	6 618 158
Property and equipment	15	32 303 121	27 536 366	8 926 929
Right of use assets	14	143 810 184	71 141 385	55 977 606
Deferred tax asset	23	401 766	1 279 141	-
Total assets		5 862 610 628	4 916 107 895	2 002 364 110
LIABILITIES				
Trade and other payables	19	348 223 821	204 497 123	88 270 682
Current tax liabilities		9 371 502	-	41 521
Lease liabilities	24	158 478 882	75 779 947	35 456 900
Deferred tax liability	23	-	-	4 649 831
Total liabilities		516 074 205	280 277 070	128 418 934
EQUITY				
Share capital	25.1	3 878	3 878	4 288 875
Share premium	25.2	285 183	285 183	66 645 368
Other components of equity*	25.3	1 763 045 425	1 744 952 589	24 652 346
Retained income*	25.4	3 512 556 755	2 819 943 993	1 778 358 587
Equity Reserve	25.7	70 645 182	70 645 182	-
Total equity		5 346 536 423	4 635 830 825	1 873 945 176
Total equity and liabilities		5 862 610 628	4 916 107 895	2 002 364 110

A. Makamure
(Chairman)

S. T. Fungura
(Group Chief Executive Officer)

T. F. A. Masiiwa
(Group Secretary)

25 March 2026

* The prior year was restated, (Refer to Note 2.3 and Note 2.4).

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2025

	Notes	Audited 31 Dec 2025 ZWG	*Restated 31 Dec 2024 ZWG
Interest income calculated using the effective interest rate method	26.1	1 464 780 510	588 551 881
Other interest and related income	26.1	106 599	9 749 451
Interest expense calculated using the effective rate method	26.2	(262 971 576)	(122 740 814)
Other interest and related expense	26.2	(646)	(1 038 336)
Net interest income		1 201 914 887	474 522 182
Loan impairment charges, net recoveries	26.3	(256 307 189)	(104 285 670)
Net income from lending activities		945 607 698	370 236 512
Insurance revenue	27.1	976 450 580	424 303 215
Insurance service expense	27.2	(631 015 050)	(328 391 413)
Allocation of Reinsurance Premiums	27.3	(186 577 610)	(108 878 194)
Amounts recoverable from reassurers for incurred claims	27.3	52 190 510	5 808 418
Insurance service result		211 048 430	(7 157 974)
Insurance finance (expenses) / income from insurance contracts	27.4	(5 171 007)	(108 539 394)
Reinsurance finance income from reinsurance contracts	27.4	(820 877)	114 474
Net Insurance Financial Result		(5 991 884)	(108 424 920)
Fair value of financial liabilities at fair value through profit or loss	18	(8 771 595)	839 123
Commissions and fees	28	1 772 594 493	1 157 775 376
Other operating income	29	852 113 095	1 582 595 140
Fair value adjustments*	30	122 303 506	112 599 979
Total income		3 888 903 743	3 108 463 236
Operating expenses*	31	(2 922 651 158)	(1 812 664 827)
Profit from ordinary activities		966 252 585	1 295 798 409
Share of associate companies (loss) / profit net of tax	9.1	21 371 396	(124 789 243)
Profit before taxation		987 623 981	1 171 009 166
Income tax expense*	32	(308 462 157)	(129 017 318)
Net profit for the year from continuing operations		679 161 824	1 041 991 848
Net profit for the year		679 161 824	1 041 991 848
Profit attributable to:			
Owners of parent		551 554 974	1 033 604 590
Non-controlling interests*		127 606 850	8 387 258
Profit for the year		679 161 824	1 041 991 848

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

For the year ended 31 December 2025

	Notes	Audited 31 Dec 2025 ZWG	*Restated 31 Dec 2024 ZWG
Other comprehensive income:			
Items that will not be reclassified to profit or loss			
Gains on property and equipment revaluation, net of tax*	25.3.2	148 253 323	101 735 276
Associate's share of gains on Property and Equipment revaluation, net of tax	25.3.2	3 402 173	8 309 160
Effects of translation to presentation currency*	25.7	19 322 341	2 415 485 726
Items that may be subsequently reclassified to profit or loss			
Fair value gain/ (losses) on financial assets at FVTOCI, net of tax	25.3.3	54 173 503	(22 033 328)
Currency translation differences on foreign subsidiary	25.3.4	1 519 585	(5 538 415)
Associate's share of foreign currency translation differences, net of tax	25.3.5	812 217	93 057 370
Other comprehensive income for the year, net of tax		227 483 142	2 591 015 789
Total comprehensive income for the year		906 644 966	3 633 007 637
Total comprehensive income attributable to:			
Owners of parent		766 554 112	2 833 724 751
Non-controlling interests		140 090 854	799 282 886
Total comprehensive income for the year		906 644 966	3 633 007 637
Earnings per share			
Basic and fully diluted earnings per share (ZWG cents)	33	350	656

* The prior year was restated, (Refer to Note 2.3 and Note 2.4).

Separate Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2025

	Notes	Audited 31 Dec 2025 ZWG	*Restated 31 Dec 2024 ZWG
Other operating income	29	690 461 498	439 458 786
Fair value adjustments*	20	700 145 306	1 237 102 738
Total income		1 390 606 804	1 676 561 524
Operating expenses	31	(687 284 387)	(508 282 417)
Profit from ordinary activities		703 322 417	1 168 279 107
Share of associate companies (loss) / profit after tax	9.1	21 371 396	(124 789 243)
Profit before taxation		724 693 813	1 043 489 864
Income tax (expense) / credit*	32	(8 753 486)	11 175 677
Net profit for the year		715 940 327	1 054 665 541
Profit for the year		715 940 327	1 054 665 541
Other comprehensive income:			
Items that will not be reclassified to profit or loss			
Gains on property and equipment revaluation, net of tax	25.3.2	5 923 159	3 030 682
Associate's share of gains on property and equipment revaluation reserve net of tax		3 402 173	2 169 852
Items that may be subsequently reclassified to profit or loss			
Associate's share of Foreign Currency translation differences*	25.3.5	812 217	93 057 370
Effects of translation to presentation currency*	25.3.5	7 955 287	1 622 042 339
Other comprehensive income for the year, net of tax		18 092 836	1 720 300 243
Total comprehensive income for the year		734 033 163	2 774 965 784
Earnings per share			
Basic and fully diluted earnings per share (ZWG cents)		454	670

* The prior year was restated, (Refer to Note 2.3 and Note 2.4).

Consolidated Statements of Changes in Equity

For the year ended 31 December 2025

	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
Balance 1 January 2024	4 288 875	66 645 368	1 869 555	2 405 347	-	245 676 054	719 287 128	(177 741 973)	1 081 369 692	1 943 800 046	1 003 739 963	2 947 540 009
Effects of prior year restatement*	-	-	-	-	-	-	-	-	(50 230 810)	(50 230 810)	-	(50 230 810)
Restated opening balances	4 288 875	66 645 368	1 869 555	2 405 347	-	245 676 054	719 287 128	(177 741 973)	1 031 138 882	1 893 569 236	1 003 739 963	2 897 309 199
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*	-	-	-	-	-	-	-	-	1 033 604 590	1 033 604 590	8 387 258	1 041 991 848
Other comprehensive income, net tax												
Revaluation of property and equipment	-	-	-	-	-	-	(462 168 819)	-	-	(462 168 819)	572 213 255	110 044 436
Currency translation differences on translating foreign operations	-	-	-	(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 translation to presentation currency*	-	-	2 197 256 103	-	-	-	-	-	-	2 197 256 103	218 229 623	2 415 485 726
Fair value gain on financial assets at FVTOCI	-	-	-	-	-	-	-	(22 486 078)	-	(22 486 078)	452 750	(22 033 328)
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	-	-	-	-	-	-	-	-	6 737 498	6 737 498	(15 407 032)	(8 669 534)
Restated Balance at 31 December 2024*	3 878	285 183	2 292 183 028	(3 133 068)	70 645 182	245 676 054	255 488 741	(200 228 051)	2 060 030 404	4 720 951 351	1 785 632 900	6 506 584 251

Consolidated Statements of Changes in Equity (continued)

For the year ended 31 December 2025

	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 as at 1 January 2025*	3 878	285 183	2 292 183 028	(3 133 068)	70 645 182	245 676 054	255 488 741	(200 228 051)	2 060 030 404	4 720 951 351	1 785 632 900	6 506 584 251
Changes in equity for 2025												
Profit or loss												
Profit for the year	-	-	-	-	-	-	-	-	551 554 974	551 554 974	127 606 850	679 161 824
Other comprehensive income, net of tax												
Revaluation of property and Equipment	-	-	-	-	-	-	147 955 047	-	-	147 955 047	3 700 447	151 655 494
Currency translation differences on translating foreign operations	-	-	-	1 519 585	-	-	-	-	-	1 519 585	-	1 519 585
Fair value gain on financial assets at FVTOCI	-	-	-	-	-	-	-	54 173 503	-	54 173 503	-	54 173 503
Associate's share of effects of translating to presentation currency	-	-	812 217	-	-	-	-	-	-	812 217	-	812 217
Effects of translation to presentation currency	-	-	(40 057 515)	-	-	-	-	-	-	(40 057 515)	59 379 856	19 322 341
Transaction with owners of the parent												
Dividends	-	-	-	-	-	-	-	-	(23 327 565)	(23 327 565)	(7 249 548)	(30 577 113)
Other movements												
Loss on closure of ZB Capital	-	-	-	-	-	-	-	-	(2 040 638)	(2 040 638)	-	(2 040 638)
Transfer to retained income (note 25.3.2)	-	-	-	-	-	-	-	487 241	-	(487 241)	-	-
Balance at 31 December 2025	3 878	285 183	2 252 937 730	(1 613 483)	70 645 182	245 676 054	403 931 029	(146 054 548)	2 585 729 934	5 411 540 959	1 969 070 505	7 380 611 464

* The prior year was restated, (Refer to Note 2.3 and Note 2.4).

Separate Statements of Changes in Equity

For the year ended 31 December 2025

	Ordinary shares ZWG	Share premium ZWG	Foreign currency translation reserve ZWG	Equity reserve ZWG	Property revaluation reserve ZWG	Retained income ZWG	Total ZWG
Balance at 1 January 2024	4 288 875	66 645 368	1 868 460	-	22 783 886	1 778 358 587	1 873 945 176
Changes in equity for 2024							
Profit or loss							
Transfer to Equity reserve	(4 284 997)	(66 360 185)	-	70 645 182	-	-	-
Profit for the year	-	-	-	-	-	1 054 665 540	1 054 665 540
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 translation to presentation currency	-	-	1 622 042 339	-	-	-	1 622 042 339
				-			
Transaction with owners of the parent							
Dividends	-	-	-	-	-	(13 080 134)	(13 080 134)
Balance at 31 December 2024	3 878	285 183	1 716 968 169	70 645 182	27 984 420	2 819 943 993	4 635 830 825
Balance 1 January 2025	3 878	285 183	1 716 968 169	70 645 182	27 984 420	2 819 943 993	4 635 830 825
Changes in equity for 2025:							
Profit or loss							
Profit for the year	-	-	-	-	-	715 940 327	715 940 327
Other comprehensive income, net of tax							
Revaluation of property	-	-	-	-	9 325 332	-	9 325 332
Associate's share of effects of translating to presentation currency	-	-	812 217	-	-	-	812 217
Effects of translation to presentation currency	-	-	7 955 287	-	-	-	7 955 287
Transaction with owners of the parent							
Dividends	-	-	-	-	-	(23 327 565)	(23 327 565)
Balance at 31 December 2025	3 878	285 183	1 725 735 673	70 645 182	37 309 752	3 512 556 755	5 346 536 423

* The restatement of the financial statements is due to prior period errors on the valuation of the Group's shareholding in Zimswitch Technologies (Private) Limited. (Refer to Note 2.3), and the opening balances at 1 January 2024 for prepayments (Refer to Note 2.4).

Consolidated Statement of Cash Flows

For the year ended 31 December 2025

	Notes	Audited 31 Dec 2025 ZWG	Restated 31 Dec 2024 ZWG
Cash generated used in operating activities	34	(96 144 254)	176 708 297
Interest and related income received	26.1	1 464 887 109	598 301 332
Dividends received	29	20 310 206	14 062 978
Interest and related expense paid	26.2	(238 685 895)	(96 207 587)
Income tax paid	20	(384 758 093)	(82 251 875)
Interest paid lease liability	26.2	(1 099 534)	(1 778 869)
Interest expense on offshore borrowings	22	(23 186 793)	(25 792 694)
Net cash generated from operating activities		741 322 746	583 041 582
Cash flows from investing activities			
Purchase of investment property	13	(54 232 932)	(266 162 811)
Purchase of intangible assets	16	(26 119 376)	(158 774 316)
Purchase of property and equipment	15	(81 627 343)	(162 926 480)
Proceeds on disposal of property and equipment		1 561 106	18 003 908
Proceeds on disposal of investment property		-	47 466 296
Purchase of investment securities	8.3	(167 767 332)	(150 104 629)
Proceeds on disposal of investment securities		173 007 460	153 060 738
Net cash used in investing activities		(155 178 417)	(519 437 294)
Cash flows from financing activities			
Dividends paid		(30 577 113)	(15 063 051)
Lease capital payments		(64 312 592)	(4 195 526)
Proceeds from offshore borrowings	22.1	180 899 752	281 438 182
Repayments on offshore borrowings	22.1	(206 169 118)	(259 278 086)
Repayments on long term borrowings	22.2	(107 162 675)	-
Acquisition of non-controlling interests		-	(8 669 534)
Net cash generated used in financing activities		(227 321 746)	(5 768 015)
Net (decrease) / increase in cash and cash equivalents		358 822 583	57 836 273
Cash and cash equivalents at beginning of year		2 902 848 808	1 036 478 989
Effects of translation to presentation currency		286 372 124	587 637 747
Effects of exchange rates fluctuating on cash and cash equivalents		483 713 736	1 220 895 799
Cash and cash equivalents at end of year	5	4 031 757 251	2 902 848 808
Cash and cash equivalents comprise:			
Cash		1 454 049 617	972 973 154
Local bank accounts		692 531 623	540 847 872
Foreign bank accounts		1 885 176 011	1 389 027 782
		4 031 757 251	2 902 848 808

Separate Statement of Cash Flows

For the year ended 31 December 2025

	Notes	Audited 31 Dec 2025 ZWG	Restated 31 Dec 2024 ZWG
Cash generated from operating activities	35	(25 665 257)	73 604 067
Dividends received	29	61 445 571	27 190 931
Interest expense lease liability		(32 085 826)	(4 409 425)
Net cash generated from operating activities		3 694 489	96 385 573
Cash flows from investing activities			
Purchase of property and equipment	15	(10 666 783)	(13 199 658)
Proceeds on disposal of property and equipment		54 718	32 208
Purchase of investment securities	8.5	(3 781 547)	-
Proceeds on disposal of investment securities	8.5	4 159 072	15 072 820
Investment in subsidiaries		(13 296 838)	(26 728 491)
Net cash used in from investing activities		(23 531 378)	(24 823 121)
Cash flows from financing activities			
Dividends paid		(23 327 565)	(13 080 134)
Lease capital payments		(5 971 065)	(12 358 680)
Net cash used in financing activities		(29 298 630)	(25 438 814)
Net (decrease) / increase in cash and cash equivalents		(49 135 520)	8 330 408
Cash and cash equivalents at beginning of the year		44 713 106	3 398 690
Effects of Exchange rate fluctuating on cash and cash equivalents		89 119 074	131 942 796
Effects of translation to presentation currency		128 162	(98 958 788)
Cash and cash equivalents at end of the year		84 824 822	44 713 106
Cash and cash equivalents comprise:			
Cash	5	84 824 822	44 713 106

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2025

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
IFRS 18 Presentation and Disclosure in Financial statements	1 January 2027	In April 2024, the IASB issued IFRS 18, which replaces IAS 1 Presentation of Financial Statements. 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. The standard requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and it also 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 7 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. IFRS 18, and the amendments to the other standards, are effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively. The Group is currently working to identify all impacts the amendments will have on the primary financial statements and notes to the financial statements. The initial expected material impacts on Group's financial statements are, as follows:

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

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 (continued)	1 January 2027	• Rental income, change in fair value from investment properties and share of profit or an associate and a joint venture will be classified in the investing category within the statement of profit or loss. • Foreign exchange difference will be classified in the category where the related income and expense form the item giving rising to the foreign exchange difference. • New disclosure will be added: (a) management-defined performance measures; (b) specified expense by nature if expenses are presented by function in the operating category of the statement of profit or loss; and (c) a reconciliation for each line item in the statement of profit or loss between the restated amounts presented applying IFRS 18 and the amounts previously presented applying IAS 1. • Interest received and interest paid will be classified in the investing activities and financing activities, respectively, on the statement of cash flows. • The classification will depend on whether the entity meets the main business activity criteria under IFRS 18. The Group will apply this distinction when preparing the restated comparative information upon transition to IFRS 18, and will ensure that the related disclosures clearly explain the basis for classification at both Group and subsidiary level. The Grouphas not yet been able to reliably estimate the full impact from adoption of amendments on the consolidated and separate financial statements.
Classification and Measurement of Financial Instruments- Amendments to IFRS 9 and IFRS 7	1 January 2026	The 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.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

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	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. 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 2025

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	1 January 2026	***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.
		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		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 7 Financial Instruments: Disclosures (implementation guidance only)		"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 9 Financial Instruments		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.
IFRS 10 Consolidated Financial Statements		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.
IAS 7 Statement of Cash Flows		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 2025

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

New standard	Effective date	Major requirements
Contracts Referencing Nature-dependent Electricity- Amendments to IFRS 9 and IFRS 7	1 January 2026	The amendments include: - clarifying the application of the 'own-use' requirements; - ermitting 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. These amendments are not expected to have any impact on the group Financial Statements.
IFRS 19- Subsidiaries without Public Accountability: Disclosures	1 January 2027	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 2025

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 2025

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
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 amendments did not have a material impact on the consolidated and separate financial statements.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

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 2025

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.
- 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 ZWG6.01 billion (2024: ZWG5.459 billion) whilst non-cash monetary assets amounted to ZWG 5.98 billion (2024: ZWG 6,021 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 2025

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 2025 on the basis of valuations done by Southbay Real Estate (2024- 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:

	2025		2024	
	Average rentals per square meter	Average investment yield	Average rentals per square meter	Average investment yield
Office	230-460	7.5% - 12%	130- 400	8.2%- 11.2%
Retail	332-562	7.5% - 11%	130-400	8%- 8.5%
Industrial	102-179	10.5% - 12.8%	130-400	9.5%-11.5%

- 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 2025

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 2025 ZWG	31 Dec 2024 ZWG
Land selling price per square meter after development	121 120	115 150
Cost of servicing land per square meter	9 212	8 590
Imputed finance cost during development term	100%	100%
Imputed developers profit	32%	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 where 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 2025 ZWG	31 Dec 2024 ZWG
Group		
Fair value adjustment on investment properties (note 13)	93 979 696	42 093 868
Revaluation adjustment on property and equipment (note 15)	177 472 880	136 503 889
Total increase in property values	271 452 576	178 597 757

	31 Dec 2025 ZWG	31 Dec 2024 ZWG
Company		
Fair value adjustment on investment properties (note 13)	1 039 228	593 181
Revaluation adjustment on property and equipment (note 15)	7 977 319	127 103 991
Total increase in property values	9 016 547	127 697 172

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

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 2025	31 Dec 2024
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 2025

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 2025.

- 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 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, all Group leases are 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 2025

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 Actuarial 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:

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 of IFRS 9.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

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 of 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 2025

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

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

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 Effective Interest Rate (EIR) Method

The Group's EIR method, as explained in Note 3.3.1.3, recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans and deposits and recognises the effect of potentially different interest rates charged at various stages and other characteristics of the product life cycle (including prepayments, penalty interest and charges). This by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well expected changes to RBZ's minimum rate and other fee income/expense that are integral parts of the instrument.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

2.3 Prior Period Error - Zimswitch Valuation

The restatement of the financial statements is in respect of a prior period error on the valuation of the Bank's investment in Zimswitch Technologies as at 31 December 2024. The Bank's shareholding was incorrectly computed using the Bank's 16% shareholding in ZimSwitch Holdings, instead of the effective shareholding percentage of 10.2% in ZimSwitch Technologies.

The correction of the Prior Year error has the following effects on the Statement of Financial Position and Statement of Profit or Loss:

	Restated 31 Dec 2024	Restated 1 Jan 2024
On Statement of Financial Position		
Decrease in fair value of financial assets at FVTPL	(102 345 332)	(52 874 535)
Decrease in deferred tax liability	5 117 266	2 643 725
Increase in other components of equity	48 551 408	-
	(48 676 658)	(50 230 810)
On statement of Profit or Loss and Other Comprehensive Income		
On Statement of Profit or Loss		
Decrease in fair value adjustment	(102 345 332)	(52 874 535)
Decrease in tax expense	5 117 266	2 643 725
	(97 228 066)	(50 230 810)
On Statement of Other Comprehensive Income		
Decrease in Foreign Currency Translation Reserve	48 551 408	-
Decrease in tax expense	-	-
	48 551 408	-
Total Impact on Total Comprehensive Income	(48 676 658)	(50 230 810)
Impact on basic and fully diluted earnings per share (ZWG cents)	(68.00)	(32.00)

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

	Restated 31 Dec 2024	Restated 1 Jan 2024
SEPARATE		
On Statement of Financial Position		
Decrease in Investment in Subsidiary	(136 833 147)	(52 874 535)
Increase in other components of equity	48 551 408	-
	(88 281 739)	(52 874 535)
On statement of Profit or Loss and Other Comprehensive Income		
On Statement of Profit or Loss		
Decrease in fair value adjustment	(136 833 147)	(52 874 535)
Total Impact on Profit after tax	(136 833 147)	(52 874 535)
On Statement of Other Comprehensive Income		
Increase in Effects of translation to presentation currency	48 245 934	-
	48 245 934	-
Total Impact on Total Comprehensive Income	(88 587 213)	(52 874 535)
Impact on basic and fully diluted earnings per share (ZWG cents)	(68.00)	(32.00)

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

2.4 Prior Period Error - Prepayments

The restatement of the financial statements is in respect of a prior period error on the prepayments accounts, where they were incorrectly amortised. This resulted in a variance between the restated opening balance and the recorded underlying transactions in the system.

The effect of the prior year error is indicated below:

	Restated 31 Dec 2024
On Statement of Financial Position	
Decrease in trade and other receivables	(36 908 289)
Increase in deferred tax asset	2 420 474
Decrease in total assets	(34 487 815)
On statement of Profit or Loss and Other Comprehensive Income	
On Statement of Profit or Loss	
Increase in operating expenses*	(27 814 331)
	(27 814 331)
On Statement of other comprehensive income	
Decrease in gains on revaluation of property and equipment	(9 399 898)
Decrease in related tax	2 420 474
Decrease in Foreign Currency Translation Reserve	(305 474)
	(7 284 899)
Total Impact on Total Comprehensive Income	(35 099 230)
Impact on basic and fully diluted earnings per share (ZWG cents)	(0.22)

*The related tax impact arising from this adjustment has been correctly accounted for in the 2024 financial statements.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The consolidated and separate financial statements have been prepared in accordance with International Financial Reporting Standards Accounting Standards (IFRS Accounting Standards) except for the issues disclosed under note 3.1.2 as issued by the International Accounting Standards Board (IASB) and the requirements of the Companies and Other Business Entities Act [Chapter 24:31] of Zimbabwe.

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 2024.

3.1.1.1 Functional Currency

The functional currency of the parent company is the United States Dollar (USD), being the currency of the primary economic environment in which it operates.

Each entity within the Group determines its own functional currency based on the currency that most faithfully reflects the economic substance of its underlying transactions, events, and conditions. This determination is based on an assessment of the requirements of IAS 21 – The Effects of Changes in Foreign Exchange Rates as follows:

- Currency that primarily influences sales prices for goods and services.
- The currency of the country whose competitive forces and regulations primarily determine the sales prices of its goods and services,
- The currency in which labour, material, and other costs of providing goods or services are primarily denominated and settled.
- The currency in which funds from financing activities are generated; and the currency in which receipts from operating activities are usually retained.

The Group's consolidated financial statements are presented in Zimbabwe Gold (ZWG), which is the presentation currency of the Group.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

3.1.1.2 Presentation Currency

The Group's financial statements are presented in Zimbabwe Gold (ZWG), and all values are rounded to the nearest ZWG except when otherwise indicated.

The Group applied the below procedures to translate the financial performance and financial position from its functional currency to the presentation currency:

(a) Assets and liabilities from statement of financial position were translated at the closing rate as at 31 December 2025.
(b) Income and expenses for each statement of profit or loss and other comprehensive income were translated using the monthly average exchange rates; and
(c) All resulting exchange differences were recognised in other comprehensive income.
(d) The effects of translation to presentation currency were shown separately on the Group's notes to the financial statements and to the reconciliation of cash and cash equivalents.

The Group considered the broad objectives of IAS 21 & IAS 7 to appropriately present and disclose the effects of translation to presentation currency on the statement of Cash Flows.

3.1.1.3 Foreign Currency Transactions and Balances

In preparing the financial statements of the Group and the Company, transactions in currencies other than the United States Dollar are translated using the spot exchange rate at the date of the transaction, in accordance with IAS 21 The Effects of Changes in Foreign Exchange Rates.

At each reporting date, monetary items denominated in foreign currencies are retranslated at the closing exchange rates. Non-monetary items measured at fair value in a foreign currency are translated at the exchange rate prevailing on the date when the fair value was determined. Non-monetary items measured at historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement or translation of monetary items are recognised in profit or loss. Such exchange differences are recognised in other comprehensive income (OCI) and reclassified to profit or loss upon disposal of the net investment. Any related tax effects are also recognised in OCI.

On consolidation, the assets and liabilities of foreign operations are translated into Zimbabwe Gold (ZWG) at the closing exchange rate at the reporting date, while their statements of profit or loss and other comprehensive income are translated at exchange rates prevailing at the dates of the transactions (or at average rates where appropriate). Exchange differences arising on translation are recognised in OCI and accumulated in equity under the foreign currency translation reserve.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

3.1.2 Statement of compliance

The consolidated and separate annual financial statements as at, and for the year ended 31 December 2025, have been prepared under the supervision of L Mawire 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, investment in subsidiaries and financial instruments carried at fair value.

The Group's financial statements as at 31 December 2025 did not fully comply with the International Financial Reporting Standards (IFRSs), particularly IFRS 9 "Financial Instruments". Due to a lack of data availability since the implementation of IFRS 9, the Group had been using the LGDs as required by the Basel guidelines up to 2023. The LGD model was introduced in 2024, and it uses effective interest rates (EIR), to which the LGD model is highly sensitive and requires more time to analyze. For LGD models to function well, recoveries data must be available for more than 5 years . Per the requirement to recalibrate the LGD model anually, in 2025, the LGD model was recalibrated, but it was not operating as anticipated due to data limitations. As a result, the Group has not estimated ECL based on the models but estimated using expert judgement. This is not in compliance with the requirements of IFRS 9 in respect of ECL for Groups, which should be estimated using the general approach.

Further, Treasury Bills classified as FVOCI were assessed for ECL in the current year in line with IFRS 9. Ordinarily the Group considers Treasury Bills to be low-risk instruments due to the nature of them having local sovereign exposure. However, some of the Treasury Bills had matured at the end of 2025 and were more than 90 days past due. The Group considered the portfolio to have had a significant increase in credit risk and thus the related Expected Credit Losses were recognised in the financial statements for the year ended 31 December 2025. These Treasury Bills were classified in stage 2, as management believes that the obligor (Government of Zimbabwe) will eventually pay and restructure these financial instruments. The recognition of stage ECL on these instruments in stage 2 is not in compliance with the Group's policy and IFRS 9 that any instrument that is 90 days past due should be classified in stage 3.

Apart from the non-compliance noted above, the consolidated and separate financial 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. The consolidated and separate financial 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), Securities 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 10 March 2026.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

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.

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.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

3.1.5 Risk adjustment for non-financial risk (continued)

The confidence level technique is determined with reference to a particular target confidence level. The risk adjustment was 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 impact 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.

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.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

3.2 Basis of consolidation

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.

3.2.2 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.

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.

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.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

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.

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.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

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 IFRS 15.

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 instruments depends 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 instruments 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 measured at fair value through profit or loss are carried at fair value, with changes in fair value recognised in profit or loss.

This category includes equity investments that are held for trading or for which the Group has not made the irrevocable election to present subsequent changes in fair value in other comprehensive income. Dividends on equity investments are recognised in profit or loss when the right to receive payment is established.

On initial recognition, the Group may irrevocably designate a financial asset that would otherwise be measured at amortised cost or at fair value through other comprehensive income as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

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

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 profit or loss.

3.4.1.3 Financial assets at amortised cost

Financial assets are measured at amortised cost when they are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets measured at amortised cost are subsequently measured using the effective interest method and are subject to impairment using the expected credit loss model. Interest income, impairment losses and foreign exchange gains and losses on monetary assets are recognised in profit or loss.

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: -

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

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.

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 immaterial risk of changes in their fair value and are used by the Group and Company in the management of short-term commitments.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

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.

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.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

3.4.1.5 Impairment of financial assets (continued)

- **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. For purposes of sovereign debt or treasury bills, if the borrower is more than 90 days past due on its contractual payments, they are considered in default. If the treasury bills are credit-impaired, the treasury bills are then moved to "Stage 3". The bank did not comply with the policy on sovereign debt due to non-payment of the matured treasury bills which were over 90 days. The bank classified these treasury bills as Stage 2, as management believes that the obligor which is the Government will eventually pay and restructure these financial instruments. Therefore these financial instruments were not classified in Stage 3.

- **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:

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

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.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

3.4.1.5 Impairment of financial assets (continued)

- **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.

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.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

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'.

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.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

3.4.2.7 Borrowings, including preference shares (continued)

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.

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:

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

3.4.4 Fair values of financial instruments (continued)

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.

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.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

3.7 Property and equipment (continued)

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.

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.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

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 Zimbabwe Gold or ZWG 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.

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.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

3.9 Taxation (continued)

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.

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 2025 ZWG	31 Dec 2024 ZWG
CONSOLIDATED		
Within 1 year	74 474 112	101 268 105
After 1 year but not more 5 years	297 896 448	405 072 420

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

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

3.11.2 The Group acting as 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:

- fixed lease payments (including in-substance fixed payments), less any lease incentives;
- 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.

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.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

3.11.2 The Group acting as lessee (continued)

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.

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.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

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).

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.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

3.16 Investment property (continued)

Investment properties are derecognised either when they have been disposed of (i.e., at the date the recipient obtains control) or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. Transfers are made to (or from) investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.Transfers are made to (or from) investment property only when there is a change in use.

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 2025

3.20 IFRS 17 Insurance Contracts

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 2025

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 combine 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 2025

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. The Group 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 2025

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 2025

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 esti es. 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 2025

3.20.2.5 Contract boundary (continued)

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 2025

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 2025

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 2025

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.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

3.20.2.6 Measurement - General model (continued)

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.

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 IFRS 17: 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 not produce materially different position from the General Measurement Model.

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.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

3.20.2.7 Measurement - Premium Allocation Approach (continued)

Discounting of Liability for Incurred Claims (LIC)

While the PAA generally does not require discounting of future cash flows, paragraph 59(b) of IFRS 17 requires discounting of the Liability for Incurred Claims (LIC) when the expected timing of claim payments extends significantly beyond the coverage period. The Group therefore discounts LIC if claims are expected to be settled more than one year after the reporting date. The unwinding of the discount on the LIC is recognized as an insurance finance expense in profit or loss over time. This expense represents the accretion of interest on the discounted liability and does not reflect an actual cash outflow. Subsequent changes in the LIC (due to new information, claims development, or discount unwind) are recognized in the insurance service result.

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].

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.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

3.20.2.9 Presentation (continued)

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.

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.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

3.20.2.9 Presentation (continued)

iii. Loss recovery components (continued)

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.

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 financial assets backing the issued insurance portfolios including contracts with direct participation features
- The Group systematically 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.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

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:

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.The results of those operations are included in the Insurance Cluster.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

4. SEGMENT INFORMATION (continued)

	*Banking operations ZWG	*Insurance operations ZWG	*Investments operations ZWG	Other operations and consolidation adjustments ZWG	Total ZWG
31 December 2025					
External revenue					
Interest revenue calculated using the effective interest rate method	1 464 302 438	20 280 062	(28 598)	(19 773 392)	1 464 780 510
Other interest and related income	(1 402 800)	(7 708 617)	9 218 016	-	106 599
Interest expense calculated using the effective interest rate method	(273 387 622)	(167 928)	(9 189 418)	19 773 392	(262 971 576)
Other interest and related expenses	(646)	-	-	-	(646)
Net interest income	1 189 511 370	12 403 517	-	-	1 201 914 887
Fees and commission income	1 733 517 885	15 072 694	21 454 879	2 549 035	1 772 594 493
Corporate Banking	260 027 683	-	-	-	260 027 683
Retail Banking	1 473 490 202	-	-	-	1 473 490 202
Other commissions	-	15 072 694	21 454 879	2 549 035	39 076 608
Insurance revenue	-	976 450 580	-	-	976 450 580
Insurance service expense	-	(631 015 050)	-	-	(631 015 050)
Allocation of Reinsurance Premiums	-	-	-	-	-
Fair value adjustments	(26 401 768)	32 448 557	56 873 504	59 383 213	122 303 506
Other income	322 513 756	(135 285 177)	214 253 004	450 631 512	852 113 095
Total segment revenue	3 219 141 243	270 075 121	292 581 387	512 563 760	4 294 361 511
Inter segmental revenue	(60 604 984)	(5 506 247)	28 598	66 082 633	-
Total segment operating expenses	(2 607 033 849)	(119 073 551)	(169 515 812)	(27 027 946)	(2 922 651 158)
Material non-cash items:					
Expected credit losses	(253 096 801)	-	-	(3 210 388)	(256 307 189)
Depreciation	(213 249 862)	(8 424 560)	(2 248 475)	3 193 032	(220 729 865)
Amortisation of intangible assets	(32 086 272)	(1 874 770)	-	(179 267)	(34 140 309)
Profit from associates net of tax	-	28 426 629	-	(7 055 233)	21 371 396
Reportable segment profit before taxation	612 107 393	179 428 199	123 065 575	73 022 814	987 623 981
Income tax expense	(251 310 260)	(15 782 786)	(7 317 214)	(34 051 897)	(308 462 157)
		-			
Reportable segment assets as at 31 December	12 768 374 286	1 649 285 790	2 685 002 084	(1 022 238 011)	16 080 424 149
Reportable segment liabilities as at 31 December	8 409 267 518	702 337 222	394 753 089	(806 545 144)	8 699 812 685
Investment associate	8	631 387 457	-	(585 507 315)	45 880 150
Cash flow from operating activities	279 156 403	(59 200 248)	(28 919 249)	550 285 840	741 322 746
Cash flow from investing activities	(245 308 755)	(16 392 815)	549 863 379	(443 340 226)	(155 178 417)
Cash flow from financing activities	(83 030 772)	(7 952 807)	85 258 356	(221 596 523)	(227 321 746)

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

4. SEGMENT INFORMATION (continued)

*During the current period, Qupa Microfinance and P&C Reinsurance were transferred from the Investments segment to the Banking segment and Insurance segment respectively following a reassessment of the Group's internal reporting structure. As the entities have progressed beyond its incubation phase and are now managed and monitored as part of the Banking operations and Insurance operations respectively.

In accordance with IFRS 8.29, comparative segment information has been restated to reflect this reclassification. The reallocation had no impact on the Group's total profit, total assets or total equity.

Comparative segment information for the year ended 31 December 2025 has been restated to reflect the transfer of Qupa Microfinance and P&C Reinsurance from the Investments Cluster to the Banking Cluster and Insurance Cluster respectively, consistent with the information now regularly reviewed by the chief operating decision maker (CODM). The restatement had no impact on the Group's consolidated financial performance or financial position.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

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	1 118 364 272	15 072 694	21 789 375	2 549 035	1 157 775 376
Corporate Banking	45 291	-	-	-	45 291
Retail Banking	1 118 318 981	-	-	-	1 118 318 981
Other commissions	-	15 072 694	21 789 375	2 549 035	39 411 104
Insurance revenue	-	424 303 215	-	-	424 303 215
Insurance service expense	-	(328 391 413)	-	-	(328 391 413)
Fair value adjustments	(26 401 768)	32 448 557	3 410 964	103 142 226	112 599 979
Other income	1 802 888 785	114 238 551	19 295 254	(353 827 450)	1 582 595 140
Total segment revenue	3 315 639 300	261 999 851	93 901 517	(248 136 189)	3 423 404 479
Inter segmental revenue	(60 604 984)	(5 506 247)	28 598	66 082 633	-
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 associate's net of tax	-	28 426 629	-	(153 215 872)	(124 789 243)
Reportable segment profit before taxation	612 107 393	179 428 199	106 353 517	273 120 057	1 171 009 166
Income tax expense	(251 310 260)	(15 782 786)	(24 221 518)	162 297 246	(129 017 318)
Reportable segment assets as at 31 December	12 768 374 286	1 649 285 790	2 685 002 084	(2 853 954 854)	14 248 707 306
Reportable segment liabilities as at 31 December	8 409 267 518	702 337 222	394 753 089	(1 764 234 775)	7 742 123 054
Investment in associate	8	631 387 457	-	(558 915 050)	72 472 415
Cash flow from operating activities	13 103 062	(220 640 956)	688 682	789 890 794	583 041 582
Cash flow from investing activities	(82 342 045)	(29 736 535)	(1 834 091)	(405 524 623)	(519 437 294)
Cash flow from financing activities	(186 965 409)	(15 673 470)	77 442 720	119 428 144	(5 768 015)

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

		31 Dec 2025 ZWG	31 Dec 2024 ZWG
5.	**CASH AND CASH EQUIVALENTS**		
	CONSOLIDATED		
5.1	Balances with the Reserve Bank of Zimbabwe	1 885 176 011	1 389 027 782
	Balances with other banks and cash	2 146 581 240	1 513 821 026
	Total cash and cash equivalents	4 031 757 251	2 902 848 808

Included in the balances with the Reserve Bank of Zimbabwe are balances which relate to statutory reserves and collateral balances amounting to ZWG1,806,161,503 (2024:ZWG 1,236,371,370) which are determined in line with RBZ statutory reserve guidelines which currently are 30% on demand deposits and 15% on savings and term deposits. These statutory reserves fluctuate on a daily basis depending on the level of deposits that the bank holds.

		31 Dec 2025 ZWG	31 Dec 2024 ZWG
	SEPARATE		
5.2	Balances with other banks and cash	84 824 822	44 713 106
	Total cash and cash equivalents	84 824 822	44 713 106

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

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 two 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)

	31 Dec 2025 ZWG	31 Dec 2024 ZWG
CONSOLIDATED		
Treasury bills include:		
6.1 Assets classified as measured 'at fair value through profit or loss' (FVTPL):		
Treasury bills acquired from the primary market^1	61 692 106	69 750 303
Assets classified as measured 'at fair value through other comprehensive income' (FVTOCI):		
Treasury bills acquired from the secondary market^2	1 274 189 533	809 049 526
	1 335 881 639	878 799 829
Maturity within 1 year	1 176 533 438	667 832 278
Maturity after 1 year	159 348 201	210 967 551
	1 335 881 639	878 799 829

1. The Group invested in treasury bills issued by the RBZ over an average period of 544 days (December 2024: 106 days) which were at an average rate of 3.5% (December 2024: 3.75%).

2. The Group purchased treasury bills from the secondary market. These treasury bills have an average coupon rate of 5% (December 2024:2.5%) with an average maturity period of 1 year 6 months (December 2024: 1 year 6 months).

   Treasury bills amounting to ZWG 685.058 million (2024: ZWG1.34 billion) were used as security for the Bank to access fixed deposits.

   Treasury bills are classified based on the Group's business model for managing them and whether contractual cash flows meet the SPPI criterion, in line with Note 3.4.1.

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 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.

USD denominated Treasury bills purchased from the secondary market were fair valued using TBs average yield market rate of 22%.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

6.2 Determination of fair value of treasury bills (continued)

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. For matured Treasury bills, the face value was taken as the approximate value.

Fair value hierarchy of treasury bills

	FAIR VALUE INPUT LEVEL			
	Level 1 ZWG	Level 2 ZWG	Level 3 ZWG	Total ZWG
Audited				
2025				
Treasury bills at FVTPL	-	61 692 106	-	61 692 106
Treasury bills at FVTOCI	-	-	1 274 189 533	1 274 189 533
	-	61 692 106	1 274 189 533	1 335 881 639
2024				
Treasury bills at FVTPL	-	69 750 303	-	69 750 303
Treasury bills at FVTOCI	-	-	809 049 526	809 049 526
	-	69 750 303	809 049 526	878 799 829

Impairment assessment of treasury bills

Treasury Bills classified as FVOCI were assessed for ECL in the current year in line with IFRS 9. 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 had matured at the end of 2025 and were not yet settled. The Group considered the portfolio 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 2025. These treasury bills were classified in stage 2, as management believes that the obligor (Government of Zimbabwe) will eventually pay and restructure these financial instruments. Therefore these financial instruments were not classified in stage 3.

	31 Dec 2025 ZWG	31 Dec 2024 ZWG
Impairment movement		
Balance at beginning of the year	-	-
Charge to statement of profit or loss	(52 468 423)	-
Effects of translation to presentation currency	(16 606 708)	-
Balance at end of the year	(69 075 131)	-

The above provisions have been established in terms of accounting policy 3.3.1.5 in respect of financial assets as at 31 December 2025.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

6.3 Level 3 recurring fair values

	31 Dec 2025 ZWG	31 Dec 2024 ZWG
CONSOLIDATED		
Balance at the beginning of the year	809 049 526	314 764 909
Add purchases	650 172 233	430 591 144
Less maturities	(219 484 215)	(28 068)
Fair value gain/(loss) recognized in statement of other comprehensive income	72 960 948	(30 055 250)
Effects of translation to presentation currency	7 031 926	277 982 075
Interest accrued	6 927 538	15 978 036
Exchange gains	-	217 062 166
Impairment loss charge to statement of profit or loss	(52 468 423)	(208 622 743)
Balance at end the year	1 274 189 533	1 017 672 269

In the prior year, Level 3 fair value reconciliation was presented on a gross basis (before ECL) rather than on a net basis (after ECL). This resulted in a prior year closing balance of ZWG1 017 672 269 and a current year opening balance of ZWG809 049 526m. Management has considered that the error does not affect the Statement Of Financial Position or Statement of Profit or Loss, and has corrected it prospectively.

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 techniques which make use of a country risk adjusted discount rate of 9%. Adjusted discount rate - December 2025:9% (December 2024: Average rates of 0%-12%). A 2% increase in adjusted discount rate will result in the reported other comprehensive income decreasing by ZWG16.2 million (2024: ZWG16.353 million) and the value of the treasury bills decreasing by ZWG 16.2 million (2024: ZWG15.60 million). A 2% decrease in adjusted discount rate will result in the reported other comprehensive income increasing by ZWG16.2 million (2024: ZWG15.617 million) and the value of the treasury bills increasing by ZWG16.2 million (2024: ZWG15 million).

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

		31 Dec 2025 ZWG	31 Dec 2024 ZWG
7.	**MORTGAGES AND OTHER ADVANCES**		
	CONSOLIDATED		
7.1	**Gross loan book**		
	Mortgage advances	301 243 578	266 922 932
	Loans, overdraft and other accounts	3 116 307 552	3 427 166 636
	*Asset finance loans	86 967 820	449 209 303
	Bills discounted	-	8 285 252
	Gross advances	3 504 518 950	4 151 584 123
	Off balance sheet exposures	-	-
	In respect of guarantees	22 396 985	350 586 224
	In respect of loan commitment	597 531 824	1 969 438 594
	Total off balance sheet exposures	619 928 809	2 320 024 818
	Gross credit exposure	4 124 447 759	6 471 608 941
	Gross advances	3 504 518 950	4 151 584 123
	Less: Allowance for loan impairments	(414 616 169)	(162 905 078)
	Net advances	3 089 902 781	3 988 679 045

Gross advances include the following asset finance loans where the bank advances funds to customers to purchase certain equipment for their own use.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

		31 Dec 2025 ZWG	31 Dec 2024 ZWG
7.2	**Maturity analysis**		
	Maturing within 1 year	1 925 553 129	1 882 212 028
	Maturing after 1 year	1 164 349 652	2 106 467 017
		3 089 902 781	3 988 679 045
7.3	**Non-performing loans**		
	Included in the above are the following;		
	Non-performing loans	852 541 918	138 063 220
	Less: Allowance for loan impairments	(6 260 096)	(67 831 456)
		846 281 822	70 231 764

For the secured non-performing loans, security exists in the form of liens registered over funded accounts, bonds registered over landed property and guarantees in various forms. The Group discounts the value of the security at hand using internal thresholds for prudential purposes. Generally no security value is placed on ordinary guarantees. The internally discounted value of security held in respect of the non-performing book amounted to ZWG151.9 million as at 31 December 2025 (2024: ZWG119.7 million). The significant increase in the non performing loan portfolio was primarily driven by updated credit risk assessments conducted by the Group during the reporting period, which resulted in additional exposures meeting the criteria for non performing status under IFRS 9.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

		31 Dec 2025 ZWG	As a % of Total	31 Dec 2024 ZWG	As a % of Total
7.4	**Sectorial analysis**				
	Gross advances:				
	Private	1 057 045 926	30%	1 372 059 744	33%
	Agriculture	155 819 857	4%	263 462 382	6%
	Mining	277 870 160	8%	574 783 004	14%
	Manufacturing	271 687 660	8%	263 854 839	6%
	Distribution	190 520 238	5%	215 018 942	5%
	Construction	55 322 053	2%	66 764 308	2%
	Transport	118 483 303	3%	125 959 195	3%
	Services	752 527 712	21%	836 269 023	20%
	Financial	625 159 372	18%	427 723 556	10%
	Communication	82 669	0%	5 689 131	0%
	Total gross advances	3 504 518 950	100%	4 151 584 123	100%
	Guarantees:				
	Manufacturing	-	0%	318 806 640	91%
	Distribution	-	0%	18 961 898	5%
	Construction	-	0%	644 963	0%
	Transport	7 115 293	32%	357 784	0%
	Services	732 500	3%	11 814 939	3%
	Agriculture	14 549 192	65%		
	Total guarantees	22 396 985	100%	350 586 224	100%
	Loan commitments:				
	Agriculture	47 978 946	8%	163 636 966	8%
	Mining	8 458 091	1%	405 600 744	21%
	Manufacturing	6 129 031	1%	170 356 338	9%
	Distribution	88 763 753	15%	181 592 784	9%
	Construction	6 501 125	1%	7 606 644	0%
	Transport	51 709 251	9%	69 986 834	4%
	Communication	-	0%	-	0%
	Services	423 645 730	71%	815 830 316	41%
	Financial Services	(35 654 103)	-6%	154 827 968	8%
	Total loan commitments	597 531 824	100%	1 969 438 594	100%
	Total credit exposure	4 124 447 759		6 471 608 941	

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

7.5 Mortgage advances

Mortgage advances were spread as follows:

	31 Dec 2025 ZWG	As a % of Total	31 Dec 2024 ZWG	As a % of Total
Type of property: -				
High density	3 796 630	1%	2 789 635	1%
Medium density	59 088 789	20%	15 210 640	6%
Low density	121 747 554	40%	124 265 877	47%
Commercial	116 610 605	39%	124 656 780	47%
	301 243 578	100%	266 922 932	100%

7.6 *Asset finance loans

	31 Dec 2025 ZWG	31 Dec 2024 ZWG
CONSOLIDATED		
Gross investment in asset finance loans		
Maturing within 1 year	6 098 445	321 512 264
Maturing after 1 year	102 851 088	717 099 198
Gross investment in asset finance loans	108 949 533	1 038 611 462
Unearned finance charges	(21 981 713)	(589 402 159)
Net investment in asset finance loans	86 967 820	449 209 303
Maturing within 1 year	4 328 755	139 434 454
Maturing after 1 year	82 639 065	309 774 849
	86 967 820	449 209 303

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 2025

		31 Dec 2025 ZWG	31 Dec 2024 ZWG
8.	**FINANCIAL ASSETS**		
	CONSOLIDATED		
8.1	**Financial assets at fair value- through profit or loss**		
	Government stock	6 695 769	3 971 963
	Listed equity investments	413 895 000	453 808 905
	Unlisted equity investments*	190 615 858	108 310 907
		611 206 627	566 091 775
	* The prior year was restated, (Refer to Note 2.3)		
8.2	**Financial assets at amortized cost**		
	Debentures and Bonds	85 500 065	83 650 095

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

		31 Dec 2025 ZWG	31 Dec 2024 ZWG
	CONSOLIDATED		
8.3	**Movement of financial assets**		
	Balance at beginning of year	649 741 870	344 428 819
	Additions during the year:	167 767 332	150 104 629
	on Listed equity investments	4 601 871	25 036 396
	on Government stock	116 329 923	120 323 244
	on Debentures and bonds	46 835 538	4 744 989
	Disposals	(173 007 460)	(153 060 738)
	on Listed equity investments	(10 381 150)	(29 680 096)
	on Debentures and bonds	(1 391 184)	(100 098 180)
	on Government stock	(161 235 126)	(23 282 462)
	Fair value adjustments (note 31)	40 332 135	156 566 598
	on Listed equity investments	24 554 681	193 772 170
	on Unlisted equity investments*	13 029 646	(38 013 098)
	on Government stock	2 747 808	807 526
	Exchange gains (net);**	606 310	536 154 112
	on Unlisted equity investments	606 310	536 154 112
	Impairment credit / (charge) on debentures and bonds	3 803 154	(15 994 030)
	Interest accrued on financial assets	12 475 030	21 219 916
	Effects of translation to presentation currency	(5 011 679)	(389 677 436)
	Balance at end of year	696 706 692	649 741 870

**These are coming from a foreign investment in swift shares at Group level which is denominated in Euros.
* The prior year was restated, (Refer to Note 2.3).

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

		31 Dec 2025 ZWG	31 Dec 2024 ZWG
	SEPARATE		
8.4	**Financial assets at "fair value- through profit or loss":**		
	Listed equity investments	2 433 778	1 505 596
	Unlisted equity investments	5 308 870	5 271 639
		7 742 648	6 777 235
8.5	**Movement of financial assets**		
	Balance at beginning of year	6 777 235	6 096 212
	Additions during the year:		
	on listed equity investments	3 781 547	-
	Disposals		
	On listed equity investments	(4 159 072)	(15 072 820)
	Fair value adjustments (note 31)	1 286 372	10 253 111
	on listed equity investments	1 286 372	10 662 384
	on unlisted equity investments	-	(409 273)
	Effects of translation to presentation currency	56 566	5 500 732
	Balance at end of year	7 742 648	6 777 235

Financial assets balances at year end are current assets.

8.6 Valuation techniques and material unobservable inputs

The Group holds unlisted equity investments, with material holdings in ZimSwitch Technologies Limited and Chengetedzayi Depository Company.

Unquoted investments were valued at net asset value and price earnings multiple techniques.The investment in Zimswitch Technoloies Limited was derived from a mix of four valuation techniques for the year ended 31 December 2025. 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).Refer to Note 39.2.2.3.

Chengetedzayi Depository Company was valued using a market multiple approach and an adjusted net asset value approach. In applying market multiples, adjustments were made to reflect differences in risk and comparability relative to quoted peers.

Other unlisted equity investments that are not material were valued internally by management/directors using net asset value and/or market multiples, based on available financial information and observable peer benchmarks, with appropriate illiquidity adjustments where relevant.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

9. GROUP INVESTMENTS

During the year, the Group committed to a plan to dispose of its 34.49% interest in Cell Insurance. The investment met the criteria to be classified as held for sale and the equity method of accounting was discontinued from the date of classification.

		31 Dec 2025 ZWG	31 Dec 2024 ZWG
9.1	**Investment in Associate**		
	Balance at beginning of year	72 472 415	102 034 437
	Revaluation surplus	3 402 173	2 169 851
	Share of Other Comprehensive Income	812 217	-
	Share of current year (loss)/ profits, net of tax	21 371 396	(124 789 243)
	Impairment to fair value less cost to sale	(53 428 796)	-
	Effects of translation to presentation currency	1 250 745	93 057 370
	Transfer to Asset held for Sale	(45 880 150)	-
	Balance at the end of the year	-	72 472 415
	Nature of Business		
	Short-term insurance		
	Amounts relating to associate company:		
	Non-current assets	-	256 712 243
	Current assets	-	314 772 457
	Non-current liabilities	-	19 654 858
	Current liabilities	-	341 703 964
	Revenue	-	25 178 473
	Profit after tax	-	12 118 314
	Other comprehensive income	4 214 390	95 227 221
	Share of current year (loss)/ profits, net of tax	21 371 396	(124 789 243)

Name of company	2025 % Holding	2024 % Holding
Cell Insurance (Private) Limited	34.49%	34.49%

As disclosed in Note 3.2.3, the Group 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 was an associate of the Company and has similar accounting policies with the Company and the rest of ZB Financial Holdings Limited. Cell Insurance is a provider of short-term insurance products in Zimbabwe.

On 1 October 2025, the Board of Directors of ZBFH approved a plan to dispose of the Group's investment in Cell Insurance Limited. IPEC subsequently approved the disposal on the 29th of December 2025. The transaction is expected to be completed by 31 March 2026.

Cell Insurance Limited represents the Group's entire investment in an associate and a provider of short-term insurance products within the Group. As at the reporting date, the Group reclassified its investment in Cell Insurance Limited from Investment in Associate to Assets Held for Sale in accordance with IFRS 5 – Non-current Assets Held for Sale and Discontinued Operations on the 31st of December 2025.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

		Audited 31 Dec 2025 ZWG	*Restated 31 Dec 2024 ZWG
9.2	**Investments in subsidiaries**		
	Balance at beginning of year	4 634 464 379	1 778 362 879
	Fair value adjustments (note 30)*	697 819 705	1 226 256 445
	Closure of subsidiary**	(3 645 744)	-
	Acquisition of NCI (note 9.6)	-	4 823 767
	Capital injection***	16 405 617	18 058 957
	Effects of translating to presentation currency	11 885 531	1 606 962 331
	Balance at end of year	5 356 929 488	4 634 464 379

* The prior year was restated, (Refer to Note 2.3).

**ZB Capital
Effective 01 January 2025, pursuant to a Board resolution, ZB Capital (a subsidiary of ZB Holdings) ceased all trading and operational activities and is now dormant. The company's corporate finance activities were transferred to ZB Bank Limited, while its assets primarily listed equity investments and liabilities were transferred to ZB Financial Holdings.

***The capital injection relates to the investment made by the holding company into the reopening of ZB Asset Management during the year ended 2025 and an additional investment made by the holding company into Qupa Microfinance Limited in 2024.

	31 Dec 2025 ZWG	31 Dec 2024 ZWG
Owned by ZB Financial Holdings Limited (Company): -		
ZB Bank Limited - 100%	3 705 081 523	3 214 817 332
ZB Holdings Limited - 100%	-	3 645 744
QUPA Microfinance Limited - 100%	112 528 072	54 193 033
Intermarket Holdings Limited - 84.26%	1 005 309 293	876 407 434
ZB Asset Management - 100%	16 405 617	-
ZB Transfer Secretaries - 100%	18 548 433	9 900 197
Mashonaland Holding 57.63%	499 056 550	475 500 630
Total investments in subsidiary	5 356 929 488	4 634 464 370

Investment in subsidiaries balances at year end are non-current assets.

ZB Bank Limited operates as a commercial bank whilst 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 companies with interests in entities operating within various subsectors of the financial services industry and are consolidated in the Group's financial statements.

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 2025

9.2 Investments in Subsidiaries (continued)

ZB Asset Management

ZB Asset Management Company reopened operations on 1 November 2025 following the completion of an inspection by the Securities and Exchange Commission on 15 October 2025. The company operates as a licensed asset management entity providing investment management and related services to both Group entities and external clients.

9.3 Other subsidiary companies in the Group

	2025 % Holding	2024 % 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
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.				
Owned by ZB Holdings Limited				
ZB Capital (Private) Limited	100%	100%	Venture capital	Dormant
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
ZB Asset Management (Note 9.2)	100%			
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

ZB Building Society

On 19 December 2025, the Reserve Bank of Zimbabwe (RBZ) accepted the ZB Building Society's operating license. Therefore, the entity ceased to exist as a Society as at that date. (Refer to Note 41).

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

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 2025

9.5 Non-controlling interests (NCI) as at 31 December 2025

	IHL ZWG	ZBBS ZWG	ZB Life ZWG	**IBCL ZWG	MASH ZWG	Intra Group Eliminations ZWG	Total ZWG
Percentage	*16%	*41%	*31%	*4%	54%		
Non-current assets	2 074 924 856	527 228 263	945 950 592	255 110 617	2 511 086 574	-	6 314 300 902
Current assets	529 360 507	241 434 096	203 865 551	152 000	136 647 435	-	1 111 459 589
Non-current liabilities	(304 081 150)	(27 462 068)	(243 477 042)	(12 719 805)	(92 157 095)	-	(679 897 160)
Current liabilities	(769 213 958)	(326 467 448)	(355 300 223)	(3 250 410)	(283 876 534)	-	(1 738 108 573)
NCI recorded in subsidiaries	(337 862 155)	(97 370 223)	(2 958 659)	-	-	-	(438 191 037)
Net assets	1 193 128 098	317 362 618	541 650 774	239 292 402	2 271 700 380	-	4 563 134 272
Carrying amount of NCI	187 818 803	237 149 909	173 524 488	9 949 820	1 232 812 295	127 815 189	1 969 070 504
Revenue	377 555 280	114 272 721	65 415 402	-	265 181 724	-	822 425 127
Profit	173 672 657	19 164 873	42 268 994	7 524 504	114 841 282	-	357 472 310
Other Comprehensive Income	14 485 488	3 834 339	5 745 345	1 526 123	(724 262)	-	24 867 033
Total comprehensive income	188 158 145	22 999 212	48 014 338	9 050 627	120 407 309	-	388 629 631
Profit / (loss) allocated to NCI	20 311 792	2 525 595	(966 254)	5 394 964	50 933 946	49 406 807	127 606 850
OCI allocated to NCI	3 582 568	(2 496 529)	751 926	-	(7 060 639)	17 706 678	12 484 004
Cash flows from operating activities	(13 328 445)	49 678 832	77 156 123	540 055	97 896 679	-	211 943 244
Cash flows from Investment activities	(8)	1 123 939	(41 208 954)	(8)	(2 137 291)	-	(42 222 322)
Cash flows from financing activities (dividends to NCI)	-	-	(296 777)	-	(13 181 000)	-	(13 477 777)
Net (decrease)/increase in cash and cash equivalents	(13 328 453)	50 802 771	35 650 392	540 047	82 578 388	-	156 243 145

*The NCI percentages refer to effective NCI portion at consolidated level after taking into account NCI shareholding at entity level.

** In 2024, fair value adjustments on investment property were incorrectly classified as revenue under IBCL. In the current year, this has been corrected prospectively by removing the from the revenue line, as such adjustments are not revenue in nature. This reclassification had no impact on profit, equity, or non-controlling interests and is considered immaterial.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

9.5 Non-controlling interests (NCI) as at 31 December 2024

	IHL *Restated ZWG	ZBBS *Restated ZWG	ZB Life *Restated ZWG	IBCL *Restated ZWG	MASH *Restated ZWG	Intra Group Eliminations *Restated ZWG	Total *Restated ZWG
NCI Percentage	**16%	**41%	**31%	**4%	1		
Non current assets	1 991 227 472	525 754 138	898 640 240	244 737 960	12 481 271 694	-	16 141 631 504
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)	(94 114 466)	-	(722 673 419)
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	(310 694 812)	(94 815 562)	(3 172 987)	-	-	-	(408 683 361)
Net assets	1 032 137 295	296 918 066	493 422 107	230 241 774	(53 232 650 282)	-	(51 179 931 040)
Carrying amount of NCI	162 476 093	217 264 573	158 551 609	9 573 493	1 174 622 442	63 144 690	1 785 632 900
Revenue	343 113 526	15 158 574	248 384 979	236 833	152 860 177	-	759 754 089
Profit	174 245 920	(81 197 839)	202 593 412	189 424	33 528 840	-	329 359 757
OCI	482 128 964	232 112 737	65 096 330	109 112 408	(531 698 712)	-	356 751 727
Total comprehensive income	656 374 885	150 914 898	267 689 742	109 301 832	1 078 456 946	-	2 262 738 303
Profit allocated to NCI	(40 968 809)	(778 175)	(1 281 149)	5 394 964	17 136 539	28 883 888	8 387 258
OCI allocated to NCI	115 664 337	46 671 522	3 053 979	-	(565 868 559)	1 091 837 925	691 359 204
Cash flows from operating activities	(490 846 451)	(40 646 148)	(270 500 444)	(102 062 546)	17 709 269	-	(886 346 320)
Cash flows from investment activities	-	202 263 894	(287 010 574)	-	555 625 284	-	470 878 604
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	(490 846 451)	161 617 746	(443 322 933)	(102 062 546)	567 779 657	-	(306 834 527)

* The restatement of the financial statements is due to a prior period error on the valuation of the Group's shareholding in Zimswitch Technologies (Pvt) LTD.(Refer to Note 2.3)

**The NCI percentages refer to effective NCI portion at consolidated level after taking into account NCI shareholding at entity level.

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 following summarises the increase in equity attributable to owners of the company.

	31 Dec 2025 ZWG	31 Dec 2024 ZWG
Carrying amount of NCI	-	15 407 032
Consideration paid to NCI	-	8 669 534
Increase in equity attributable to owners of the parent	-	6 737 498

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

	31 Dec 2025 ZWG	31 Dec 2024 ZWG
10. INVENTORIES		
CONSOLIDATED		
Immovable properties	66 996 758	25 584 943
Other consumables	17 189	17 189
Stationery	11 990 941	11 990 941
Fuel	1 027	1 027
	79 005 915	37 594 100
Current	12 009 157	12 009 157
Non-current	66 996 758	25 584 943
	79 005 915	37 594 100
Land bank-Work in Progress*	16 311 255	729 969
Finished goods	62 694 660	36 864 132
Total inventories at the lower of cost and net realisable value	79 005 915	37 594 100

The land bank relates to the 406 Coronation Cluster Development located at 406 Greendale, Coronation Drive. Development of the project is expected to commence in FY2026 and will take approximately 18 months to complete, with completion anticipated by mid-FY2027. The completed units are expected to be sold thereafter.

A 2-hectare property with an existing building located in Ruwa was acquired on 19 December 2025. The property is expected to be developed into residential units over an estimated 24-month period, commencing in FY2026 and completing by the end of FY2027, after which the units are expected to be sold. A 29.7-hectare parcel of undeveloped residential land located in Plumtree, earmarked for development in 2028, with the developed units expected to be sold in 2029.

Finished goods relate to the Hopelyn stands in Bulawayo, which are currently being marketed for sale and are expected to be fully sold by the end of 2026.

The amount recognised in profit or loss relating to inventories was ZWG 16,248,617.73 (2024 :ZWG 8,056,822).

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

	Audited 31 Dec 2025 ZWG	*Restated 31 Dec 2024 ZWG
11 TRADE AND OTHER RECEIVABLES		
CONSOLIDATED		
Balances in transit from other banks	438 091 162	118 970 154
Prepayments**	663 794 392	136 858 113
Deferred staff loan expense	141 851 021	89 315 698
Sundry Receivables	6 914 253	61 838 906
Impairment allowances for receivables	(7 898 981)	(895 415)
Total	1 242 751 847	406 087 456
SEPARATE		
Trade receivables	176 403 083	44 540 834
Total	176 403 083	44 540 834

Trade and other receivables balances at year end are current assets. All trade and other receivables except for prepayments are financial assets.

* Prior year was restated. Refer to Note 2.4.

**Prepayments includes prepayments for assets and other services. Included in prepayments is an amount of ZWG449,602,445 arising from migration variances during the implementation of the new core banking system. These variances are being investigated and will be cleared during the course of the year.

12 ASSETS HELD FOR SALE

	31 Dec 2025 ZWG	31 Dec 2024 ZWG
Balance at the beginning of the year	-	47 466 296
Net reclassification from Investment in Associate	45 880 150	-
Disposals	-	(47 466 296)
Balance at the end of the year	45 880 150	-

Asset Held For Sale Comprised the Following:

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.

The Group's 34.49% interest in Cell Insurance, which met the criteria for classification as held for sale following the Group's commitment to dispose of the investment.The investment was measured at the lower of its carrying amount of ZWG 78,156,677 and fair value less costs to sell of ZWG 45,880,139 resulting in an impairment loss of ZWG 32,276,538 recognised in the profit or loss. The investment is presented as assets held for sale in the statement of financial position.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

		Audited 31 Dec 2025 ZWG	*Restated 31 Dec 2024 ZWG
13.	**INVESTMENT PROPERTIES**		
	CONSOLIDATED		
13.1	**Made up as follows:**		
	Land stock held for capital appreciation and completed properties available for lease:		
	-Residential	351 108 175	337 554 314
	-Commercial	3 225 253 444	3 100 748 691
	-Industrial	109 064 200	104 853 985
	Balance at end of year	3 685 425 819	3 543 156 990
	SEPARATE		
	Made up as follows:		
	Land stock held for capital appreciation and completed properties available for lease:		
	-Residential	14 315 366	13 183 034
	Balance at end of year	14 315 366	13 183 034
	Investment properties balances at year end are non-current assets.		
	CONSOLIDATED		
13.2	**Reconciliation of carrying amount**		
	Carrying amount at beginning of year	3 543 156 990	1 696 614 680
	Additions	54 232 932	266 162 811
	Transfer to inventory	(15 744 304)	-
	Transfer to owner occupied(Note 15)	(14 964 883)	-
	Disposals	-	(5 139 061)
	Fair value adjustment (note 30)	93 979 696	42 093 868
	Effects of translation to presentation currency	24 765 388	1 543 424 692
	Balance at end of year	3 685 425 819	3 543 156 990
	SEPARATE		
	Reconciliation of carrying amount		
	Carrying amount at beginning of year	13 183 034	6 618 158
	Additions	-	-
	Fair value adjustment (note 30)	1 039 228	593 181
	Effects of translation to presentation currency	93 104	5 971 695
	Balance at end of year	14 315 366	13 183 034
	Fair value adjustment on investment properties (note 30)	93 979 696	42 093 868
	Revaluation adjustment on property and equipment (note 15)	177 472 880	127 103 991
	Total increase in property values	271 452 576	169 197 859

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. Repairs and maintenance costs on investment properties that generated investment income amount to ZWG5 001 910 (2024: ZWG76 783 278).

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 2025

13.3 Measurement of fair value

The fair value of the Group's investment properties as at 31 December 2025 was arrived at on the basis of valuations carried out by independent professional valuers, Southbay Real Estate (2024: 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 2025. 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
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.	Average rentals per square metre - ZWG 637 to ZWG 952. A 10% increase in average rentals per square meter would result in an increase in profit or loss of ZWG1,033,700 (2024: ZWG904,300), while a 10% decrease in average rentals per square meter would result in a decrease in fair profit or loss of ZWG1,033,700 (2024: ZWG904,300). • Capitalisation rate – 8% to 20% (2024: 8% to 20%) A 1% increase in the capitalization rate would result in a decrease in profit or loss of ZWG 20.3 million (2024: ZWG 18.7 million), while a 1% decrease in the capitalization rate would result in an increase in profit or loss of ZWG 20.3 million (2024: ZWG 18.7 million). • Occupancy rates are between 95% to 100% at any given point (Voids rates are below 5%). A 5% increase in occupancy rates would result in an increase in profit or loss of ZWG 9.4 million (2024: ZWG 8.6 million), while a 5% decrease in occupancy rates would result in a decrease in profit or loss of ZWG 9.4 million (2024: ZWG 8.6 million).

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

13.3 Measurement of fair value (continued)

Valuation technique	Material unobservable inputs
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.	Rental growth rates ranges from 5% to 20% (2024: 5% to 20%). A 10% increase in rent growth rates will result in an increase in profit or loss of ZWG 11.7m (2024:ZWG52), while a 10% decrease in rent growth rates will result in a decrease in profit or loss of ZWG11.7m (2024:ZWG52) • Average investment yield - 8% to 20% (2024: 8% to 20%). A 10% increase in average investment yield will result in a decrease in profit or loss of ZWG 40.9 million (2024: ZWG181.7 million), while a 10% decrease in average investment yield will result in an increase in profit or loss of ZWG 40.9 million (2024:ZWG181.7 million). • Occupancy rates are between 95% to 100% at any given point (Voids rates are below 5%). A 10% increase in occupancy rates will result in an increase in profit or loss of ZWG 40.9 million (2024:ZWG181.7 million), while a 10% decrease in occupancy rates will result in a decrease in profit or loss of ZWGZWG 40.9 million (2024: ZWG181.7 million). • Residential market values per square metre ranges from ZWG1,338 to ZWG2,078. A 20% increase in residential market values per square metre will result in an increase in profit or loss of ZWG82.9 million(2024: ZWG181.7 million), while a 10% decrease in residential market values per square metre will result in a decrease in profit or loss of 41.5 million (2024: ZWG181.7 million).

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

114 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 tenure and rentals which resulted in a change in the incremental borrowin rate.

The movement in the right of use asset during the year was as follows:

	31 Dec 2025 ZWG	31 Dec 2024 ZWG
CONSOLIDATED		
Carrying amount at the beginning of the year	26 941 617	42 392 526
Additions	-	-
Depreciation charge to profit or loss	(46 805 886)	(2 032 615)
Lease modifications	62 773 320	-
Effects of translation to presentation currency	(10 775 383)	(13 418 294)
Carrying amount at end of year	32 133 668	26 941 617
SEPARATE		
Carrying amount at the beginning of the year	71 141 385	55 977 606
Additions	11 870 242	
Depreciation charge to profit or loss	(16 204 315)	(22 649 336)
Lease modifications	75 509 821	-
Effects of translation to presentation currency	1 493 051	37 813 115
Carrying amount at end of year	143 810 184	71 141 385

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 2025

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 2025							
CONSOLIDATED							
Cost or valuation							
Balance at 1 January 2025	1 011 490 537	231 390 562	312 776 346	548 781 244	141 570 482	8 791 727	2 254 800 898
Additions	3 992 332	6 475 275	21 950 221	41 889 185	7 320 330	-	81 627 343
Disposals	-	-	(1 480 072)	(398 203)	(3 403 869)	-	(5 282 144)
Transfer from Investment Properties (Note 13.2)	14 964 883	-	-	-	-	-	14 964 883
Surplus on revaluation	76 186 623	-	13 709 915	64 735 347	22 840 995	-	177 472 880
Effects of translation to presentation currency*	84 764 507	123 527 123	148 924 666	167 173 636	41 648 914	5 465 207	571 504 053
Balance at 31 December 2025	1 191 398 882	361 392 960	495 881 076	822 181 209	209 976 852	14 256 934	3 095 087 913
Accumulated depreciation and impairment							
Balance at 1 January 2025	109 421 088	154 515 363	188 187 246	299 148 882	84 908 731	5 946 034	842 127 344
Recognised in statement of profit or loss	23 231 396	17 077 172	35 250 593	111 766 297	33 404 407	-	220 729 865
Disposals	-	-	(29 024)	(121 428)	(757 382)	-	(907 834)
Impairment	-	-	2 057 382	-	10 797	-	2 068 179
Effects of translation to presentation currency	93 686 100	122 913 630	147 618 062	165 248 852	40 990 923	5 445 109	575 902 676
Balance at 31 December 2025	226 338 584	294 506 165	373 084 259	576 042 603	158 557 476	11 391 143	1 639 920 230
Carrying value at 31 December 2025	965 060 298	66 886 795	122 796 817	246 138 606	51 419 376	2 865 791	1 455 167 683
Carrying value at 31 December 2024	902 069 449	76 875 199	124 589 100	249 632 362	56 661 751	2 845 693	1 412 673 554

No encumberances existed on any of the property and equipment in portfolio as at 31 December 2025.

*In the prior year, the effects of translation to the presentation currency were presented within cost. In the current year, these amounts have been disaggregated between cost and accumulated depreciation to provide more relevant information to users of the financial statements.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

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 to presentation currency*	420 952 727	41 765 449	43 780 858	101 137 958	26 821 795	1 802 746	636 261 533
Balance at 31 December 2024	1 011 490 537	231 390 562	312 776 346	548 781 245	141 570 481	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	902 069 449	76 875 199	124 589 100	249 632 363	56 661 750	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

* The prior year was restated, (Refer to Note 2.4).

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

15. PROPERTY AND EQUIPMENT (continued)

	Leasehold improvements ZWG	Equipment furniture & fittings ZWG	Computer equipment ZWG	Motor vehicles ZWG	Total ZWG
31 December 2025					
SEPARATE					
Cost or valuation					
Balance at 1 January 2025	180 229	25 389 844	23 507 549	4 885 344	53 962 966
Additions	-	6 258 440	3 886 870	521 473	10 666 783
Disposals	-	-	(40 185)	-	(40 185)
Revaluation of property	-	2 517 570	4 933 525	526 224	7 977 319
Effects of translation to presentation currency**	165 056	8 578 896	3 301 795	4 948 067	16 993 814
Intergroup Transfers*	-	5 327 914	298 353	-	5 626 267
Balance at 31 December 2025	345 285	48 072 664	35 887 907	10 881 108	95 186 964
Accumulated depreciation and impairment					
Balance at 1 January 2025	180 229	11 533 077	10 113 544	4 599 750	26 426 600
Recognised in statement of profit or loss	11	5 154 273	9 331 376	832 124	15 317 784
Disposals	-	-	(20 000)	-	(20 000)
Intergroup transfers*	-	4 245 039	222 759	-	4 467 798
Effects of translation to presentation currency**	165 045	8 506 484	4 727 514	3 292 618	16 691 661
Balance at 31 December 2025	345 285	29 438 873	24 375 193	8 724 492	62 883 843
Carrying value at 31 December 2025	-	18 633 791	11 512 714	2 156 616	32 303 121
Carrying value at 31 December 2024	-	13 856 767	13 394 005	285 594	27 536 366

No encumbrances existed on any of the property and equipment in portfolio as at 31 December 2025.

*This relates to assets that were transferred to ZBFH from ZB Capital on its closure.
**In the prior year, the effects of translation to the presentation currency were presented within cost. In the current year, these amounts have been disaggregated between cost and accumulated depreciation to provide more relevant information to users of the financial statements.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

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	8 067 261	-	13 199 669
Disposals	-	(271 168)	-	-	(271 168)
Surplus on revaluation	-	611 677	2 683 217	786 835	4 081 729
Effects of translation to presentation currency*	-	6 181 660	3 744 709	(452 091)	9 474 278
Balance at 31 December 2024	180 229	25 389 844	23 507 549	4 885 344	53 962 966
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	13 394 005	285 594	27 536 366
Carrying value at 31 December 2023	-	4 332 924	3 652 229	941 776	8 926 929

No encumbrances existed on any of the property and equipment in portfolio as at 31 December 2024.

During the year, ZB Capital ceased operations and its property and equipment were transferred to and recognised in the statement of financial position of ZB Financial Holdings Company.

Revaluation of property and equipment

All properties and equipment were revalued at 31 December 2025 on the basis of valuations carried out by an accredited independent and professional valuers, Southbay Real Estate (2024: Southbay Real Estate), and in terms of accounting policy 3.6. Southbay Real Estate are members of the Royal Institute 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.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

15.1 Revaluation of property and equipment (continued)

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.

- The Direct Comparison Method was applied on all freehold properties. Southbay Real Estate identified some 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:

	2025 Average rentals per square meter	2025 Average investment yield	2024 Average rentals per square meter	2024 Average investment yield
Office	ZWG104 -ZWG156	8.5% - 10%	ZWG208 -ZWG315	8.5% - 10%
Retail	ZWG260 -ZWG390	7.8% - 13%	ZWG312 -ZWG520	7.8% - 13%
Industrial	ZWG65 -ZWG117	8.5% - 13%	ZWG91 -ZWG120	8.5% - 13%

A 10% increase in rentals will result in the reported profits decreasing by ZWG11.32 million (2024: ZWG4.9 million) and the rentals decreasing 10% will result in the reported profits increasing by ZWG 11.32 million (2024: ZWG4.9 million).

- 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.

Other general assumptions made were as follows:-

	Audited 31 Dec 2025 ZWG	Audited 31 Dec 2024 ZWG
Land selling price per square meter after development	2 078	2 730
Cost of servicing land per square meter	520	205
Imputed finance cost during development term	100%	100%
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.

The fair value for motor vehicles, computer equipment, equipment and furniture and fittings was based on the depreciated replacement cost which was determined based on market comparable data, the condition of the asset, estimated remaining useful life, amongst other factors. The market comparable data reflects recent arms' length transaction prices for similar assets adjusted for the use/condition, location, size and quality of finishes.

There were no transfers between the levels in the current year.

No encumbrances existed on any of the property and equipment in the portfolio as at 31 December 2025.

Property and equipment balances at year end are non-current assets.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

		31 Dec 2025 ZWG	31 Dec 2024 ZWG
16.	**INTANGIBLE ASSETS**		
	CONSOLIDATED		
	Computer software		
	Carrying amount at beginning of year	198 322 082	23 842 987
	Additions at cost	26 119 376	158 774 316
	Amortisation	(34 140 309)	(6 571 540)
	Impairment	(11 038)	(1 366 932)
	Effects of translation to presentation currency	1 448 728	23 643 251
	Balance at end of year	191 738 839	198 322 082
17.	**DEPOSITS AND OTHER ACCOUNTS**		
	CONSOLIDATED		
17.1	**Summary of deposits by type**		
	Balances of banks	692 246 355	605 537 397
	*Current accounts	4 922 305 208	367 542 189
	*Savings and call accounts	73 064 257	3 815 805 886
	Term deposits	882 408 148	694 117 943
		6 570 023 968	5 483 003 415

*In the current year the Group changed the classification of customer deposits within the new core banking system. All customer deposits that are available on demand are now consolidated under current accounts. This reclassification results in a significant shift in the deposit composition, compared to the prior year.

		31 Dec 2025 ZWG	31 Dec 2024 ZWG
17.2	**Maturity analysis**		
	Maturing within 1 year	6 021 798 165	5 449 586 958
	Maturing after 1 year	548 225 803	33 416 457
		6 570 023 968	5 483 003 415

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

		31 Dec 2025 ZWG	% Contribution	31 Dec 2024 ZWG	% Contribution
	CONSOLIDATED				
17.3	**Deposit concentration**				
	Private individuals	983 876 176	15%	800 654 657	15%
	Agriculture	95 192 185	1%	183 052 736	3%
	Mining	179 861 041	3%	465 528 169	8%
	Manufacturing	149 900 236	2%	144 107 808	3%
	Distribution	141 853 311	2%	138 130 042	3%
	Construction	79 070 024	1%	121 616 224	2%
	Transport	20 617 041	0%	42 289 026	1%
	Services	2 761 087 883	42%	2 153 234 110	39%
	Financial	1 790 993 883	27%	1 132 636 618	21%
	Communication	367 572 188	6%	301 754 025	6%
		6 570 023 968	100%	5 483 003 415	100%

		31 Dec 2025 ZWG	31 Dec 2024 ZWG
17.4	**Secured and unsecured deposits analysis**		
	CONSOLIDATED		
	Secured deposits	1 081 840 309	703 645 491
	Unsecured deposits	5 488 183 659	4 779 357 924
		6 570 023 968	5 483 003 415

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 2025

18. INVESTMENT CONTRACT LIABILITIES

As at 31 December 2025, 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 2025 ZWG	31 Dec 2024 ZWG
Investment contract liabilities through Profit & loss	231 005 474	175 413 650
Movement in liabilities fair valued through profit or loss	55 664 044	(7 296 221)
Balance at beginning of year	175 413 653	96 481 041
New contributions received	85 398 793	20 133 125
Withdrawals	(30 413 424)	(3 215 960)
Fair value adjustments	8 771 595	(839 123)
Investments Income	7 765 344	2 303 320
Management Fees	(14 996 339)	(3 440 895)
Exchange differences	354 226	(20 917 234)
Provision for tax	(1 216 149)	(1 319 454)
Effects of translating to presentation currency	(72 224)	86 228 830
Balance at end of year	231 005 474	175 413 650

Investment contract liabilities balance at year end is a current liability.

19. TRADE AND OTHER PAYABLES

	31 Dec 2025 ZWG	31 Dec 2024 ZWG
CONSOLIDATED		
Amounts due to other banks	339 884	1 911 645
Income received in advance	34 222 139	138 776 574
Interest accrued on deposits	23 552 494	12 594 166
Items in transit	379 144 521	357 006 370
Accrued expenses	10 329 325	33 373 930
Intermediated money transfer tax	84 569 556	98 479 645
Trade payables	345 386 761	354 281 008
Sundry creditors	118 878 668	155 743 690
Impairment on guarantees and loan commitments	10 524 486	79 231 412
	1 006 947 834	1 231 398 440

Included in the trade and other payables is the impairment of guarantees and loan commitments. These are off-statement of financial position items that the bank calculates the impairment in line with the requirements of IFRS 9. The impairment is posted to the statement of profit or loss against a corresponding liability in the statement of financial position.

Items in transit consist of settlement suspense accounts.

	31 Dec 2025 ZWG	31 Dec 2024 ZWG
SEPARATE		
Trade payables (note 36)	348 223 821	204 497 123

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

		31 Dec 2025 ZWG	31 Dec 2024 ZWG
20	**CURRENT TAX LIABILITIES**		
	CONSOLIDATED		
	Balance at beginning of year	93 665 128	18 963 005
	Recognised in statement of profit or loss (note 32)	398 754 626	156 953 998
	Tax payments	(384 758 093)	(82 251 875)
	Effects of translation to presentation currency	7 744 445	-
		115 406 106	93 665 128
	Current tax liabilities balances at year end are current liabilities.		
21	**INSURANCE AND REINSURANCE CONTRACTS**		
21.1	**Consolidated Life and non-Life insurance assets and liabilities**		
	Insurance contracts issued		
	Insurance contract liabilities	225 182 688	268 691 070
	Insurance contract Assets	(22 725 762)	-
	Net insurance contracts issued	202 456 926	268 691 070
	Reinsurance contracts held		
	Reinsurance contracts Liabilities	-	-
	Reinsurance contracts Assets	(90 401 677)	(110 925 292)
	Net reinsurance contract (Assets) / Liabilities held	(90 401 677)	(110 925 292)
	Life Business		
	Insurance contracts issued		
	Insurance contract liabilities	225 182 688	225 479 465
	Insurance contract Assets	-	-
	Net insurance contracts issued	225 182 688	225 479 465
	Reinsurance contracts held		
	Reinsurance contracts Liabilities	-	-
	Reinsurance contracts Assets	(4 186 733)	(1 568 068)
	Net reinsurance contracts held	(4 186 733)	(1 568 068)
	Non-Life Business		
	Insurance contracts issued		
	Insurance contract liabilities	-	43 211 605
	Insurance contract Assets	(22 725 762)	-
	Net insurance contract liabilities / (assets) issued	(22 725 762)	43 211 605
	Reinsurance contracts held		
	Reinsurance contracts Liabilities	-	-
	Reinsurance contracts Assets	(86 214 944)	(109 357 224)
	Net reinsurance contracts held	(86 214 944)	(109 357 224)

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

21.1 Insurance contracts issued - Life business

21.1.1 Analysis by liability for remaining coverage and the liability for incurred claims - contracts measured under PAA and contracts not measured under PAA (continued)

	2025					
	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 liabilities as at beginning	(8 781 794)	55 410 206	4 874 310	6 070 205	73 670	57 646 595
Life Insurance contract assets as at beginning	(13 514 771)	10 060 911	-	-	-	(3 453 860)
Life insurance contract (assets)/liabilities as at 01/01	(22 296 566)	65 471 117	4 874 310	6 070 205	73 670	54 192 735
Insurance revenue	(142 850 594)	-	-	-	-	(142 850 594)
Insurance service expenses	36 688 535	(34 600 990)	9 615 195	76 682 131	(14 769)	88 370 102
Incurred Claim And Directly Attributable Expenses	-	(14 725 810)	14 735 723	79 937 983	61 704	80 009 600
Changes that relate to past service - Adjustments to LIC	-	-	(5 120 529)	(3 255 852)	(76 473)	(8 452 853)
Losses on Onerous Contracts and the Reversals of those losses	36 688 535	(19 875 180)	-	-	-	16 813 355
Insurance Acquisition Cashflow Amortization	-	-	-	-	-	-
Insurance service result	(106 162 059)	(34 600 990)	9 615 195	76 682 131	(14 769)	(54 480 492)
Insurance finance income / expenses	(8 616 345)	9 075 083	118 670	305 832	-	883 240
Investment components and premium refunds	-	-	-	-	-	-
Exchange gains or losses	282 458	(578 388)	(266)	36 642	4 408	(255 145)
Effects of translation to presentation currency	(351 326)	1 064 081	144 379	(38 567)	759	819 326
Total changes in the statement of (profit) or loss	(114 847 272)	(25 040 214)	9 877 978	76 986 038	(9 602)	(53 033 071)
Cash flows						
Premium Received	162 748 316	-	-	-	-	162 748 316
Claims and other directly attributable expenses paid	-	-	(14 521 840)	(73 491 478)	-	(88 013 318)
Insurance Acquisition Cash flow	(39 824 016)	-	-	-	-	(39 824 016)
Total cash flows	122 924 300	-	(14 521 840)	(73 491 478)	-	34 910 982
Net life insurance contract (assets)/liabilities as at 31/12	(14 219 538)	40 430 903	230 448	9 564 765	64 068	36 070 647
Life Insurance contract liabilities as at 31/12	(14 219 538)	40 430 903	230 448	9 564 765	64 068	36 070 647
Life Insurance contract assets as at 31/12	-	-	-	-	-	-
Life insurance contract (assets)/liabilities as at 31/12	(14 219 538)	40 430 903	230 448	9 564 765	64 068	36 070 647

Notes to the Consolidated and Separate Financial Statements (continued)
For the year ended 31 December 2025

22.1 Insurance contracts issued - Life business (continued)

	2024					
	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	(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 or losses	123 516 561	(166 976 309)	(922 013)	(611 483)	(7 453)	(45 000 697)
Effects of translation to 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
Net life insurance contract (assets)/liabilities as at 31/12	(22 296 566)	65 471 117	4 874 310	6 070 204	73 668	54 192 733
Life Insurance contract liabilities as at 31/12	(8 781 794)	55 410 206	4 874 310	6 070 205	73 670	57 646 597
Life Insurance contract assets as at 31/12	(13 514 771)	10 060 911	-	-	-	(3 453 860)
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 2025

21.2 Life Risk - Insurance contracts issued Life business (continued)

21.2.1 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.

	2025					
	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 beginning	45 502 439	1 518 863	202 927	4 716 055	4 918 982	51 940 284
Insurance contract assets as at beginning	(4 638 252)	746 830	-	-	-	(3 891 422)
Insurance contract liabilities as at 01/01	40 864 187	2 265 693	202 927	4 716 055	4 918 982	48 048 861
Changes that relate to current services						
Contractual service margin recognized for service provided	-	-	(778 222)	(3 883 834)	(4 662 056)	(4 662 056)
Rist adjustment recognized for the risk expired	-	(224 993)	-	-	-	(224 993)
Experience adjustments	(582 717)	-	-	-	-	(582 717)
Changes that relate to future services						
Change in estimates that adjust CSM	(5 832 330)	5 906	4 893 595	932 830	5 826 425	-
Change in future service that results in losses or reversal of losses	(20 057 957)	(650 811)	-	-	-	(20 708 768)
Contracts initially recognized in the period	92 887	89 652	-	651 049	651 049	833 588
Changes that relate to past services						
Adjustments to liabilities for incurred claims	(5 120 748)	220	-	-	-	(5 120 529)
Insurance service result	(31 500 865)	(780 027)	4 115 373	(2 299 955)	1 815 418	(30 465 474)
Insurance finance (income) / expenses	(42 623)	-	40 423	579 609	620 031	577 408
Exchange gains or losses	(324 320)	(15 074)	53 885	(10 686)	43 199	(296 196)
Effects of translation to presentation currency	845 198	34 328	(95 599)	73 207	(22 392)	857 134
Total changes in the statement of profit or loss	(31 022 611)	(760 773)	4 114 082	(1 657 826)	2 456 256	(29 327 127)
	-	-	-	-	-	
Cash flows						
Premiun received	28 092 347	-	-	-	-	28 092 347
Claims and other expenses paid (including investment components and premium refunds)	(14 521 840)	-	-	-	-	(14 521 840)
Insurance acquisition cash flows	(5 850 427)	-	-	-	-	(5 850 427)
Total cash flows	7 720 080	-	-	-	-	7 720 080
Net insurance contract (assets) / liabilities as at 31/12	17 561 656	1 504 920	4 317 009	3 058 229	7 375 238	26 441 814
Insurance contract liabilities as at 31/12	17 561 656	1 504 920	4 317 009	3 058 229	7 375 238	26 441 814
Insurance contract assets as at 31/12	-	-	-	-	-	-
Insurance contract liabilities as at 31/12	17 561 656	1 504 920	4 317 009	3 058 229	7 375 238	26 441 814

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

21.2 Life Risk - Insurance contracts issued Life business (continued)

21.2.1 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.

	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 beginning	33 398 762	706 854	-	295 916	295 916	34 401 532
Life Insurance contract assets as at beginning	(775 471)	193 612	-	-	-	(581 859)
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						
CSM recognised in profit or loss for the services provided	-	-	(689)	(1 469 154)	(1 469 843)	(1 469 843)
Change in Risk Adjustment For the Report Period	-	(123 157)	-	-	-	(123 157)
Experience Adjustment	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 Recognised 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 gains or losses	(42 871 733)	(1 094 625)	(86 595)	(328 808)	(415 403)	(44 381 761)
Effects of translation to 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						
Premiums Received	16 074 152	-	-	-	-	16 074 152
Claims and Other Directly Attributable Expense Paid	(6 376 376)	-	-	-	-	(6 376 376)
Insurance Acquisition Cash Flow	(6 910 384)	-	-	-	-	(6 910 384)
Total cash flows	2 787 392	-	-	-	-	2 787 392
Net life insurance contract (assets)/liabilities as at 31/12	40 864 186	2 265 694	202 927	4 716 055	4 918 982	48 048 862
Life Insurance contract liabilities as at 31/12	45 502 439	1 518 863	202 927	4 716 055	4 918 982	51 940 284
Life Insurance contract assets as at 31/12	(4 638 252)	746 830	-	-	-	(3 891 422)
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 2025

21.3 Reinsurance contracts held - Life business

21.3.1 Analysis by asset for remaining coverage and the amounts recoverable for incurred claims - contracts measured under PAA and contracts not under PAA

	2025				
		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 liabilities as at beginning	-	-	-	-	-
Reinsurance contract assets as at beginning	(996 264)	(137 553)	(1 398)	(478 803)	(1 614 018)
Reinsurance contract assets as at 01/01	(996 264)	(137 553)	(1 398)	(478 803)	(1 614 018)
Allocation of reinsurance premiums:					
Reinsurance Expenses	7 517 238	-	-	-	7 517 238
Other Directly attributable Expenses					
Claims Recovered	-	(3 804 570)	(332)	(190 514)	(3 995 415)
Changes that relate to past service - Adjustments to AIC	-	135 672	492	82 617	218 782
Net income or expense from reinsurance contracts held	7 517 238	(3 668 898)	161	(107 896)	3 740 605
Finance Income from reinsurance contracts issued	834 253	-	-	(13 376)	820 876
Exchange gains or losses	3 549	(46 762)	-	(242)	(43 456)
Effects of translation to presentation currency	(442 267)	85 311	(29)	406 659	49 674
Total Amount Recognised in comprehensive income	7 912 772	(3 630 349)	132	285 144	4 567 699
Reinsurance Investment components	-	-	-	-	-
Total changes in the statement of profit or loss	7 912 772	(3 630 349)	132	285 144	4 567 699
Cash flows					
Premiums paid net of ceding commisison and other expenses	(7 242 768)	-	-	-	(7 242 768)
Recoveries from reinsurance	-	-	-	102 341	102 341
Total cash flows	(7 242 768)	-	-	102 341	(7 140 427)
Net reinsurance contract (assets)/liabilities as at 31/12	(326 260)	(3 767 902)	(1 267)	(91 317)	(4 186 746)
Reinsurance contract liabilities as at 31/12	(326 260)	(3 767 902)	(1 267)	(91 317)	(4 186 746)
Reinsurance contract assets as at 31/12	-	-	-	-	-
Reinsurance contract assets as at 31/12	(326 260)	(3 767 902)	(1 267)	(91 317)	(4 186 746)

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

21.3 Reinsurance contracts held Life business (continued)

21.3.1 Analysis by asset for remaining coverage and the amounts recoverable for incurred claims - contracts measured under PAA and contracts not under PAA (continued)

	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 liabilities as at beginning	-	-	-	-	-
Reinsurance contract assets as at beginning	(897 604)	(22 870)	(153)	(92 245)	(1 012 872)
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
Effect of Changes in the risk of reinsurers non-performance	-	-	-	-	-
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 translation to 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)
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 commission 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	(996 265)	(137 553)	(1 399)	-	(1 614 019)
Reinsurance contract liabilities as at 31/12	-	-	-	-	
Reinsurance contract assets as at 31/12	(996 264)	(137 553)	(1 398)	(478 803)	(1 614 018)
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 2025

21.3 Reinsurance contracts held - Life business (continued)

21.3.2 Analysis estimates of the present value of future cash flows, risk adjustment and CSM - contracts measured not under PAA (continued)

	2025				2024			
	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 beginning	(1 268 225)	(40 209)	(166 632)	(1 475 067)	(273 757)	(7 788)	(708 304)	(989 849)
Reinsurance contract liabilities as at beginning	-	-	-	-	-	-	-	-
Reinsurance contract assets as at 01/01	(1 268 225)	(40 209)	(166 632)	(1 475 067)	(273 757)	(7 788)	(708 304)	(989 849)
Changes that relate to current services								
CSM recognised in profit or loss for the services received	-	-	20 955	20 955	-	-	135 231	135 231
Change in Risk Adjustment For the Report Period	-	206 325	-	206 325	-	4 552	-	4 552
Experience Adjustment	85 477	-	-	85 477	390 899	-	-	390 899
Changes that relate to future services								
Change in estimates that adjust CSM	(219 104)	15 851	203 253	-	(968 857)	(7 817)	976 674	-
Contracts Initially Recognised in the Period	166 881	(4 052)	(162 829)	-	306 171	(11 208)	(294 963)	-
Changes that relate to past services	66 593	16 024	-	82 616	(243 891)	(5 929)	-	(249 820)
Finance Income (Expense) From Reinsurance Contracts Issued (P/L)	834 914	-	(14 037)	820 877	491 484	(745)	(376 266)	114 473
Exchange gains or losses	3 950	228	(872)	3 306	356 706	11 828	(100 984)	267 550
Effects of translation to presentation currency	34 068	(204 968)	135 292	(35 608)	(743 160)	(23 102)	201 979	(564 283)
Total changes in the statement of profit or loss	972 778	29 409	181 762	1 183 949	(410 648)	(32 421)	541 671	98 602
Cash flows								
Premiums paid net of ceding commisison and other expenses	(228 802)	-	-	(228 802)	(583 821)	-	-	(583 821)
Recoveries from reinsurance	102 341	-	-	102 341	-	-	-	-
Total cash flows	(126 460)	-	-	(126 460)	(583 821)	-	-	(583 821)
Other movements								
Net reinsurance contract (assets)/liabilities as at 31/12	(421 907)	(10 800)	15 130	(417 578)	(1 268 226)	(40 209)	(166 633)	(1 475 068)
Reinsurance contract liabilities as at 31/12	-	-	-	-	-	-	-	-
Reinsurance contract assets as at 31/12	(421 907)	(10 800)	15 130	(417 578)	(1 268 225)	(40 209)	(166 632)	(1 475 066)
Reinsurance contract assets as at 31/12	(421 907)	(10 800)	15 130	(417 578)	(1 268 225)	(40 209)	(166 632)	(1 475 066)

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

21.4 Life savings - Insurance contracts Life business

21.4.1 Analysis by liability for remaining coverage and the liability for incurred claims: contracts measured not under PAA

	2025				2024			
	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 at beginning	146 274 536	21 909 009	-	168 183 545	72 518 723	101 180	-	72 619 903
Insurance contract assets as at beginning	(2 720 070)	205 870	-	(2 514 200)	(1 421 336)	1 161 712	-	(259 624)
Insurance contract liabilities as as at 01/01	143 554 466	22 114 879	-	165 669 345	71 097 387	1 262 892	-	72 360 279
Insurance revenue	(15 497 658)	-	-	(15 497 658)	(4 063 781)	-	-	(4 063 781)
Insurance service expenses	3 389 033	(3 377 797)	8 304 870	8 316 107	1 250 595	21 323 978	4 943 371	27 517 944
Incurred Claim And Directly Attributable Expenses	-	(3 324 315)	8 304 870	4 980 555	-	(148 927)	4 943 371	4 794 444
Changes that relate to past service - Adjustments to LIC	-	-	-	-	-	-	-	-
Losses on Onerous Contracts and the Reversals of those losses	-	(53 482)	-	(53 482)	-	21 472 905	-	21 472 905
Insurance Acquisition Cashflow Amortization	3 389 033	-	-	3 389 033	1 250 595	-	-	1 250 595
Insurance service result	(12 108 625)	(3 377 797)	8 304 870	(7 181 552)	(2 813 186)	21 323 978	4 943 371	23 454 163
Insurance finance expenses P/L	3 307 013	-	-	3 307 013	99 228 715	-	-	99 228 715
Investment components and premium refunds	(6 352 229)	-	-	(6 352 229)	(1 583 983)	-	1 583 983	-
Monetary Adjustment	-	-	-	-	-	-	-	-
Exchange gains or losses	(493 804)	(209 263)	-	(703 067)	(100 399 385)	(10 023 428)	-	(110 422 813)
Effects of translation to presentation currency	665 928	238 865	6 352 229	7 257 023	67 695 234	9 551 437	-	77 246 671
Total changes in the statement of profit or losses	(14 981 717)	(3 348 195)	14 657 099	(3 672 812)	62 127 395	20 851 987	6 527 354	89 506 736
Cash flows								
Premium Received	44 334 684	-	-	44 334 684	16 881 112	-	-	16 881 112
Claims and other directly attributable expenses paid	-	-	(14 657 099)	(14 657 099)	-	-	(6 527 355)	(6 527 355)
Insurance Acquisition Cash flow	(13 592 943)	-	-	(13 592 943)	(6 551 427)	-	-	(6 551 427)
Total cash flows	30 741 742	-	(14 657 099)	16 084 642	10 329 685	-	(6 527 355)	3 802 330
Net insurance contract (assets)/liabilities as at 31/12	159 314 491	18 766 684	-	178 081 175	143 554 467	22 114 879	-	165 669 345
Insurance contract liabilities as at 31/12	159 314 491	18 766 684	-	178 081 175	146 274 536	21 909 009	-	168 183 545
Insurance contract assets as at 31/12	-	-	-	-	(2 720 070)	205 870	-	(2 514 200)
Insurance contract liabilities as at 31/12	159 314 491	18 766 684	-	178 081 175	143 554 466	22 114 879	-	165 669 345

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

21.4 Life savings - Insurance contracts Life business (continued)

21.4.2 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.

	2025					
			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 beginning	130 469 439	5 802 240	29 596 786	8 526 752	38 123 537	174 395 217
Insurance contract assets as at beginning	(9 570 226)	844 354	-	-	-	(8 725 872)
Insurance contract liabilities as at 01/01	120 899 213	6 646 595	29 596 786	8 526 752	38 123 537	165 669 345
Changes that relate to current services						
Contractual service margin recognised for services provided	(2 221 854)	651 909	(3 118 020)	(2 440 105)	(5 558 125)	(7 128 070)
Experience adjustments	-	651 909	-	-	-	651 909
Changes that relate to future services						
Change in estimates that adjust CSM	(15 425 055)	(1 646 735)	9 301 384	4 099 308	13 400 692	(3 671 099)
Change in future service that results in losses or reversal of losses	(11 368 407)	(2 032 285)	-	-	-	(13 400 692)
Contracts Initially Recognised in the Period	(1 373 278)	(328 677)	-	3 617 617	3 617 617	1 915 662
Insurance service result	(30 388 594)	(2 703 878)	6 183 364	5 276 820	11 460 184	(21 632 289)
Insurance finance expenses	3 307 013	-	-	-	-	3 307 013
Exchange gains or losses	(851 964)	(31 181)	169 655	10 423	180 078	(703 067)
Effects of translation to presentation currency	13 574 948	1 779 642	60 589	(59 649)	940	15 355 531
Total changes in the statement of profit or loss	(14 358 597)	(955 417)	6 413 608	5 227 593	11 641 201	(3 672 812)
Cash flows						
Premiums received	44 334 684	-	-	-	-	44 334 684
Claims and other expenses paid (including investment components and premiums refunds)	(14 657 099)	-	-	-	-	(14 657 099)
Insurance acquisition cash flows	(13 592 943)	-	-	-	-	(13 592 943)
Total cash flows	16 084 642	-	-	-	-	16 084 642
Net insurance contract (assets)/liabilities as at 31/12	122 625 258	5 691 179	36 010 394	13 754 345	49 764 739	178 081 175
Insurance contract liabilities as at 31/12	122 625 258	5 691 178	36 010 394	13 754 345	49 764 739	178 081 175
Insurance contract liabilities as at 31/12	122 625 258	5 691 178	36 010 394	13 754 345	49 764 739	178 081 175

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

21.4 Life savings - Insurance contracts Life business (continued)

21.4.2 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.

	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 beginning	62 282 236	1 421 357	8 912 424	3 887	8 916 311	72 619 904
Insurance contract assets as at beginning	(294 844)	35 220	-	-	-	(259 624)
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 Adjustment	3 226 159	-	-	-	-	3 226 159
Changes that relate to future services						
Changes in estimates that adjust the contractual service margin	(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
Insurance service result	(2 878 240)	4 391 423	17 053 561	4 887 419	21 940 980	23 454 163
Insurance finance expenses	99 228 715	-	-	-	-	99 228 715
Exchange gains or losses	(98 443 834)	(2 169 572)	(9 805 873)	(3 538)	(9 809 411)	(110 422 817)
Effects of translation to 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	8 522 866	29 207 227	89 506 736
Cash flows						
Premiums Received	16 881 112	-	-	-	-	16 881 112
Claims and Other Directly Attributable Expense Paid	(6 527 355)	-	-	-	-	(6 527 355)
Insurance Acquisition Cash Flow	(6 551 427)	-	-	-	-	(6 551 427)
Total cash flows	3 802 330	-	-	-	-	3 802 330
Net insurance contract (assets)/liabilities as at 31/12	120 899 213	6 646 594	29 596 786	8 526 753	38 123 538	165 669 346
Life Insurance contract liabilities as at 31/12	130 469 439	5 802 240	29 596 786	8 526 752	38 123 538	174 395 217
Life Insurance contract assets as at 31/12	(9 570 226)	844 355	-	-	-	(8 725 871)
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 2025

21.5 Annuities - Insurance contracts issued Life business

21.5.1 Analysis by liability for remaining coverage and the liability for incurred claims - contracts measured not under PAA

	2025				204			
	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 beginning	5 571 505	42 796	-	5 614 301	3 048 376	69 805	-	3 118 181
Life Insurance contract assets as at beginning	-	-	-	-	-	-	-	-
Life insurance contract liabilities as at 01/01	5 571 505	42 796	-	5 614 301	3 048 376	69 805	-	3 118 181
Insurance revenue	(123 649)	-	-	(123 649)	(116 983)	-	-	(116 983)
Insurance service expenses	2 575	389 823	51 877	444 274	-	30 221	29 115	59 336
Incurred claims and other expenses	-	(4 259)	51 877	47 618	-	-	29 115	29 115
Amortisation of insurance acquisition cash flows	-	-	-	-	-	-	-	-
Losses on onerous contracts and reversals of those losses	-	394 082	-	394 082	-	30 221	-	30 221
Insurance Acquisition Cashflow Amortization	2 575	-	-	-	-	-	-	-
Insurance service result	(121 075)	389 823	51 877	320 626	(116 983)	30 221	29 115	(57 647)
Insurance finance expenses P/L	980 755	-	-	980 755	5 225 148	-	-	5 225 148
Investment components and premium refunds	(156 762)	-	156 762	-	(103 950)	-	103 950	-
Exchange Gains or Losses	(6 242)	4 883	-	(1 359)	(5 134 574)	(81 811)	-	(5 216 385)
Effects of translation to presentation currency	(78 338)	(8 796)	-	(87 134)	2 653 488	24 581	-	2 678 069
Total changes in the statement of profit or loss	618 338	385 911	208 639	1 212 888	2 523 130	(27 009)	133 065	2 629 185
Cash flows								
Premiums received	4 434 849	-	-	4 434 849	-	-	-	-
Claims and other expenses paid	-	-	(208 639)	(208 639)	-	-	(133 065)	(133 065)
Claims and other directly attributable expenses paid	-	-	-	-	-	-	-	-
Insurance acquisition cash flows	(25 745)	-	-	(25 745)	-	-	-	-
Total cash flows	4 409 104	-	(208 639)	4 200 464	-	-	(133 065)	(133 065)
Net life insurance contract (assets)/liabilities as at 31/12	10 598 946	428 706	-	178 081 174	5 571 506	42 796	-	5 614 301
Life Insurance contract liabilities as at 31/12	10 598 946	428 706	-	11 027 653	5 571 505	42 796	-	5 614 301
Life Insurance contract assets as at 31/12	-	-	-	-	-	-	-	-
Life insurance contract liabilities as at 31/12	10 598 946	428 706	-	11 027 653	5 571 505	42 796	-	5 614 301

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

21.5 Annuities - Insurance contracts issued - Life business

21.5.2 Analysis by estimates of the present value of future cash flows, risk adjustment and CSM

	2025					
			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 beginning	5 261 331	5 971	346 999	-	346 999	5 614 301
Life Insurance contract assets as at beginning	-	-	-	-	-	-
Net life Insurance contract liabilities as at 01/01	5 261 331	5 971	346 999	-	346 999	5 614 301
Changes that relate to current services						
Contractual service margin recognised for services provided	-	-	(68 294)	(5 561)	(73 855)	(73 855)
Risk adjustment recognised for the risk expired	-	1 487	-	-	-	1 487
Experience adjustments	(194)	-	-	-	-	(194)
Changes that relate to future services						
Change in estimates that adjust CSM	426 706	(907)	507 928	(934 621)	(426 693)	(894)
Change in future service that results in losses or reversal of losses						
Contracts Initially Recognised in the Period	(1 272 737)	1 305	-	1 277 829	1 277 829	6 397
Changes that relate to past services						
Adjustments to liabilities for incurred claims						
Insurance service result	(460 032)	3 378	439 634	337 647	777 281	320 626
Insurance finance expenses	980 755	-	-	-	-	980 755
Exchange (Gains)/Losses	(4 741)	(9)	3 347	43	3 390	(1 359)
Effects of translating to Presentation Currency	(71 555)	(35)	(7 760)	(7 784)	(15 544)	(87 134)
Total changes in the statement of profit or loss	444 427	3 334	435 221	329 907	765 127	1 212 888
Cash flows						
Premiums received	4 434 849	-	-	-	-	4 434 849
Claims and other expenses paid (including investment components and premium refunds)	(208 639)	-	-	-	-	(208 639)
Insurance acquisition cash flows	(25 745)	-	-	-	-	(25 745)
Total cash flows	4 200 464	-	-	-	-	4 200 464
		-				
Life Insurance contract liabilities as at 31/12	9 906 223	9 304	782 219	329 907	1 112 126	11 027 653
Net life insurance contract (assets)/liabilities as at 31/12	9 906 223	9 304	782 219	329 907	1 112 126	11 027 653

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

21.5 Annuities - Insurance contracts issued Life business (continued)

21.5.2 Analysis by liability for remaining coverage and the liability for incurred claims - contracts measured not under PAA (continued)

	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 beginning	730 909	175 934	2 206 228	5 109	2 211 337	3 118 180
Insurance contract assets as at beginning	-	-	-	-	-	-
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						
Changes in estimates that adjust the contractual service margin	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
Contracts initially recognised in the period	-	-	-	-	-	-
Insurance service result	19 446	(25 725)	(50 450)	(920)	(51 370)	(57 648)
Insurance finance expenses	5 225 148	-	-	-	-	5 225 148
Exchange Gains or Losses	(2 892 449)	(162 714)	(2 156 572)	(4 651)	(2 161 223)	(5 216 386)
Effects of translation to 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	(169 965)	(1 859 229)	(5 109)	(1 864 338)	2 629 183
Cash flows						
Claims and other expenses paid (including investment components and premium refunds)	(133 065)	-	-	-	-	(133 065)
Total cash flows	(133 065)	-	-	-	-	(133 065)
Insurance contract liabilities as at 31/12	5 261 330	5 969	346 999	-	346 999	5 614 298

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

21.5 Annuities - Insurance contracts issued Life business (continued)

21.5.2 Analysis by liability for remaining coverage and the liability for incurred claims - contracts measured not under PAA (continued)

	2025						
	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	(5 696 695)	(1 116 655)	(21 084 258)	(6 401 236)	(4 679 801)	-	(38 978 646)
PV of Cash Outflows	1 872 749	6 308 589	26 980 208	3 736 781	5 056 120	-	43 954 449
Insurance Acquisition costs	1 181 773	1 089 887	3 348 420	2 581 960	25 974	-	8 228 014
Other cash outflows	690 976	5 218 702	23 631 789	1 154 822	5 030 147	-	35 726 435
Estimate of present value of future cash outflow	(3 823 946)	5 191 934	5 895 951	(2 664 455)	376 319	-	4 975 803
Risk adjustment	77 312	12 499	455 056	259 905	1 310	-	806 081
CSM	651 049	-	3 617 617	-	1 277 829	-	5 546 494
Losses on onerous contracts at initial recognition	(3 095 585)	5 204 433	9 968 623	(2 404 550)	1 655 458	-	11 328 379

	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

* No insurance contracts were acquired by the Company in the current year and prior years. All contracts were issued by the Company.

*Exchange gains or losses were previously reported as monetary gains in the prior year and have been corrected in the current year

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

21.6 Insurance contracts issued: non life

21.6.1 Analysis by liability for remaining coverage and the liability for incurred claims - contracts measured under PAA

	2025			
	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	(120 139 533)	152 901 668	10 449 470	43 211 605
Insurance Contract Assets as at beginning	-	-	-	-
Net Insurance Contract (Assets)/ Liabilities as at 01/01/25	(120 139 533)	152 901 668	10 449 470	43 211 605
Insurance Revenue	(817 978 679)	-	-	(817 978 679)
Insurance Service Expenses				
Incurred claims and other directly attributable expenses	-	117 658 119	2 028 956	119 687 075
Changes that relate to past service adjustments to the LIC	-	104 069 556	1 794 628	105 864 184
Insurance acquisition cash flows amortization	308 333 308	-	-	308 333 308
Insurance service expenses	308 333 308	221 727 676	3 823 583	533 884 566
Insurance Service Result	(509 645 371)	221 727 676	3 823 583	(284 094 113)
Effects of translation to presentation currency	2 200 803	462 345	32 187	2 695 335
Effects of Movement in Exchange Rates	640 685	(5 077)	(990)	634 618
Total Changes in the Statement of (Profit)/ Loss and OCI	(509 645 371)	221 727 676	3 823 583	(284 094 113)
Cashflows				
Premiums Received	734 921 287	-	-	734 921 287
Claims and other expenses paid	-	(211 761 187)	-	(211 761 187)
Insurance Acquisition Cashflows	(308 333 308)	-	-	(308 333 308)
Total Cashflows	426 587 980	(211 761 187)	-	214 826 792
Movements				
Net balance as at 31 December	(200 355 437)	163 325 424	14 304 251	(22 725 762)
Closing insurance contract liabilities				
Closing insurance contract assets	(200 355 437)	163 325 424	14 304 251	(22 725 762)
Net balance as at 31 December	(200 355 437)	163 325 424	14 304 251	(22 725 762)

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

21.6 Insurance contracts issued: non life (continued)

21.6.1 Analysis by liability for remaining coverage and the liability for incurred claims - contracts measured under PAA (continued)

	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	(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 movements 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 31/12/24	(120 139 533)	152 901 669	10 449 470	43 211 606
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 31/12/24	-	-	-	-
Net Insurance Contract (Assets)/Liabilities 31/12/24	(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 2025

21.7 Reinsurance contracts held: non life (continued)

21.7.1 Analysis by remaining coverage and the amounts recoverable for incurred claims - contracts measured under PAA (continued)

	2025			
	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 beginning	41 742 392	(148 615 824)	(2 483 791)	(109 357 223)
Insurance Contract Liabilities as at beginning	-	-	-	-
Net Reinsurance Contracts (Assets)/ Liabilities as at 01/01/25	41 742 392	(148 615 824)	(2 483 791)	(109 357 223)
Allocation of Reinsurance Premiums	180 712 320	-	-	180 712 320
Claims recovered	-	(22 410 340)	(490 226)	(22 900 567)
Changes that relate to past service - adjustments to incurred claims	-	(24 967 153)	(546 157)	(25 513 310)
Net income or expense from reinsurance contracts held	180 712 320	(47 377 494)	(1 036 383)	132 298 443
Total amount recognised in the Statement of (Profit)/ Loss and OCI	180 712 320	(47 377 494)	(1 036 383)	132 298 443
Effect of changes translation to presentation currency	(24 747 103)	23 487 617	(330 092)	(1 589 578)
Effects of Movement in Exchange Rates	(109 752)	10 274	646	(98 833)
Cashflows				
Premiums Paid	(160 733 287)	-	-	(160 733 287)
Amounts Received	-	53 265 535	-	53 265 535
Total Cashflows	(160 733 287)	53 265 535	-	(107 467 752)
Net balance as at 31 December	36 864 569	(119 229 891)	(3 849 621)	(86 214 943)
Insurance Contract Assets as at 31/12/25	36 864 569	(119 229 891)	(3 849 621)	(86 214 943)
Insurance Contract liabilities as at 31/12/25	-	-	-	-
Net Insurance Contract (Assets)/ Liabilities as at 31/12/25	36 864 569	(119 229 891)	(3 849 621)	(86 214 943)

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

21.7 Reinsurance contracts held: non life (continued)

21.7.1 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	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 contracts held	106 129 353	(8 239 679)	2 597 000	100 486 674
Effects of change in presentation currency	32 853 679	(84 120 492)	(1 076 079)	(52 342 892)
Effects of movements in exchange rates	34 022	237 610	15 024	286 656
Total Changes 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)
Recoveries from reinsurance	-	46 948 444	(98 977)	46 849 467
Total Cashflows	(94 511 935)	46 948 444	(98 977)	(47 662 468)
Net Reinsurance Contract (Assets)/ Liabilities as at 31 December 2024	41 742 392	(148 615 824)	(2 483 790)	(109 357 222)
Reinsurance Contract Assets as at 31/12/2024	41 742 392	(148 615 824)	(2 483 791)	(109 357 223)
Reinsurance Contract Liabilities as at 31/12/2024	-	-	-	-
Net Reinsurance Contract (Assets)/ Liabilities as at 31/12/2024	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 2025

		31 Dec 2025 ZWG	31 Dec 2024 ZWG
22.1.	**OFFSHORE BORROWINGS**		
	CONSOLIDATED		
	Balance at beginning of year	234 531 818	221 920 345
	Additions	180 899 752	281 438 182
	Interest expense	23 186 793	25 792 694
	Capital repayments	(206 169 118)	(259 278 086)
	Interest expense paid	(23 186 793)	(25 792 694)
	Effects of translation to presentation currency	181 355	(9 548 623)
	Balance at end of year	209 443 807	234 531 818
	Within 1 year	110 916 892	234 531 818
	Over 1 year	98 526 915	-
	Balance at end of year	209 443 807	234 531 818

The offshore borrowings are in respect of loans advanced to ZB Bank Limited, at interest rates ranging from 9.4272% to 11.5984%.

		31 Dec 2025 ZWG	31 Dec 2024 ZWG
22.2	**LONG TERM BORROWINGS**		
	CONSOLIDATED		
	Balance at beginning of year	-	-
	Capital raised	153 938 267	-
	Finance Costs	9 189 418	-
	Loan repayments	(107 162 675)	-
	Effects of translation to presentation currency	(1 289 977)	-
	Balance at end of year	54 675 033	-

The long-term borrowings are in respect of loans advanced to Mashonaland Holdings, at interest rates ranging from 14.5%-17% per annum payable monthly. The Group secured the loan against one of its investment properties with a carrying value of ZWG 387,112,430 (2024: ZWG 384,345,500) and has a 60 month tenure.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

		31 Dec 2025 ZWG	31 Dec 2024 ZWG
23.	**DEFERRED TAX (ASSETS)/ LIABILITIES**		
	CONSOLIDATED		
23.1	**Deferred tax***		
	Deferred tax asset	(80 944 426)	(20 464 248)
	Deferred tax liability	239 552 405	221 756 974
	Net deferred tax liabilities	158 607 979	201 292 726
	COMPANY		
	Deferred tax asset	401 766	1 279 141
	Deferred tax liability	-	-
		401 766	1 279 141

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

23.1 Deferred Tax Liability*

	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
CONSOLIDATED					
2025					
Property and equipment	(260 251 795)	430 491 734	28 409 488	29 014 511	227 663 938
Fair value adjustments to financial assets	32 974 555	19 041 080	-	-	15 777 238
Assessed losses	(937 061 454)	937 061 454	-	-	-
Insurance contract assets	28 563 263	(5 284 831)	-	-	23 278 432
Insurance Contract Liabilities	(69 187 951)	11 203 409	-	-	(57 984 542)
Fair value gains on available for sale Financial assets	(4 256 871)	(452 750)	812 218	-	(3 897 403)
Effects of Translation to presentation currency	1 509 849 670	(1 413 874 583)	60 796 836	-	156 771 923
Provisions and deferred income	(39 006 669)	(41 174 418)	-	-	(80 181 087)
Lease liability	(19 513 336)	(21 294 976)	-	-	(40 808 312)
Right of use assets	6 937 466	1 336 954	-	-	8 274 420
Effects of Changes in Functional Currency	(27 289 904)	-	-	-	(27 289 904)
	221 756 974	(82 946 927)	90 018 542	29 014 511	221 604 703
2024					
Property and equipment	119 751 513	(412 118 160)	32 114 852	-	(260 251 795)
Fair value adjustments to financial assets	12 898 483	20 076 072	-	-	32 974 555
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)
Effects of Translation to presentation currency	-	1 554 445 736	(44 596 066)	-	1 509 849 670
Fair value gains on available for sale treasury bills	2 942 017	(452 750)	(6 746 138)	-	(4 256 871)
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 Changes in Functional Currency	(55 186 876)	-	-	27 896 972	(27 289 904)
	166 136 735	46 950 619	(19 227 352)	27 896 972	221 756 974

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

23.2 Deferred Tax Asset

	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
CONSOLIDATED					
2025					
Property and equipment	102 069 237	24 008 306	(32 381 094)	-	93 696 449
Fair value adjustments to financial assets	40 294 245	(4 924)	9 159 146	-	49 448 467
Fair value gains on available for sale treasury bills	8 021 921	(8 021 921)	(18 787 444)	-	(18 787 444)
Provisions	(16 835 134)	16 835 134	-	-	-
Effects of translation to presentation currency	(147 390 308)	124 981 268	-	-	(22 409 040)
Lease liability	(11 606 837)	(172 887 850)	-	(9 466 232)	(193 960 919)
Right of use assets	10 352 300	-	-	-	10 352 300
	(15 094 576)	(15 089 987)	(42 009 392)	(9 466 232)	(81 660 187)
2024					
Property and equipment	2 906 108	98 022 732	1 140 397	-	102 069 237
Fair value adjustments to financial assets	(133 256)	6 049 384	34 378 117	-	40 294 245
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	-	(16 835 134)	-	-	(16 835 134)
Effects of translation to presentation currency	-	(170 241 411)	-	22 851 103	(147 390 308)
Lease Liability	-	(11 606 837)	-	-	(11 606 837)
Right of use assets	-	10 352 300	-	-	10 352 300
	(3 293 477)	(78 192 637)	43 540 435	22 851 103	(15 094 576)

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

23.2 Deferred Tax Liability*

	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					
2025					
Property and equipment	4 849 597	-	2 054 159	(2 383 976)	4 519 780
Fair value adjustments to financial assets	293 687	(3 913)	-	7	289 781
Provisions	(168 867)	(4 548 754)	-	273 714	(4 443 907)
Lease Liability	710 076	(21 656 336)	-	(19 862 052)	(40 808 312)
Right of use assets	-	34 962 489	-	11 566 427	46 528 916
Effects of changes in Functional Currency	(5 684 493)	-	-	-	(5 684 493)
	-	8 753 486	2 054 159	(10 405 879)	401 766
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
Assessed loss	(17 858 341)	17 858 341	-	-	-
Provisions	-	(168 867)	-	-	(168 867)
Lease Liability	-	710 076	-	-	710 076
Effects of changes in Functional 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	-

* The prior year was restated, (Refer to Note 2.3 and Note 2.4).

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

24. LEASE LIABILITIES

The Group leases various office buildings under non-cancellable lease agreements. The non-cancellable lease terms is 5 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 2025 ZWG	31 Dec 2024 ZWG
CONSOLIDATED		
Balance at the beginning of year	33 662 559	27 481 249
Add finance cost posted to profit or loss	1 099 534	1 778 869
Additions	-	-
Less lease liabilities paid during the year	(65 412 126)	(5 974 395)
Effects of translating to presentation currency	15 452 100	10 376 836
Lease liability modifications	62 773 320	-
Balance at end of year	47 575 387	33 662 559
Maturing within 1 year	9 515 077	6 732 512
Maturing after 1 year	38 060 310	26 930 047
SEPARATE		
Balance at beginning of year	75 779 947	35 456 900
Effects of exchange rate movements on lease liability	-	(26 442 608)
Add accrued interest posted to profit	32 085 826	4 409 425
Less lease liability payments during the year	(38 056 891)	(16 768 105)
Lease liability modifications	75 509 821	-
Additions	11 870 242	-
Effects of translating to presentation currency	1 289 937	79 124 335
Balance at end of year	158 478 882	75 779 947
Maturing within 1 year	38 056 891	3 193 121 401
Maturing after 1 year	120 421 991	(3 117 341 454)

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

		31 Dec 2025 ZWG	31 Dec 2024 ZWG
25.	**EQUITY AND RESERVES**		
25.1	**Share capital**		
	CONSOLIDATED		
	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 ZWG0.0000221 each	3 878	3 878
	Analysis of number of shares		
	In issue issued shares	175 190 642	175 190 642
	Treasury shares	(17 667 740)	(17 667 740)
	Shares in issue (net of treasury 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 0.0000221 each	3 878	3 878
	Analysis of number of shares		
	in issue issued shares	175 190 642	175 190 642
	Treasury shares	(17 667 740)	(17 667 740)
	Shares in issue (net of treasury 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 2025

25.2 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	3 878	285 183	3 878	285 183
Balance at end of year	3 878	285 183	3 878	285 183
2024				
Balance at beginning of year	4 288 875	66 645 368	4 288 875	66 645 368
Transfer 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

	Audited 31 Dec 2025 ZWG	*Restated 31 Dec 2024 ZWG
25.3 Other components of equity		
CONSOLIDATED		
General reserve (see note 25.3.1 below)	245 676 054	245 676 054
*Properties and equipment revaluation reserve (see note 25.3.2 below)	403 931 029	255 488 741
Fair value gains on financial asset at FVTOCI (see note 25.3.3. below)	(146 054 548)	(200 228 051)
Foreign Subsidiary currency translation Reserve (note 25.3.4)	(1 613 484)	(3 133 068)
Foreign Currency Translation Reserve (note 25.3.5)	2 252 937 730	2 292 183 028
	2 754 876 781	2 589 986 704

* The prior year was restated, (Refer to Note 2.3).

	Audited 31 Dec 2025 ZWG	*Restated 31 Dec 2024 ZWG
SEPARATE		
Properties and equipment revaluation reserve (see note 25.3.2 below)	37 309 752	27 984 420
Foreign currency translation Reserve (note 25.3.5)	1 725 735 673	1 715 099 709
	1 763 045 425	1 743 084 129

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

		31 Dec 2025 ZWG	31 Dec 2024 ZWG
25.3.1	**General reserves**		
	CONSOLIDATED		
	Balance at beginning of year	245 676 054	245 676 054
	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.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

		31 Dec 2025 ZWG	31 Dec 2024 ZWG
25.3.2	**Property and equipment revaluation reserve**		
	CONSOLIDATED		
	Balance at beginning of year	255 488 741	719 287 128
	Surplus on property and equipment revaluation*	177 475 026	133 850 128
	Revaluation movement against non controlling interest	(3 700 447)	(572 213 255)
	Deferred tax effect of property revaluation *	(28 409 488)	(32 114 852)
	Transfer to retained income	487 241	(1 629 568)
	Equity -accounted investees -share of OCI	2 589 956	8 309 160
	Balance at end of year	403 931 029	255 488 741
	SEPARATE		
	Balance at beginning of year	27 984 420	22 783 886
	Surplus on property and equipment revaluation	7 977 318	4 081 727
	Deferred tax effect of property revaluation	(2 054 158)	(1 051 045)
	Equity -accounted investees -share of OCI	3 402 173	8 309 160
	Effects of translation to presentation currency	-	(6 139 308)
	Balance at end of year	37 309 753	27 984 420

* The prior year was restated, (Refer to Note 2.4).

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 2025

		31 Dec 2025 ZWG	31 Dec 2024 ZWG
25.3.3	**Fair value gains on financial assets held at FVTOCI**		
	CONSOLIDATED		
	Balance at the beginning of year	(200 228 051)	(177 741 973)
	Fair value gains / (losses) on the medium term treasury bills	73 773 165	(30 055 250)
	Fair value gains/losses on the medium term treasury bills against NCI	-	(452 750)
	Deferred tax effect of fair valuation on financial assets at FVTOCI	(19 599 662)	8 021 922
	Balance at the end of year	(146 054 548)	(200 228 051)
25.3.4	**Foreign Currency Translation Reserve- Foreign subsidiary**		
	CONSOLIDATED		
	Balance at beginning of year	(3 133 068)	2 405 347
	Effects of translation to presentation currency	1 519 584	(5 538 415)
	Balance at end of year	(1 613 484)	(3 133 068)

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 2025 ZWG	31 Dec 2024 ZWG
25.3.5	**Foreign Currency Translation Reserve**		
	CONSOLIDATED		
	Balance at beginning of year	2 292 183 028	1 869 555
	Effects of translation to presentation currency against non-controlling interests	(40 057 515)	2 197 256 103
	Associate's share of foreign currency translation differences	812 217	93 057 370
	Balance at end of year	2 252 937 730	2 292 183 028
	SEPARATE		
	Balance at beginning of year	1 716 968 169	1 868 460
	Effects of translation to presentation currency	7 955 287	1 622 042 339
	Associate's share of foreign currency translation differences	812 217	93 057 370
	Balance at end of year	1 725 735 673	1 716 968 169

The foreign currency translation reserve represents the impact of exchange rate fluctuation when the Group and Company 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 2025

		Audited 31 Dec 2025 ZWG	*Restated 31 Dec 2024 ZWG
25.4	**Retained Income**		
	CONSOLIDATED		
	Balance at beginning of year	2 060 030 403	1 081 369 692
	Loss on disposal of ZB Capital	(2 040 638)	-
	Prior period adjustment	-	(50 230 810)
	Profit attributable to equity holders of parent	551 554 974	1 033 604 590
	Acquisition of non-controlling interest Note 9.6	-	6 737 498
	Transfer of Loss from other reserves (notes 26.3.2.	(487 241)	1 629 568
	Dividends	(23 327 565)	(13 080 134)
	Balance at end of year	2 585 729 933	2 060 030 404
	SEPARATE		
	Balance at beginning of year	2 819 943 993	1 778 358 587
	Profit attributable to equity holders of parent	715 940 327	1 054 665 540
	Dividends	(23 327 564)	(13 080 134)
	Balance at end of year	3 512 556 756	2 819 943 993

* The prior year was restated, (Refer to Note 2.3 and Note 2.4).

		Audited 31 Dec 2025 ZWG	*Restated 31 Dec 2024 ZWG
25.5	**Non-controlling interest**		
	CONSOLIDATED		
	Balance at beginning of year	1 785 632 900	1 003 739 963
	Profit attributable to non controlling interest	127 606 850	8 387 258
	Increase on revaluation of property	3 700 447	572 213 255
	Fair value gains / (losses) on the medium term treasury bills	-	452 750
	Acquisition of non-controlling interest (note 9.6)	-	(15 407 032)
	Dividends	(7 249 548)	(1 982 917)
	Effects of translation to presentation currency	59 379 856	218 229 623
	Balance at end of year	1 969 070 505	1 785 632 900
25.6	**Equity Reserve**		
	CONSOLIDATION AND SEPARATE		
	Balance at beginning of year	70 645 182	-
	Transfer from share capital	-	4 284 997
	Transfer from share premium	-	66 360 185
	Balance at end of year	70 645 182	70 645 182

In 2024, when the entities within the Group changed their functional currency to USD, thereby discontinuing the use of ZWL, discrepancies arose between the converted share capital and share premium balances and those recognized by the Reserve Bank of Zimbabwe (RBZ). To align with the RBZ-recognized balances, certain amounts were reclassified from share capital and share premium to an Equity Reserve. Management, in order to comply with the RBZ requirements chose to maintain share capital at historical ZWL balances and recognised the difference from balances required by IFRSs into this reserve for better context to users.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

25.7 Tax effect relating to each component of other comprehensive income.

	Before tax amount ZWG	Tax (expense) benefit ZWG	Net of tax amount ZWG
CONSOLIDATED			
2025			
Gain on property and equipment revaluation	177 472 880	(28 409 488)	149 063 392
Fair value loss on financial assets at FVTOCI	73 773 165	(19 599 662)	54 173 503
Foreign currency translation reserve	19 322 341	-	19 322 341
	271 380 603	(48 009 150)	223 371 453
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
SEPARATE			
2025			
Gain on property and equipment revaluation	7 977 317	(2 054 159)	5 923 158
	7 977 317	(2 054 159)	6 735 375
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

* The prior year was restated, (Refer to Note 2.3 and Note 2.4).

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

26. 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 2025 ZWG	31 Dec 2024 ZWG
	CONSOLIDATED		
26.1	**Interest income calculated using the effective interest rate method**		
	Advances	824 205 630	415 692 361
	Mortgages	54 318 626	39 607 566
	Overdraft accounts	119 700 433	25 657 148
	Treasury bills at FVTOCI	384 796 173	82 053 331
	Treasury bills at FVTPL	12 499 011	2 134 299
	Cash and short-term funds	(3 235 258)	3 607 099
	Loans to other banks	72 495 895	19 800 077
		1 464 780 510	588 551 881
	Other interest and related income		
	Other interest categories	106 599	9 749 451
	Total interest and related income	1 464 887 108	598 301 332
	CONSOLIDATED		
26.2	**Interest expense calculated using the effective interest rate**		
	Customer deposits	229 495 831	95 169 251
	Finance costs on operating lease liabilities	1 099 534	1 778 869
	Offshore borrowings	23 186 793	25 792 694
	Long term borrowings	9 189 418	-
		262 971 576	122 740 814
	Other interest and related expenses		
	Other interest payable categories	646	1 038 336
	Total interest and related expenses	262 972 222	123 779 150
	Net interest and related income	1 201 914 886	474 522 182
	CONSOLIDATED		
26.3	**Loan impairments charges, net recoveries**		
	Treasury Bills	(52 468 423)	(208 622 743)
	Guarantees	38 014 495	(43 673 261)
	Mortgages and other advances	(276 908 412)	68 698 402
	Debentures	3 803 154	(15 994 030)
	Net recoveries against loans previously written off	-	69 626 656
	Loan Commitments	31 251 997	25 679 306
		(256 307 189)	(104 285 670)

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

27. INSURANCE REVENUE AND EXPENSES

27.1 Insurance Service Revenue

	2025					2024				
	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	962 446	7 020 072	47 477	-	8 029 995	(10 642 581)	1 568 246	132 405	-	(8 941 930)
Change in the risk adjustment for nonfinancial risk	(144 822)	(469 409)	(1 315)	-	(615 546)	262 538	28 780	(17 810)	-	273 508
Amount of CSM recognised in profit or loss	4 662 056	5 558 125	74 749	-	10 294 930	1 469 844	1 216 160	2 388	-	2 688 392
Amounts relating to recovery of insurance acquisition cashflows	2 714 946	3 389 033	2 575	817 978 678	824 085 232	1 537 122	1 250 595	-	-	2 787 717
Insurance revenue from contracts not measured under the PAA	8 194 626	15 497 821	123 486	817 978 678	841 794 611	(7 373 077)	4 063 781	116 983	-	(3 192 313)
Insurance revenue from contracts measured under the PAA	134 655 969	-	-	-	134 655 969	64 666 879	-	-	362 828 649	427 495 528
Total Insurance revenue	142 850 595	15 497 821	123 486	817 978 678	976 450 580	57 293 802	4 063 781	116 983	362 828 649	424 303 215

27.2 Insurance Service Expenses

	Life Risk	Life Savings	Annuities	Non Life	Total	Life Risk	Life Savings	Annuities	Non Life	Total
Incurred claims	45 130 653	88 512	-	211 689 933	256 909 098	13 047 086	128 166	-	150 450 675	163 625 927
Other directly attributable expenses	49 604 757	8 216 358	51 877	56 823 437	114 696 429	47 409 844	4 815 206	29 115	-	52 254 165
Changes that relate to past service - adjustments to the LIC	(8 452 853)	-	-	13 861 326	5 408 473	6 757 193	-	-	(49 703 820)	(42 946 627)
Losses and reversal of losses on onerous contracts	(34 600 990)	(3 377 797)	389 823	-	(37 588 964)	8 330 826	21 323 978	30 221	97 515 217	127 200 242
Amortisation of insurance acquisition cash flows	36 688 535	3 389 033	2 575	251 509 871	291 590 014	1 537 122	1 250 595	-	25 469 989	28 257 706
Total insurance service expenses	88 370 102	8 316 106	444 275	533 884 567	631 015 050	77 082 071	27 517 945	59 336	223 732 061	328 391 413

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

27.3 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 2025 ZWG	31 Dec 2024 ZWG
Amounts relating to the changes in the assets for remaining coverage		
Expected claims and other expenses recovery	292 001	393 028
Changes in the risk adjustment recognised for the risk expired	208 659	4 556
CSM recognised for the services received	20 955	135 231
Reinsurance Expenses from contracts held not measured under PAA	521 615	532 815
Reinsurance Expenses from contracts held measured under PAA - Life	6 995 623	2 465 851
Reinsurance Expenses from contracts held measured under PAA- Non Life	179 060 372	105 879 528
Allocation of Reinsurance Expenses (note 22.)	186 577 610	108 878 194
Reinsurance Recoveries	(52 409 292)	(5 696 290)
Changes that related to past service - adjustments to incurred claims	218 782	(112 128)
Amounts recoverable from reassurers for incurred claims - Non Life	(52 190 510)	(5 808 418)
Net (income) / expense from reinsurance contracts held (note 22)	134 387 100	103 069 776

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

27.4 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:

	2025			2024		
	Insurance related ZWG	Non-insurance ZWG	Total ZWG	Insurance related ZWG	Non-insurance ZWG	Total ZWG
Investment income						
Amounts recognised in profit or loss						
Rental income from investment property	-	5 346 415	5 346 415	-	2 881 614	2 881 614
Other interest income	5 069 391	-	5 069 391	481 593	-	481 593
Other dividend income - investments and securities	3 998 724	-	3 998 724	4 985 943	-	4 985 943
Impairment loss on debt instruments at amortisation cost	3 625 925	-	3 625 925	-	-	-
Total investment income	12 694 040	5 346 415	18 040 455	5 467 536	2 881 614	8 349 150
Interest revenue calculated using effective interest rate	-	-	-	703 187	-	703 187
Total amounts recognised in the profit or loss	12 694 040	5 346 415	18 040 455	6 170 723	2 881 614	9 052 337
Insurance finance income / (expenses) from insurance contracts issued						
Interest accreted to insurance contracts using current financial assumptions	-	-	-	(106 889 496)	-	(106 889 496)
Interest accreted to insurance contracts using locked in rate	-	-	-	(1 649 898)	-	(1 649 898)
Net foreign exchange income / (expense)	(5 171 007)	-	(5 171 007)	-	-	-
Total insurance finance income / (expenses) from insurance contracts issued	(5 171 007)	-	(5 171 007)	(108 539 394)	-	(108 539 394)
Reinsurance finance income / (expenses) from reinsurance contracts held						
Interest accreted to insurance contracts using current financial assumptions	(834 914)	-	(834 914)	490 740	-	490 740
Interest accreted to reinsurance contracts using locked in rate	14 037	-	14 037	(376 266)	-	(376 266)
Reinsurance finance income / (expenses) from reinsurance contract held	(820 877)	-	(820 877)	114 474	-	114 474

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

	31 Dec 2025 ZWG	31 Dec 2024 ZWG
28. COMMISSION AND FEE INCOME		
COMPRISED INCOME FROM:		
Commissions and fees		
Digital channels	810 405 831	506 376 433
Insurance underwriting commissions	15 072 694	10 812 587
Management and service fees	871 629 038	558 563 248
Other commissions	75 486 931	82 023 108
	1 772 594 493	1 157 775 376

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 perfomed 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 2025

		31 Dec 2025 ZWG	31 Dec 2024 ZWG
29.	**OTHER OPERATING INCOME**		
	CONSOLIDATED		
	Foreign exchange trading income *	56 619 703	212 732 954
	Net exchange gains*	483 713 736	1 220 895 799
	Dividends from investment Securities	20 310 206	14 062 978
	(Loss) /Profit on disposal of investment property	-	542 106
	Rent received	201 715 906	74 474 112
	Other**	89 753 544	59 887 191
		852 113 095	1 582 595 140

*In prior periods, exchange gains and trading income were presented combined. In the current year, these amounts have been disaggregated and presented separately to provide more relevant information to users of the financial statements.

**Other income mainly comprises of property services income.

	31 Dec 2025 ZWG	31 Dec 2024 ZWG
SEPARATE		
Dividends from investment securities	61 445 571	27 190 931
Cost recovery for shared services	522 619 652	232 845 134
Management fees	101 655 168	174 555 717
Other	4 741 107	4 867 004
	690 461 498	439 458 786

		Audited 31 Dec 2025 ZWG	*Restated 31 Dec 2024 ZWG
30.	**FAIR VALUE ADJUSTMENTS**		
	CONSOLIDATED		
	On financial instruments (note 8.3)*	40 332 135	67 123 450
	On treasury bills	(12 143 161)	3 383 214
	On investment properties (note 13.2)	93 979 696	42 093 316
	Other	-	-
		122 168 670	112 599 980
	SEPARATE		
	On financial instruments (note 8.3)	1 286 372	10 253 111
	On investment properties (note 13.2)	1 039 228	593 182
	On investment in subsidiaries (note 9.2)	697 819 705	1 226 256 445
		700 145 305	1 237 102 738

* The prior year was restated, (Refer to Note 2.3).

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

		31 Dec 2025 ZWG	31 Dec 2024 ZWG
31.	**OPERATING EXPENSES**		
	CONSOLIDATED		
	Staff expense	1 190 307 735	723 989 959
	Communication expenses	82 881 612	35 608 595
	National Social Security Authority expenses	15 106 191	9 045 355
	Pension fund expenses	74 573 521	39 574 891
	Marketing expenses	24 928 481	14 647 756
	Computers and information technology expenses	228 274 615	232 457 671
	Occupation expenses	220 520 807	46 598 392
	Transport expenses	48 336 613	30 635 234
	Travelling expenses	25 164 902	23 812 864
	Security costs	138 101 077	61 158 408
	Depreciation of property and equipment	220 729 865	209 934 903
	Amortisation of intangible assets	34 140 309	6 571 540
	Depreciation of right of use asset	46 805 886	2 032 615
	Impairment of property and equipment	2 068 179	13 318 240
	Consultancy fees	14 425 354	14 362 292
	Consumables and stationery	29 518 315	11 072 342
	Bank charges	112 079 844	75 671 984
	Impairment of intangible assets	11 038	1 366 932
	Administration expenses*	391 493 239	191 059 211
	Amortisation of valuation discount on long term borrowings	-	(318 597)
	Directors' fees	28 631 668	26 172 856
	IMTT expenses	940 918	16 905 255
	(Loss)/ Profit on disposal of property and equipment	(6 389 011)	26 986 129
		2 922 651 158	1 812 664 827
	Included in administration expenses are the following:		
	Auditors' remuneration	27 443 346	16 987 110
	- for current year audit	9 468 864	15 594 069
	- for half year review	1 484 800	714 961
	- for prior year final	16 489 682	678 080

* The prior year was restated, (Refer to Note 2.4)

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

		31 Dec 2025 ZWG	31 Dec 2024 ZWG
31.	**OPERATING EXPENSES (continued)**		
	SEPARATE		
	Staff expenses	422 867 233	271 673 098
	Communication expenses	730 200	438 675
	National Social Security Authority expenses	4 689 760	2 872 223
	Pension fund expenses	27 935 161	17 053 810
	Computers and information technology expenses	20 240 913	20 068 516
	Occupation expenses	23 121 561	6 691 878
	Transport expenses	6 400 305	5 367 532
	Travelling expenses	10 843 191	7 472 538
	Depreciation of property and equipment	15 317 784	7 980 517
	Depreciation of right of use asset	16 204 315	22 649 336
	Administration expenses	135 913 560	10 923 664
	Amortisation of valuation discount on the long-term borrowings	-	(318 597)
	Directors' fees	3 034 937	3 332 910
	Exchange Loss	-	131 942 805
	Loss on disposal of property and equipment	(14 533)	133 513
		687 284 387	508 282 418
	Included in administration expenses are the following:		
	Auditors' remuneration	4 631 125	2 562 617
	- for current year audit	981 129	981 129
	- for half year review	131 030	131 030
	- for prior year final	3 518 966	1 450 458

		Audited 31 Dec 2025 ZWG	*Restated 31 Dec 2024 ZWG
32.	**INCOME TAX EXPENSE**		
	CONSOLIDATED		
	Current income tax	398 754 626	156 953 998
	Deferred tax expense / (credit)*	(98 036 914)	(27 936 682)
	Current year	(98 036 914)	(27 936 682)
	Income tax expense	300 717 712	129 017 316

Notes to the Consolidated and Separate Financial Statements (continued)

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32. INCOME TAX EXPENSE (continued)

	Audited 31 Dec 2025 ZWG	*Restated 31 Dec 2024 ZWG
CONSOLIDATED		
Reconciliation of effective income tax		
Profit before taxation	987 623 981	1 171 009 166
Expected tax on profits at basic rates (25.75%; 2024: 25.75%)	254 313 175	301 534 860
Increase / (reduction) arising from:		
Dividend received	(5 229 878)	(3 621 217)
Interest on government instruments	(101 516 349)	(19 736 654)
Interest on mortgage loans	(13 987 046)	(10 198 948)
Other disallowable expenses	132 364 045	1 634 546
Capital allowances in excess of depreciation	5 117 665	75 643 234
Loss/ (gain) on sale of fixed assets	447 012	(185 656)
Fair value adjustments	31 493 153	(248 186 077)
Share of (loss) / profit of equity accounted investees reported , net of tax	(5 503 134)	32 133 230
	297 498 643	129 017 318
SEPARATE		
Current income tax	8 753 486	(11 175 677)
Deferred tax (credit) / expense*	8 753 486	(11 175 677)
Current year	(1 195 301)	(11 175 677)
Income tax expense	9 948 787	-
Reconciliation of current income tax		
Profit before taxation	703 349 235	1 043 489 863
Expected tax on profits at basic rates (25.75%; 2024: 25.75%)	181 112 428	268 698 640
Exempt income	(17 372 368)	-
Other disallowable expenses	18 253 002	108 279 828
Fair value adjustments	(173 239 576)	(388 154 145)
Income tax (credit)/expense	8 753 486	(11 175 677)

Other disallowable expenses included donations, entertainment, gifts, cost of purchase of shares and accruals.

The exempt income comprise of dividends and share of profit from associate.

* The prior year was restated, (Refer to Note 2.3 and Note 2.4).

33. EARNINGS PER SHARE

CONSOLIDATED

Basic earnings per share (ZW cents)

The calculation of basic earnings per share for the period ended 31 December 2025 of ZWG 350 cents (2024: ZWG 656 cents) is based on the profit after tax attributable to the parent of ZWG0.552 billion (2024: ZWG1.034 billion) and weighted average number of shares of 157 522 902 (2024:157 522 902), note 25.1.

There were no dilutive instruments for the year.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

		Audited 31 Dec 2025 ZWG	*Restated 31 Dec 2024 ZWG
34.	**CASH FLOWS FROM OPERATING ACTIVITIES**		
	CONSOLIDATED		
	Cash flows from operating activities		
	Profit before taxation from continuing operations	987 623 981	1 171 009 166
	Fair value adjustments on equity investments (note8.3)	(40 332 135)	(156 566 598)
	Fair value of financial liabilities at FVTPL (note 18)	8 771 595	(839 123)
	Fair value adjustments on investment properties (note 13.2)	(93 979 696)	(42 093 868)
	Net exchange gains on unlisted equities (note 8.3)	(606 310)	(536 154 112)
	Depreciation of property and equipment (note15)	220 729 865	209 934 903
	Depreciation of right of use asset (note 14)	46 805 886	2 032 615
	Interest earned (note 26.1)	(1 464 887 108)	(598 301 332)
	Interest paid (note 26.2)****	261 872 688	122 000 281
	Interest expense on lease liability (note 24)	1 099 534	1 778 869
	Dividend income (note 29)	(20 310 206)	(14 062 978)
	Amortisation of intangible assets (note 16)	34 140 309	6 571 540
	Impairment of property and equipment (note 15)	2 068 179	13 318 240
	Impairment of intangible assets (note 16)	11 038	1 366 932
	(Gain)/loss on disposal of equipment (note 31)	(6 389 011)	26 986 129
	Impairment of investments (note 8.3)	(3 803 154)	15 994 030
	Share associate company's (loss)/profits (note 9.1)	(21 371 396)	124 789 243
	Effects of exchange gains and losses (note 29)***	(483 713 736)	(1 220 895 799)
	Impairment loss(Note 26.3)**	256 307 189	173 912 326
	Operating cash flows before changes in working capital funds	(315 962 488)	(699 219 536)
	Changes in working capital funds:		
	Increase in treasury bills	(404 613 387)	(548 642 642)
	(Increase)/decrease in reinsurance contract assets	20 523 615	13 820 651
	Increase in insurance contract assets	(22 725 762)	112 805 955
	(Increase)decrease in trade and other receivables	(862 331 989)	(137 892 540)
	Increase in mortgages and other advances	621 867 852	(1 884 623 563)
	Increase in deposits and other accounts	1 087 020 522	2 994 716 150
	Decrease in re-insurance contract liabilities	48 036 373	(13 606 449)
	Increase in insurance contract liabilities	(43 508 382)	(53 767 799)
	(Decrease)/Increase in other liabilities	(224 450 608)	393 118 070
	Net cash generated from operating activities	(96 144 254)	176 708 297

* The prior year was restated, (Refer to Note 2.4).

**Impairment loss was erroneously subtracted in prior year and has been corrected in current year.

***In prior periods, exchange gains were presented on a combined basis. In the current year, these amounts have been disaggregated and presented separately to provide more relevant information to users of the financial statements.

**** The prior year comparative amount included interest expense on lease liabilities which was also disclosed in the lease liability note. The comparative amount has been adjusted in the current year to eliminate the duplication and ensure consistent presentation.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

	31 Dec 2025 ZWG	31 Dec 2024 ZWG
34. CASH FLOWS FROM OPERATING ACTIVITIES		
SEPARATE		
Cash flows from operating activities		
Profit before taxation	724 693 813	1 088 747 424
Non cash items:		
Fair value on adjustments in investment in subsidiaries (note 9.2)	(697 819 705)	(1 271 514 006)
Fair value adjustments on equity investments (note8.3)	(1 286 372)	(10 253 111)
Fair value adjustments on investment properties (note 13.2)	(1 039 228)	(593 181)
Depreciation of property and equipment (note 15)	15 317 784	7 980 517
Depreciation of right of use asset (note 14)	16 204 315	22 649 336
Effects of exchange gains on lease liability (note 25)	-	26 442 608
Interest expense on lease liability (note 25)	32 085 826	-
Dividend income (note 30)	(61 445 571)	(27 190 931)
Interest on long term borrowings	36 239	318 597
Loss on disposal of equipment (note 30)	(14 533)	133 513
Share of Associate Company's (profits)/ loss (note 9.1)	(21 371 396)	124 789 243
Operating cash flows before changes in working capital funds	5 361 171	(38 489 991)
Changes in working capital funds:		
Increase in other assets	(174 753 144)	(4 127 101)
Increase in other liabilities	143 726 716	116 221 158
Net cash generated from operating activities	(25 665 257)	73 604 066

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

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 2025 ZWG	Audited 31 Dec 2024 ZWG
	SEPARATE		
36.1.1	Balances owing to subsidiary companies (included in note 19)	244 463 683	177 085 234
36.1.2	Balances due from subsidiary companies	176 752 440	219 600 616
36.1.3	Income received from subsidiary companies	647 611 640	561 933 795
36.1.4	Balances due from associates companies	-	660 901
36.1.5	Income received from associates companies	-	2 148 972

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.

Income from subsidiaries mainly comprises management fees and cost recoveries charged to subsidiaries.

		31 Dec 2025 ZWG	31 Dec 2024 ZWG
	CONSOLIDATED		
36.1.6	**Deposits from related parties**		
	Balances with ZBFH Pension Fund	22 394 875	22 394 875

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 2025 ZWG	31 Dec 2024 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	8 865 753	8 865 753

Loans to employees are carried at amortised cost, at interest rates of 15% p.a. on ZWG denominated loans 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 2025

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 2025 ZWG	31 Dec 2024 ZWG
CONSOLIDATED		
Directors' remuneration		
- fees by the Holding Company	3 034 937	3 332 910
- fees by subsidiaries	25 596 731	22 839 946
Short term employee benefits to key management	30 832 149 870	30 832 149 870
Terminal benefits	231 022 020	231 022 020
	31 091 803 558	31 089 344 746
SEPARATE		
Directors' remuneration fees by the Holding Company	3 034 937	3 332 910
Short term employee benefits to Key Employees	19 440 640 658	19 440 640 658
Terminal benefits	231 022 020	231 022 020
	19 674 697 615	19 674 995 588

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).

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

		31 Dec 2025 ZWG	31 Dec 2024 ZWG
37.	**CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS**		
	CONSOLIDATED		
37.1	**Contingent liabilities**		
	In respect of guarantees	868 973 017	350 586 224
	In respect of undrawn commitments	597 531 824	1 969 438 594
		1 466 504 841	2 320 024 818
37.2	**Capital commitments**		
	In respect of expenditure authorized and contracted	571 107 747	127 842 071 807
	In respect of expenditure authorised but not contracted	83 696 825	5 952 006 816
		654 804 572	133 794 078 623

Capital commitments will be funded from operating cash flows.

In respect of staff dis-engagements

ZB Financial Holdings Limited carried out retrenchment processes in 2025, and paid the minimum retrenchment packages to the affected retrenchees. However, there is pending litigation whereby 81 former employees are seeking the payment of an enhanced retrenchment package. The net effect of the claim is that the former employees are seeking the payment of an additional service pay at the rate of one month's salary for every year served, in addition to the minimum retrenchment package already paid.

38. PENSION ARRANGEMENTS

All permanent staff, other than those over 65 years of 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 permanent employees 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 812 as at 31 December 2025 (2024: 906 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 (2024: 4.5%) per month per employee.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

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 2025 ZWG	31 Dec 2024 ZWG
CONSOLIDATED		
Payments to the ZB Financial Holdings Limited Pension Fund	65 695 571	35 091 078
Payments to the ZB Life Pension Fund	8 877 950	4 483 813
Payments to the National Social Security Authority	15 106 191	9 045 356
Total Expense	89 679 712	48 620 247
SEPARATE		
Payments to the ZB Financial Holdings Limited Pension Fund	27 935 161	17 053 810
Payments to the National Social Security Authority	4 689 760	2 872 223
Total Expense	32 624 921	19 926 033

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

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 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 2025

39.2.1 Classification and measurement of financial assets and financial liabilities

	CARRYING AMOUNT				FAIR VALUE			
31 December 2025	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
Listed equity securities	413 895 000	-	-	413 895 000	413 895 000	-	-	413 895 000
Unlisted investments	190 615 858	-	-	190 615 858	-	-	190 615 858	190 615 858
Treasury bills	61 692 106	-	1 274 189 533	1 335 881 639	-	61 692 106	1 274 189 533	1 335 881 639
Government stock	6 695 769	-	-	6 695 769	-	-	6 695 769	6 695 769
Debentures and bonds	-	85 500 065	-	85 500 065	-	-	-	-
Trade and other receivables	-	578 957 455	-	578 957 455	-	-	-	-
Cash and cash equivalents	-	4 031 757 251	-	4 031 757 251	-	-	-	-
Mortgages and other advances	-	3 089 902 781	-	3 089 902 781	-	-	-	-
Total	734 590 839	7 786 117 552	2 548 379 066	11 069 087 457	413 895 000	61 692 106	1 471 501 160	1 947 088 266
Financial liabilities								
Deposit and other accounts	-	(6 570 023 968)	-	(6 570 023 968)	-	-	-	-
Trade and other payables	-	(922 373 006)	-	(922 373 006)	-	-	-	-
Off shore borrowings	-	(209 443 807)	-	(209 443 807)	-	-	-	-
Long term borrowings	-	(54 675 018)	-	(54 675 018)	-	(71 583 572)	-	(71 583 572)
Investment contract liabilities	(231 005 474)	-	-	(231 005 474)	-	-	(231 005 474)	(231 005 474)
Total	(231 005 474)	(7 756 515 799)	-	(7 987 521 273)	-	(71 583 572)	(231 005 474)	(302 589 046)

The carrying amount of the financial assets not measured at fair value approximates the fair value

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

39.2.1 Classification and measurement of financial assets and financial liabilities (continued)

	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
Listed equity securities	453 808 905	-	-	453 808 905	453 808 905	-	-	453 808 905
Unlisted investments	108 310 907	-	-	108 310 907	-	-	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
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	631 870 115	7 334 523 598	809 049 526	8 775 443 239	16 919 016 363	26 503 509 128	52 197 968 730	95 620 494 221
Financial liabilities								
Deposit and other accounts	-	(5 483 003 415)	-	(5 483 003 415)	-	-	-	-
Trade and other payables	-	(1 132 913 525)	-	(1 132 913 525)	-	-	-	-
Off shore borrowings	-	(234 531 818)	-	(234 531 818)	-	-	-	-
Investment contract liabilities	(175 413 650)	-	-	(175 413 650)	-	-	-	-
Total	(175 413 650)	(6 850 448 758)	-	(7 025 862 408)	-	-	-	-

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

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 2025.

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 2025 ZWG	31 Dec 2024 ZWG
CONSOLIDATED		
Balance at beginning of year	112 282 870	176 469 429
Fair value adjustments	13 029 646	(38 013 098)
Additions - note 8.3	116 329 923	125 068 233
Disposals - note 8.3	(161 235 126)	(123 380 642)
Exchange gains/(loss)	606 310	536 154 112
Effects of translation to presentation currency	313 609 631	(564 015 164)
Balance at the end of year	394 623 254	112 282 870

The reported amounts was computed by aggregating government bonds which are not equity instruments as disclosed in note 8.3.

*The restatement of the unlisted equity investments is due to a prior period error on the valuation of the Group's shareholding in Zimswitch Technologies (Pvt) LTD.(Refer to Note 2.3)

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

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 in subsidiaries. The NAV is calculated as the subsidiaries' total assets (which are predominantly measured at Fair Value) less their total liabilities based on the most recent financioal information at the reporting date. Significant unobservable input is the value of underlying assets held by the subsidiaries.	The value of the investment in subsidiaries is sensitive to changes in the significant unobservable input. A reasonably possible increase or decrease in the value of the subsidiaries' underlying net assets would result in a corresponding increase or decrease in the value of the investment in subsidiaries recognised by the Group. A 5% increase in the underlying asset will result in an increase in profit or loss of ZWG90.8million (2024: ZWG22.9 million), while a 5% decrease in the uncderlying asset will result in an increase in profit or loss of ZWG90.8 million (2024: ZWG22.9 million). • Risk Discounting rate. December 2025: Average rates of 20%- 38% (December 2024: 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 (2024: 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 (2024: ZWG22.9 million). • Sustainable growth rate as at 31 December 2025 was 9.7%: (December 2024: 9.7%). A 2% increase in the sustainable growth rate will result in an increase in profit or loss of ZWG36.3 million (2024: 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 (2024: ZWG9.2 million). • Terminal value based on market exit EBITDA multiple December 2025: 2.93X (December 2024: 2.93X). A 10% increase in terminal value will result in a decrease in profit or loss of ZWG181.7 million (2024: ZWG45.8 million), while a 10% decrease in terminal value will result in an increase in profit or loss of ZWG181.7 million (2024: ZWG45.8 million).

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

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 oridentical quoted assets with similar risk profiles.	Adjusted market price earnings multiple. • Price earnings ratio December 2025: 11.3X-13.6X; (December 2024: 5.9X-8.8X). A 20% increase in price earnings ratio will result in an increase in profit or loss of ZWG363.3 million (2024: ZWG91.6 million), while a 20% decrease in price earnings ratio will result in a decrease in profit or loss of ZWG363.3 million (2024: 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 2024: 4.84X-17.72X) A 50% increase in EBITDA will result in increase in profit or 20% decrease in EBITDA will result in a decrease in profit or loss of ZWG937.6 million (2024: 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 enterprise value (EV) by dividing the company'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 2024: 3.13X - 15.96X) A 5% increase in adjusted EV/Sales Multiple will result in an increase in profit or loss of ZWG90.8million (2024: ZW22.9 million). While a 5% decrease in adjusted EV/ Sales Multiple will result in a decrease in profit or loss of ZWG90.8 million (2024 ZWG22.9 million).

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

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 discount rate which takes into account the US Libor Rate of adjusted for country risk. Adjusted discount rate - (December 2025: Average rates of 0%- 9% (December 2024: 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 (2024: ZWG8.6 million) and the value of the treasury bills increasing by ZWG21.4 million (2024: ZWG19.2 million). A 2% decrease in adjusted discount rate will result in the reported other comprehensive income decreasing by ZWG51.3 million (2024: ZWG8.6 million) and the value of the treasury bills decreasing by ZWG21.4 million (2024: ZWG19.2 million).
Investment Contract Liabilities	Financial liabilities measured at fair value according to their IFRS 9 classification, are classified according to fair value hierarchy level 3. The Company has material exposure in Mashonaland Holdings, which is the significant asset that is underlying the investment contract liabilities. The fair value of the investment in Mashonaland holdings is determined with reference to the net assets value, which is level 3 hence the same basis applies to the investment contract liabilities.	A 10% increase in average net asset value would result in an increase in profit or loss of ZWG6,054,900 (2024: ZWG 5,352,300), while a 10% decrease in net asset value would result in a decrease in fair profit or loss of ZWG 6,054,900 (2024: ZWG 5,352,300).

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

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.

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 Committee (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 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.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

39.2.3.1 Liquidity risk (continued)

Impact evaluation

For the year ended 31 December 2025, 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 liquidity ratio increased from 66% as at 31 December 2024 to 76% at 31 December 2025 (the 2025 average of 55% was higher than the 40% recorded in 2024).

Stress testing results indicate that the Group is not susceptible to material liquidity shocks since it can withstand a 15% fall in deposits. The Group maintained levels of liquid resources at acceptable levels throughout the year.

Strategies for management/mitigation

The Treasury department is responsible for ensuring sufficient intraday liquidity to meet any obligations. In addition, net daily funding requirements are forecasted by estimating daily rollovers and withdrawals as well as managing the funding requirements. The Treasury function is responsible for maintaining close interaction with the Group's high value depositors in order to manage their cash-flow requirements and the consequential impact on the Group's intraday liquidity position. The negative liquidity gap for 2025 will be managed by keeping sufficient cash and high-quality liquid assets on hand to cover unforeseen cash flow shocks. The Group will make sure that assets have a similar or shorter term than liabilities by structuring the balance sheet to reduce maturity mismatches. The Group will continue to manage the key ratios such as the loans to deposits ratios as well as the liquidity ratios. In the long term, the Group will mobilise cheap deposits through engaging high value customers and strengthen strong customer relationships. The Group will continue to monitor the negative gap in the next 12 months by ensuring that asset creation will be matched with deposit 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.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

39.2.3.1 Liquidity risk (continued)

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 2025

39.2.3.1 Liquidity risk (continued)

LIQUIDITY GAP ANALYSIS
As at 31 December 2025

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 and undeterminable* ZWG	Total ZWG	Carrying amount ZWG
CONSOLIDATED						
FINANCIAL ASSETS BY TYPE:						
Cash and cash equivalents	1 838 171 594	1 960 745 284	232 840 373	-	4 031 757 251	4 031 757 251
Trade and other receivables	268 269 493	310 687 962	-	-	578 957 455	578 957 455
Treasury bills	1 079 045 368	-	103 234 245	154 956 068	1 337 235 681	1 335 881 639
Mortgages and other advances	873 525 954	784 628 743	318 163 914	1 229 448 338	3 205 766 949	3 089 902 781
Financial assets classified at fair value through profit or loss*	-	-	-	611 206 627	611 206 627	611 206 627
Financial assets held at amortised cost	-	-	-	81 696 911	81 696 911	85 500 065
Total	4 059 012 409	3 056 061 988	654 238 532	2 077 307 944	9 846 620 874	9 733 205 818
FINANCIAL LIABILITIES BY TYPE						
Deposits and other account	(6 242 756 762)	(638 829 266)	(186 976 588)	(59 646 146)	(7 128 208 762)	(6 570 023 968)
Trade and other payables	(1 006 942 562)	(236 324 416)	(2 457 426)	(14 266 045)	(1 259 990 449)	(1 006 942 562)
Offshore borrowings	(49 483 554)	(30 716 669)	(30 716 669)	(100 452 889)	(211 369 781)	(209 443 807)
Lease liabilities	(792 923)	(3 964 616)	(4 757 539)	(39 159 843)	(48 674 921)	(47 575 387)
Loan commitments	(233 391 807)	(128 542 791)	(181 183 229)	(54 413 997)	(597 531 824)	(3 441 545)
Guarantees	(14 601 153)	-	-	360 311	(14 240 843)	-
Investment contract liabilities	(231 005 474)	-	-	-	(231 005 474)	(231 005 474)
	(7 778 974 235)	(1 038 377 758)	(406 091 451)	(267 578 609)	(9 491 022 054)	(8 068 432 743)
Period gap	(3 719 961 827)	2 017 684 230	248 147 081	1 809 729 335	355 598 820	1 664 773 075
Cumulative gap	(3 719 961 827)	(1 702 277 596)	(1 454 130 515)	355 598 820	-	-

*Financial assets at fair value through profit or loss includes zimswitch, visa, swift shares and other investments in listed equities, the maturity dates of which are undeterminable.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

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 held at fair value through profit or loss	-	-	-	566 091 775	566 091 775	566 091 775
Financial assets held at amortised cost	-	-	-	99 644 125	99 644 125	83 650 095
	3 580 253 881	853 500 323	1 243 234 009	3 290 210 510	8 967 198 723	8 689 298 895
FINANCIAL LIABILITIES BY TYPE						
Deposits and other accounts	(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)
Long term loan	-	-	-	-	-	-
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 contracts 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	1 673 206 067	(646 518 330)	(1 238 802 801)
Cumulative gap	(2 548 189 488)	(2 892 053 215)	(2 319 724 396)	(646 518 330)	-	-

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

	31 Dec 2025 ZWG	31 Dec 2024 ZWG
39.2.3.1 Liquidity risk (continued)		
CONSOLIDATED		
Liquidity ratios		
Total liquid assets	5 367 638 890	3 781 648 637
Total liabilities to the public	6 570 023 968	5 483 003 415
Liquidity ratio	82%	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 2025 ZWG	31 Dec 2024 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 Group's exposure to interest rate risk arises primarily from its banking operations, which constitute the majority of the Group's activities. Interest-bearing financial assets and liabilities are predominantly held within the banking subsidiary, and are subject to variable interest rates in line with prevailing market conditions. Accordingly, the Group's exposure to interest rate risk is largely concentrated within the banking segment, with limited exposure arising from non-banking entities within the Group.

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).

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

39.2.3.2.1 Interest rate risk (continued)

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.

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 2025, 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%.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

39.2.3.2.1 Interest rate risk (continued)

Impact evaluation (continued)

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.

Strategies for management / mitigation

As at 31 December 2025 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 2025

39.2.3.2.1 Interest rate risk (continued)

INTEREST RATE GAP ANALYSIS as at 31 December 2025

	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	4 031 757 251	-	-	-	4 031 757 251
Treasury bills	-	-	-	1 335 881 639	1 335 881 639
Advances and other accounts	1 109 664 812	-	103 234 245	1 877 003 724	3 089 902 781
Financial assets held at fair value through profit or loss	795 559 614	784 628 743	318 163 913	(1 288 710 460)	609 641 810
Financial assets held at amortised cost	1 111 534 522	9 432 316	141 851 021	(1 177 317 794)	85 500 065
	7 048 516 199	794 061 059	563 249 179	746 857 109	9 152 683 546
FINANCIAL LIABILITIES BY TYPE					
Deposits and other accounts	(4 824 311 098)	(2 754 806 343)	(747 578 813)	1 756 672 286	(6 570 023 968)
Offshore borrowings	-	(209 443 807)	-	-	(209 443 807)
	(4 824 311 098)	(2 964 250 150)	(747 578 813)	1 756 672 286	(6 779 467 775)
Period gap	2 224 205 101	(2 170 189 091)	(184 329 634)	2 503 529 394	2 373 215 770
Cumulative gap	2 224 205 101	54 016 010	(130 313 624)	2 373 215 770	-

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

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	2 151 659 794	3 988 679 050
Financial assets held at fair value through profit or loss	-	-	-	566 091 775	566 091 775
Financial assets held at amortised cost	-	-	-	83 650 095	83 650 095
	3 618 271 379	734 644 164	1 054 784 799	3 012 369 215	8 420 069 557
FINANCIAL LIABILITIES BY TYPE					
Deposits and other accounts	-	-	-	-	-
Long term borrowing	(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	2 969 603 220	2 702 534 324
Cumulative gap	(1 169 407 295)	(1 152 976 725)	(267 068 896)	2 702 534 324	-

Sensitivity Analysis

A 10% increase / (decrease) in the interest rates for rate sensitive assets would result in the reported profits being increased / (reduced) by ZWG 40.5 million and equity being increased / (reduced) by ZWG 40.5 million , while a 10% decrease / (increase) in the interest rates for rate sensitive liabilities would result in the reported profits being increased / (reduced) by ZWG (40.5 million) and equity being increased / (reduced) by (ZWG 40.5 million).

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

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's foreign exchange risk is primarily driven by its banking operations, where most foreign currency-denominated assets and liabilities are held. As a result, exposure is largely concentrated within the banking segment, with minimal impact from non-banking entities.

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 2025.

As at 31 December 2025, the Group had an aggregate net open position of ZWG1.6 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 2025

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 2025

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 2025 were as follows:

	31 Dec 2025 ZWG	31 Dec 2024 ZWG
Botswana pula	1 690 699 135	69 607 502
Malawian kwacha	540 333 438	-
British pound	69 607 502	427 352 399
Euro	-	2 394 877 866
South African rand	2 394 877 866	3 588 058 416
ZWG	34 633 553	13 399 261 204
Total assets	4 730 151 494	19 879 157 387
Botswana pula	(36 453 895)	(220 985 433)
British pound	(222 366 553)	-
Euro	(1 247 134 130)	(1 851 669 706)
South African rand	(1 851 669 706)	-
ZWG	-	(36 453 895)
Total liabilities	(3 357 624 284)	(2 109 109 034)
Net position	1 372 527 210	17 770 048 353

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 50% increase in exchange rates between USD and ZWG would result in the reported profit being increased by ZWG 36.95 million (2024: ZWG809.57 million), and equity being increased by ZWG 36.85 million (2024: ZWG809.57 million) billion while a reduction of 50% in exchange rates would result in the reported profits being reduced by ZWG 202.3 million (2024: ZWG809.57 million) and equity being reduced by ZWG 202.3 million (2024: ZWG809.57 million).

A 100% increase in exchange rates between USD and ZWG would result in the reported profit being increased by ZWG 404.6 million (2024: ZWG 1.6 billion) and equity being increased by ZWG 404.6million (2024: ZWG 1.6 billion) while a reduction of 100% in exchange rates would result in the reported profits being reduced by ZWG 404.6 million (2024: ZWG 1.6 billion) and equity being reduced by ZWG 404.6 million (2024: ZWG 1.6 billion).

The sensitivity analysis for USD against other currencies is not material as the Group does not hold significant balances in other currencies.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

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 2025 would result in an increase / decrease of ZWG 337 mln (2024: ZWG 217 million) to the reported Group's profit and an increase / decrease of ZWG412 million (2024: ZWG 279million) in equity.

SEPARATE

A 50% increase / (decrease) in the value of listed shares as at 31 December 2025 would result in an increase / decrease of ZWG 2.07 million (2024: ZWG 0.17 million) to the reported Company's profit and an increase / decrease of ZWG2.05 million (2024: ZWG 0.17 million) in equity.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

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.

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.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

39.2.4 Credit risk (continued)

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 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.

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.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

39.2.4 Credit risk (continued)

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.

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.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

39.2.4 Credit risk (continued)

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.

Treasury, trading and interbank relationships

The Group's treasury, trading and interbank relationships and counterparties comprise financial services institutions, banks, broker-dealers, exchanges and clearing-houses. For these relationships, the Group's credit risk 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.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

39.2.4 Credit risk (continued)

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.

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:

- 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.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

39.2.4 Credit risk (continued)

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.

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.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

39.2.4 Credit risk (continued)

Material increase in credit risk (continued)

Percentage of exposure that is subject to collateral requirements

	31 Dec 2025	31 Dec 2024	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.

Asset classes where the Group calculates ECL on an individual basis include:

- 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.

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

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

39.2.4 Credit risk (continued)

Grouping financial assets measured on a collective basis (continued)

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 2025

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.

	2025				2024			
	STAGE 1 ZWG	STAGE 2 ZWG	STAGE 3 ZWG	TOTAL ZWG	STAGE 1 ZWG	STAGE 2 ZWG	STAGE 3 ZWG	TOTAL ZWG
CONSOLIDATED								
Total mortgages and other advances	2 467 881 339	180 732 542	855 905 069	3 504 518 950	3 672 194 013	337 308 789	142 081 321	4 151 584 123
Guarantees	22 396 985	-	-	22 396 985	350 586 224	-	-	350 586 224
Loan commitments	597 531 824	-	-	597 531 824	1 969 438 594	-	-	1 969 438 594
Treasury bills	-	1 335 881 639	-	1 335 881 639	-	878 799 829	-	878 799 829
Other Financial Assets	4 696 214 771	-	-	4 696 214 771	3 255 728 246	-	-	3 255 728 246
Cash and cash equivalents	4 031 757 251	-	-	4 031 757 251	2 902 848 808	-	-	2 902 848 808
Financial Assets at amortised cost	85 500 065	-	-	85 500 065	83 650 095	-	-	83 650 095
Trade and other receivables	578 957 455	-	-	578 957 455	269 229 343	-	-	269 229 343
Total financial assets	11 815 782 170	1 516 614 181	855 905 069	10 156 544 169	9 247 947 077	1 216 108 618	142 081 321	10 606 137 016
Total mortgages and other advances								
Good (AAAto-A-)	2 467 672 847	1 473 735	1 999 703	2 471 146 285	3 671 781 648	2 934 277	3 976 640	3 678 692 565
Special Mention (BB+ to CCC-)	208 492	179 258 807	130 675	179 597 974	412 365	334 374 512	261 350	335 048 227
Non performing (CC TO D)	-	-	853 774 691	853 774 691	-	-	137 843 331	137 843 331
Total mortgages and other advances	2 467 881 339	180 732 542	855 905 069	3 504 518 950	3 672 194 013	337 308 789	142 081 321	4 151 584 123
Corporate Lending								
Good (AAAto-A-)	1 659 394 459	-	-	1 659 394 459	2 349 673 392	-	-	2 349 673 392
Special Mention (BB+ to CCC-)	-	142 383 970	-	142 383 970	-	274 055 762	-	274 055 762
Non performing (CC TO D)	-	-	366 874 233	366 874 233	-	-	72 081 205	72 081 205
Total corporate lending	1 659 394 459	142 383 970	366 874 233	2 168 652 662	2 349 673 392	274 055 762	72 081 205	2 695 810 359

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

39.2.4 Credit risk (continued)

	2025				2024			
	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-)	33 617 785	13 193	22 766	33 653 744	149 054 398	1 473 735	1 999 703	152 527 836
Special Mention(BB+toCCC-)	4 619	8 964 502	-	8 969 121	208 492	3 758 847	130 675	4 098 014
Non performing(CCTOD)	-	-	251 942 463	251 942 463	-	-	11 796 334	11 796 334
Total small business Lending	33 622 404	8 977 695	251 965 229	294 565 328	149 262 890	5 232 582	13 926 712	168 422 184
Consumer Lending								
Good(AAAto-BBB-)	547 683 692	1 460 542	1 976 937	551 121 171	918 823 345	1 460 542	1 976 937	922 260 824
Special Mention(BB+toCCC-)	203 873	19 440 307	130 675	19 774 855	203 873	49 509 294	130 675	49 843 842
Nonperforming(CCTOD)	-	-	169 161 356	169 161 356	-	-	48 323 982	48 323 982
Total consumer lending	547 887 565	20 900 849	171 268 968	740 057 382	919 027 218	50 969 836	50 431 594	1 020 428 648
Mortgage Lending								
Good(AAAto-BBB-)	226 976 911	-	-	226 976 911	254 230 513	-	-	254 230 513
Special Mention(BB+toCCC-)	-	8 470 028	-	8 470 028	-	7 050 609	-	7 050 609
Nonperforming(CCTOD)	-	-	65 796 639	65 796 639	-	-	5 641 810	5 641 810
Total Mortgage Lending	226 976 911	8 470 028	65 796 639	301 243 578	254 230 513	7 050 609	5 641 810	266 922 932

Notes to the Consolidated and Separate Financial Statements (continued)
For the year ended 31 December 2025

9.2.4 Credit risk (continued)

	2025				2024			
	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-)	22 396 985	-	-	22 396 985	350 586 224	-	-	350 586 224
Special Mention(BB+toCCC-)	-	-	-	-	-	-	-	-
Nonperforming(CCTOD)	-	-	-	-	-	-	-	-
Total guarantees	22 396 985	-	-	22 396 985	350 586 224	-	-	350 586 224
Loan commitments								
Good(AAAto-BBB-)	-	-	-	-	1 969 438 594	-	-	1 969 438 594
Special Mention(BB+toCCC-)	597 531 824	-	-	597 531 824	-	-	-	-
Nonperforming(CCTOD)	-	-	-	-	-	-	-	-
Total loan commitments	597 531 824	-	-	597 531 824	1 969 438 594	-	-	1 969 438 594
Other financial assets								
Good (AAA to BBB0)	4 696 214 771	-	-	4 696 214 771	3 255 728 246	-	-	3 255 728 246
Total other financial assets	4 696 214 771	-	-	4 696 214 771	3 255 728 246	-	-	3 255 728 246

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

39.2.4 Credit risk (continued)

An analysis of changes in the ECLs in relation to loans and advances are as follows:

	2025				2024			
	STAGE 1 ZWG	STAGE 2 ZWG	STAGE 3 ZWG	TOTAL ZWG	STAGE 1 ZWG	STAGE 2 ZWG	STAGE 3 ZWG	TOTAL ZWG
CONSOLIDATED								
Total mortgages and other advances	45 393 429	4 932 165	364 290 575	414 616 169	132 891 377	12 616 099	17 397 602	162 905 078
Treasury bills	-	-	-	-	-	-	-	-
Total impairment allowances	45 393 429	4 932 165	364 290 575	414 616 169	132 891 377	12 616 099	17 397 602	162 905 078
In respect of guarantees	7 082 929	-	-	7 082 929	44 781 160	-	-	44 781 160
In respect of Letter of credit	-	-	-	-	-	-		
In respect of loan commitments	3 441 545	-	-	3 441 545	34 450 239	-	-	34 450 239
In respect of other financial assets	-	-	-	-	-	208 622 743	-	208 622 743
Total impairment allowances	55 917 903	4 932 165	364 290 575	425 140 643	212 122 776	221 238 842	17 397 602	450 759 220

Treasury bills were assessed for impairment at 31 December 2025 and were considered to have had a significant increase in credit risk. The related IFRS 9 impairment charge was raised.

	STAGE 1 ZWG (2025)	STAGE 2 ZWG (2025)	STAGE 3 ZWG (2025)	TOTAL ZWG (2025)	STAGE 1 ZWG (2024)	STAGE 2 ZWG (2024)	STAGE 3 ZWG (2024)	TOTAL ZWG (2024)
Total mortgages and other advances								
Good (AAA to- BBB-)	45 378 803	72 396	1 161 691	46 612 890	132 876 751	72 396	1 161 691	134 110 838
Special Mention (BB+ to CCC-)	14 626	4 859 769	77 428	4 951 823	14 626	12 543 703	77 428	12 635 757
Non performing (CC TO D)	-	-	363 051 456	363 051 456	-	-	16 158 483	16 158 483
	45 393 429	4 932 165	364 290 575	414 616 169	132 891 377	12 616 099	17 397 602	162 905 078
Impairment allowance for loans and advances by lending category:								
Corporate Lending								
Good (AAA to- BBB-)	14 551 406	-	-	14 551 406	102 558 358	-	-	102 558 358
Special Mention (BB+ to CCC-)	-	1 398 782	-	1 398 782	-	8 962 488	-	8 962 488
Non performing (CC TO D)	-	-	79 920 322	79 920 322	-	-	7 361 504	7 361 504
Impairment allowance for corporate lending	14 551 406	1 398 782	79 920 322	95 870 510	102 558 358	8 962 488	7 361 504	118 882 350

Notes to the Consolidated and Separate Financial Statements (continued)
For the year ended 31 December 2025

39.2.4 Credit risk (continued)

	2025				2024			
	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-)	2 068 147	2 398	15 559	2 086 104	2 072 256	2 398	15 559	2 090 213
Special Mention (BB+toCCC-)	889	547 094	-	547 983	889	64 752	-	65 641
Non performing (CCTOD)	-	-	173 350 534	173 350 534	-	-	6 006 488	6 006 488
Impairment allowance for small business lending	2 069 036	549 492	173 366 093	175 984 621	2 073 145	67 150	6 022 047	8 162 342
Consumer Lending								
Good (AAAto-BBB-)	19 627 377	69 998	1 146 132	20 843 507	17 340 461	69 998	1 146 132	18 556 591
Special Mention (BB+toCCC-)	13 695	1 657 979	77 428	1 749 102	13 695	3 272 983	77 428	3 364 106
Non performing (CCTOD)	-	-	85 632 702	85 632 702	-	-	1 664 642	1 664 642
Impairment allowance for consumer lending	19 641 072	1 727 977	86 856 262	108 225 311	17 354 156	3 342 981	2 888 202	23 585 339
Mortgage Lending								
Good (AAAto-BBB-)	9 131 873	-	-	9 131 873	10 905 676	-	-	10 905 676
Special Mention (BB+toCCC-)	42	1 255 914	-	1 255 956	42	243 480	-	243 522
Non performing (CCTOD)	-	-	24 147 898	24 147 898	-	-	1 125 849	1 125 849
Impairment allowance for mortgage lending	9 131 915	1 255 914	24 147 898	34 535 727	10 905 718	243 480	1 125 849	12 275 047

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

39.2.4 Credit risk (continued)

	2025				2024			
	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 loan commitments								
Guarantees								
Good (AAAto-BBB-)	7 082 929	-	-	7 082 929	44 781 160	-	-	44 781 160
Impairment allowances for guarantees	7 082 929	-	-	7 082 929	44 781 160	-	-	44 781 160
Loan commitments								
Good (AAAto-BBB-)	3 441 545	-	-	3 441 545	34 450 239	-	-	34 450 239
Special Mention (BB+toCCC-)	-	-	-	-	-	-	-	-
Non performing (CCTOD)	-	-	-	-	-	-	-	-
Impairment allowances for loan commitments	3 441 545	-	-	3 441 545	34 450 239	-	-	34 450 239
Other financial assets								
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 2025

39.2.4 Credit risk (continued)

	2025				2024			
	STAGE 1 ZWG	STAGE 2 ZWG	STAGE 3 ZWG	TOTAL ZWG	STAGE 1 ZWG	STAGE 2 ZWG	STAGE 3 ZWG	TOTAL ZWG
CONSOLIDATED								
Total mortgages and other advances	2 467 881 339	180 732 542	855 905 069	3 504 518 950	3 672 194 013	337 308 789	142 081 321	4 151 584 123
Guarantees	22 396 985	-	-	22 396 985	350 586 224	-	-	350 586 224
Loan commitments	597 531 824	-	-	597 531 824	1 969 438 594	-	-	1 969 438 594
Treasury bills	-	1 335 881 639	-	1 335 881 639	-	878 799 829	-	878 799 829
Total financial assets	3 087 810 148	1 516 614 181	855 905 069	5 460 329 398	5 992 218 831	1 216 108 618	142 081 321	7 350 408 770
Balance at beginning of year	7 367 771 528	335 847 550	138 847 180	7 842 466 258	3 558 751 262	110 590 711	34 494 530	3 703 836 503
Effects of translation to presentation currency	1 998 241 227	(911 297 145)	(873 053 091)	213 890 991	3 100 996 102	26 256 270	8 430 933	3 135 683 305
New Assets	1 321 055 891	709 698 993	540 324 103	2 571 078 987	1 373 728 143	349 924 596	7 795 191	1 731 447 930
Repayments	(447 625 055)	(4 603 642)	(17 404 271)	(469 632 968)	(1 197 047 676)	(19 379 649)	(4 131 643)	(1 220 558 968)
Stage 1 movements	(2 455 418 672)	1 437 157 934	1 018 260 738	-	(844 209 000)	754 629 526	89 579 474	-
Stage 2 movements	-	(50 189 509)	50 189 509	-	-	(5 912 836)	5 912 836	-
Balance at the of the end year	7 784 024 919	1 516 614 181	855 905 069	10 156 544 169	5 992 218 831	1 216 108 618	142 081 321	7 350 408 770

*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 2025

39.2.4 Credit risk (continued)

	2025				2024			
	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 mortgages and other advances	45 393 429	4 932 165	364 290 575	414 616 169	132 891 377	12 616 099	17 397 602	162 905 078
Total Loans and other advances	45 393 429	4 932 165	364 290 575	414 616 169	132 891 377	12 616 099	17 397 602	162 905 078
In respect of guarantees	7 082 929	-	-	7 082 929	44 781 160	-	-	44 781 160
In respect of Loan commitments	3 441 545	-	-	3 441 545	34 450 239	-	-	34 450 239
In respect of other financial assets	-	-	-	-	-	208 622 743	-	208 622 743
Total impairment allowances	55 917 903	4 932 165	364 290 575	425 140 643	212 122 776	221 238 842	17 397 602	450 759 220
Balance at the beginning of the year	212 122 771	12 616 099	17 397 602	242 136 472	130 529 472	6 865 092	7 768 367	145 162 931
Effects of translation to presentation currency	(356 620 155)	(370 762)	217 290 960	(139 699 957)	43 782 852	40 067 263	11 283 034	95 133 149
New assets	30 807 828	116 210 542	203 876 870	350 895 240	107 334 119	160 269 058	45 132 156	312 735 333
Repayments	(19 408 147)	(347 210)	(7 176 656)	(26 932 013)	(25 089 100)	(681 913)	(76 501 185)	(102 272 198)
Stage 1 movements	189 015 606	(131 899 471)	(57 116 135)	-	(44 434 572)	18 071 239	26 363 333	-
Stage 2 movements	-	8 722 967	(8 722 96)	-	-	(3 351 897)	3 351 897	-
Balance at year end	55 917 903	4 932 165	364 290 575	425 140 643	212 122 771	221 238 842	17 397 602	450 759 215

*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 2025

39.2.4 Credit risk (continued)

	31 Dec 2025 ZWG	31 Dec 2024 ZWG
ECL Movement		
Analysis of ECL on loans and advances		
Balance at beginning of year	162 905 078	112 971 991
Increase in ECL for the year	276 908 412	434 167 771
Write offs against provision net of recoveries	-	(69 626 656)
Effects of translation to presentation currency	(25 197 321)	(314 608 027)
Balance at end of year	414 616 169	162 905 078
Analysis of ECL on guarantees and letters of credit guarantees		
Balance at beginning of year	44 781 160	698 221
ECL for current period	(38 014 495)	43 673 261
Effects of translation to presentation currency	316 264	409 678
Balance at end of year	7 082 929	44 781 160
Analysis of ECL on loan commitments		
Balance at beginning of year	34 450 239	31 492 719
Increase in ECL for the year	31 251 997	25 679 306
Effects of inflation movement	-	-
Effects of translation to presentation currency	(62 260 691)	(22 721 786)
Balance at end of year	3 441 545	34 450 239
Analysis of ECL on other financial assets		
Balance at beginning of year	(208 622 743)	-
(Decrease) / increase ECL for the year	(52 468 423)	(208 622 743)
Effects of translation to presentation currency	(16 606 708)	-
Balance at end of year	(277 697 874)	(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	895 415	1 642 772
Net loss allowance charged to Profit of loss	6 824 078	(1 076 655)
Effects of translation to presentation currency	179 488	329 298
Balance at end of year	7 898 981	895 415

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

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 policy-holder 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 2025

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 2025

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 2025

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.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

39.3.4 Expense risk

2025	FCF as at 31 Dec 2025 ZWG	CSM as at 31 Dec 2025 ZWG	Impact on FCF ZWG	Impact on CSM ZWG	Remaining CSM ZWG	Impact on Profit before tax ZWG	Impact on Equity ZWG
Life Risk							
Insurance Contract Liabilities as at 31 December 2025							
Insurance Contract Liabilities	1 267 071 040	4 918 982	-	-	-	-	-
Reinsurance Contract Assets	1 308 434	166 632	-	-	-	-	-
Net Insurance Contract Liabilities							
Mortality/Morbidity rate - 5% increase							
Insurance Contract Liabilities			12 670 710	49 190	4 968 172	12 719 900	9 444 526
Reinsurance Contract Assets			13 084	1 666	168 299	14 751	10 952
Net Insurance Contract Liabilities			12 683 795	50 856	5 136 470	12 734 651	9 455 478
Mortality/Morbidity rate - 5% decrease							
Insurance Contract Liabilities			(12 670 710)	(49 190)	4 869 792	(12 719 900)	(9 444 526)
Reinsurance Contract Assets			(13 084)	(1 666)	164 966	(14 751)	(10 952)
Net Insurance Contract Liabilities			(12 683 795)	(50 856)	5 034 758	(12 734 651)	(9 455 478)
Lapse/surrender rates - 5% increase							
Insurance Contract Liabilities			63 353 552	245 949	5 164 931	63 599 501	47 222 630
Reinsurance Contract Assets			65 422	8 332	174 964	73 753	54 762
Net Insurance Contract Liabilities			63 418 974	254 281	5 339 895	63 673 254	47 277 391
Lapse/surrender rates - 5% decrease							
Insurance Contract Liabilities			(63 353 552)	(245 949)	4 673 033	(63 599 501)	(47 222 630)
Reinsurance Contract Assets			(65 422)	(8 332)	158 301	(73 753)	(54 762)
Net Insurance Contract Liabilities			(63 418 974)	(254 281)	4 831 333	(63 673 254)	(47 277 391)
Expenses - 5% increase							
Insurance Contract Liabilities			126 707 104	491 898	5 410 880	127 199 002	94 445 259
Reinsurance Contract Assets			130 843	16 663	183 296	147 507	109 524
Net Insurance Contract Liabilities			126 837 947	508 561	5 594 176	127 346 509	94 554 783
Expenses - 5% decrease							
Insurance Contract Liabilities			(126 707 104)	(491 898)	4 427 084	(127 199 002)	(94 445 259)
Reinsurance Contract Assets			(130 843)	(16 663)	149 969	(147 507)	(109 524)
Net Insurance Contract Liabilities			(126 837 947)	(508 561)	4 577 053	(127 346 509)	(94 554 783)

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

39.3.4 Expense risk

2025	FCF as at 31 Dec 2025 ZWG	CSM as at 31 Dec 2025 ZWG	Impact on FCF ZWG	Impact on CSM ZWG	Remaining CSM ZWG	Impact on Profit before tax ZWG	Impact on Equity ZWG
Savings Risk							
Insurance Contract Liabilities as at 31 December 2025	127 545 807	31 911 865					
Mortality rate - 1% increase			1 275 458	319 119	32 230 984	1 594 577	1 183 973
Lapse/surrender rates - 5% increase			6 377 290	1 595 593	33 507 458	7 972 884	5 919 866
Expenses - 10% increase			12 754 581	3 191 187	35 103 052	15 945 767	11 839 732
Mortality rate - 5% decrease			(1 275 458)	(319 119)	31 592 747	(1 594 577)	(1 183 973)
Lapse/surrender rates - 5% decrease			(6 377 290)	(1 595 593)	30 316 272	(7 972 884)	(5 919 866)
Expenses - 5% decrease			(12 754 581)	(3 191 187)	28 720 679	(15 945 767)	(11 839 732)
Insurance Contract Liabilities as at 31 December 2025	5 267 302	346 999					
Mortality rate - 1% increase			52 673	3 470	350 469	56 143	41 686
Lapse/surrender rates - 5% increase			263 365	17 350	364 349	280 715	208 431
Expenses - 10% increase			526 730	34 700	381 699	561 430	416 862
Mortality rate - 1% decrease			(52 673)	(3 470)	343 529	(56 143)	(41 686)
Lapse/surrender rates - 5% decrease			(263 365)	(17 350)	329 649	(280 715)	(208 431)
Expenses - 10% decrease			(526 730)	(34 700)	312 299	(561 430)	(416 862)

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

39.3.4 Expense risk

2024	FCF as at 31 Dec 2024 ZWG	CSM as at 31 Dec 2024 ZWG	Impact on FCF ZWG	Impact on CSM ZWG	Remaining CSM ZWG	Impact on Profit before tax ZWG	Impact on Equity ZWG
Insurance Contract Liabilities as at 31 December 2024							
Insurance Contract Liabilities	1 267 071 040	4 918 982					
Reinsurance Contract Assets	1 308 434	166 632					
Net Insurance Contract Liabilities							
Mortality/Morbidity rate - 5% increase							
Insurance Contract Liabilities			12 670 710	49 190	4 968 172	12 719 900	9 444 526
Reinsurance Contract Assets			13 084	1 666	168 299	14 751	10 952
Net Insurance Contract Liabilities			12 683 795	50 856	5 136 470	12 734 651	9 455 478
Mortality/Morbidity rate - 5% decrease							
Insurance Contract Liabilities			(12 670 710)	(49 190)	4 869 792	(12 719 900)	(9 444 526)
Reinsurance Contract Assets			(13 084)	(1 666)	164 966	(14 751)	(10 952)
Net Insurance Contract Liabilities			(12 683 795)	(50 856)	5 034 758	(12 734 651)	(9 455 478)
Lapse/surrender rates - 5% increase							
Insurance Contract Liabilities			63 353 552	245 949	5 164 931	63 599 501	47 222 630
Reinsurance Contract Assets			65 422	8 332	174 964	73 753	54 762
Net Insurance Contract Liabilities			63 418 974	254 281	5 339 895	63 673 254	47 277 391
Lapse/surrender rates - 5% decrease							
Insurance Contract Liabilities			(63 353 552)	(245 949)	4 673 033	(63 599 501)	(47 222 630)
Reinsurance Contract Assets			(65 422)	(8 332)	158 301	(73 753)	(54 762)
Net Insurance Contract Liabilities			(63 418 974)	(254 281)	4 831 333	(63 673 254)	(47 277 391)
Expenses - 5% increase							
Insurance Contract Liabilities			126 707 104	491 898	5 410 880	127 199 002	94 445 259
Reinsurance Contract Assets			130 843	16 663	183 296	147 507	109 524
Net Insurance Contract Liabilities			126 837 947	508 561	5 594 176	127 346 509	94 554 783
Expenses - 5% decrease							
Insurance Contract Liabilities			(126 707 104)	(491 898)	4 427 084	(127 199 002)	(94 445 259)
Reinsurance Contract Assets			(130 843)	(16 663)	149 969	(147 507)	(109 524)
Net Insurance Contract Liabilities			(126 837 947)	(508 561)	4 577 053	(127 346 509)	(94 554 783)

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

39.3.4 Expense risk

2024	FCF as at 31 Dec 2024 ZWG	CSM as at 31 Dec 2024 ZWG	Impact on FCF ZWG	Impact on CSM ZWG	Remaining CSM ZWG	Impact on Profit before tax ZWG	Impact on Equity ZWG
Savings Risk							
Insurance Contract Liabilities as at 31 December 2024	127 545 807	31 911 865					
Mortality rate - 1% increase			1 275 458	319 119	32 230 984	1 594 577	1 183 973
Lapse/surrender rates - 5% increase			6 377 290	1 595 593	33 507 458	7 972 884	5 919 866
Expenses - 10% increase			12 754 581	3 191 187	35 103 052	15 945 767	11 839 732
Mortality rate - 1% decrease			(1 275 458)	(319 119)	31 592 747	(1 594 577)	(1 183 973)
Lapse/surrender rates - 5% decrease			(6 377 290)	(1 595 593)	30 316 272	(7 972 884)	(5 919 866)
Expenses - 10% decrease			(12 754 581)	(3 191 187)	28 720 679	(15 945 767)	(11 839 732)
Annuities							
Insurance Contract Liabilities as at 31 December 2024	5 267 302	346 999					
Mortality rate - 1% increase			52 673	3 470	350 469	56 143	41 686
Lapse/surrender rates - 5% increase			263 365	17 350	364 349	280 715	208 431
Expenses - 10% increase			526 730	34 700	381 699	561 430	416 862
Mortality rate - 1% decrease			(52 673)	(3 470)	343 529	(56 143)	(41 686)
Lapse/surrender rates - 5% decrease			(263 365)	(17 350)	329 649	(280 715)	(208 431)
Expenses - 10% decrease			(526 730)	(34 700)	312 299	(561 430)	(416 862)

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

39.3.5 Claims Development

The Group is liable for all insured events that occur during the term of the reinsurance contract even if the loss is discovered after the contract term, subject to pre-determined time scales dependant on the nature of the reinsurance contract. The Group takes all reasonable steps to ensure that it has appropriate information regarding its claims exposures. Notwithstanding this, given the uncertainty in establishing claims provisions, it is likely that the final outcome will prove to be different from the original liability established. To manage 'run-off' risk the Group takes all reasonable steps to ensure that it has appropriate information regarding its claims exposures and adopts sound reserving practices. Consequently, the Group has a history of positive claims development. The Liability for Incurred Claims comprises of a provision of claims not yet paid and a provision of claims incurred but not reported (IBNR) at the financial reporting date.

In calculating the estimated cost of unpaid claims (both reported and unreported), the Group's estimation techniques are a combination of loss ratio based estimates (where the loss ratio is the ratio between the ultimate cost of reinsurance claims and reinsurance premiums earned in that particular financial year in relation to such claims) and an estimate based upon actual claims experience using pre-determined formulae where greater weight is given to actual claims experience as time passes. The Group also considers any information available from loss adjusters and information on the cost of settling claims with similar characteristics in previous periods.

The majority of the Group's insurance contracts are classified as 'short tailed' which means that any claim is settled within a year after the date of loss. This contrasts with the 'long tailed' classes where the claims cost takes longer to materialise and settle. The Group's long tailed business is generally limited to personal accident, third party motor liability and certain engineering classes.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

39.3.5 Claims Development (continued)

Claims Development table

ZB REINSURANCE

Accident year	Up to 2022*	2023	2024	2025	Total
At end of accident year	-	96 371 159	150 652 125	119 687 075	-
One year later	-	46 465 889	256 516 309	-	-
Two years later	-	99 531 838	-	-	-
Gross estimates of the undiscounted amount of the claims	-	99 531 838	256 516 309	119 687 075	475 735 222
At end of accident year	-	29 388 418	48 986 359	62 292 107	-
One year later	-	37 358 000	176 219 204	-	-
Two years later	-	59 594 237	-	-	-
Cumulative payments to date	-	59 594 237	176 219 204	62 292 107	298 105 547
Net liability for incurred claims	-	39 937 602	80 297 105	57 394 968	177 629 675

*There were no open claims for these accident years.

Claims Development table

ZB LIFE

Accident year	Up to 2022*	2023	2024	2025	Total
At end of accident year	13 949 268	70 643 117	33 930 109	79 999 687	-
One year later	14 646 732	73 946 513	30 597 785	-	-
Two years later	15 086 134	73 934 166	-	-	-
Three years later	15 081 336	-	-	-	-
Claims and other attributable expenses paid	(15 044 433)	(73 847 761)	(30 379 314)	(70 094 565)	(189 366 074)
Total Undiscounted Claims	36 903	86 405	218 471	9 905 121	10 246 900

The Group provides information on the gross claims' development for the current reporting period and five years prior to it. The Group considers that there is no significant uncertainty with regard to claims that were incurred more than five years before the reporting period. In order to reconcile undiscounted claims information to the LIC, which is measured on the undiscounted basis, the Group included the risk adjustment for 13). Actual claims payments are compared with previous estimates of the amounts of the claims in the below claims' development disclosure on a gross of reinsurance basis as at 31 December 2025. The effects of discounting are considered immaterial.

Sensitivity analysis

Profit or loss and equity are sensitive to changes in variables that have a material impact on them. These variables are mainly significant classes of transactions and their corresponding balances. The Group have put in place, procedures to identify and control the impact of these variables on profit or loss and equity through financial analysis which entails scrutiny of key performance indicators including ratio analysis, on a regular basis. The results of the financial information are taken into account when budgets are made and when pricing decisions for different types of policies are done to ensure that the Group is adequately pricing its insurance products to avoid future losses.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

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

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 and regulatory 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.

ZB Bank was the first institution in Zimbabwe to get sustainability certification through the Reserve Bank of Zimbabwe (RBZ)-led Sustainability Standards Certification Initiative (SSCI), awarded by the European Organisation for Sustainable Development (EOSD) on 25 September 2025. Going forward, ZB will be working towards implementing Sustainability and Environmental, Social and Governance (ESG) strategies.

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.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

39.4.1 Operational risk (continued)

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.

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 2025 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.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

39.4.1 Operational risk (continued)

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.

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 long-standing legal dispute between the Company and Transnational Holdings Limited (THL) regarding the ownership of Intermarket Holdings Limited (IHL) was resolved by the withdrawal of THL's appeal at the Supreme Court of Zimbabwe on 2 October 2020. This followed a settlement arrangement in which the Government of Zimbabwe (GoZ) ceded its shareholding in the Company to THL in transactions concluded between 2017 and 2020.

Subsequently, THL has written to the Company indicating that they believe that the shareholder dispute has not been fully resolved and will consider taking legal action.

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.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

39.4.2 Technological risk

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.

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.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

39.4.2 Technological risk (continued)

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.

39.4.3 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.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

39.4.4 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 (2024: 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.

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 2025 USD	31 Dec 2024 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

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

39.5 Risk rating

39.5.1 Regulatory risk rating

The Reserve Bank of Zimbabwe (RBZ) conducts regular offsite and onsite examinations of the institutions that it regulates. The last on-site examination of the Bank was concluded in December 2025, using data as at 30 September 2025.

The condition of the Bank was assessed using the Risk Assessment System (RAS) and the CAMELS** rating model.

The Bank was awarded a composite CAMELS rating of "3", which is a "fair" rating whilst the individual components were rated as follows:

CAMELS Component	Latest rating
Capital Adequacy	2
Asset Quality	4
Management	3
Earnings	2
Liquidity & Funds Under Management	2
Sensitivity to Market Risk	2
OVERALL RATING	**3**

** "CAMELS" stands for Capital Adequacy, Asset Quality, Management, Earnings, Liquidity management and Sensitivity to market risk.

Key: 1 = Strong; 2 = Satisfactory; 3 = Fair; 4 = Weak; 5 = Critical

Summary of Risk Assessment

RAS Component	Latest rating
Aggregate inherent risk	Moderate
Quality of aggregate risk management systems	Acceptable
Overall composite risk	Moderate
Direction of overall composite risk	Stable

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

39.5.1 Regulatory risk rating (continued)

Overall Risk Matrix

Type or Risk	Level of Aggregate Inherent Risk	Adequacy of Aggregate Risk Management Systems	Overall Composite Risk	Direction of Overall Composite Risk
Credit Risk	High	Acceptable	High	Increasing
Liquidity Risk	Moderate	Acceptable	Moderate	Stable
Foreign Exchange Risk	Moderate	Acceptable	Moderate	Stable
Interest Rate Risk	Moderate	Acceptable	Moderate	Stable
Strategic Risk	Moderate	Acceptable	Moderate	Increasing
Operational Risk	Moderate	Acceptable	Moderate	Stable
Cyber Risk	High	Acceptable	High	Increasing
Legal & Compliance Risk	High	Acceptable	High	Increasing
Reputational Risk	Moderate	Acceptable	Moderate	Stable
Overall Risk	Moderate	Acceptable	Moderate	Increasing

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 significant and harmful loss to the banking 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.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

39.5.1 Regulatory risk rating (continued)

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 polices and limits are put in place. The policies comprehensively define the bank'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 mitigates inherent risk. For a given low risk area, significant 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 significantly mitigate the high inherent risk. Thus, the activity could potentially result in a financial loss that would have significant impact on the bank's overall condition.

<u>Direction of Overall Composite risk</u>
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	2025	2024	2023
ZB Bank Limited	BBB	BBB	BBB
ZB Reinsurance Company	BBB	BBB	BBB

The ratings for ZB Bank Limited expire in September 2026, whilst the rating for ZB Reinsurance expires in November 2026.

The group paid a total penalty amounting to USD 45,900 equivalent to ZWG 1,912,514 in respect of non compliance with submission of regulatory returns.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 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 2025. ZB Bank Limited met this requirement as at 31 December 2025.

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 2025, closing the year with ratio at 10.3% (2024: 9.35%). 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 2025 with a ratio of 10% (2024: 11%).

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.

Notes to the Consolidated and Separate Financial Statements (continued)

For the year ended 31 December 2025

41 SUBSEQUENT EVENTS

On 16 March 2026, the shareholders of ZB Building Society approved the following:

- The solvent voluntary liquidation in terms of the Building Society Act [Chapter 24:02], following the cancellation of its licence by the Reserve Bank of Zimbabwe on 19 December 2025.
- The appointment of the Deposit Protection Corporation (DPC) as the Liquidator for the solvent voluntary liquidation of ZB Building Society banking operations, and"
- The specific distribution of residual assets to specific members based on their shareholding in the Society.

This does not impact the Consolidated Financial Statements as at 31 December 2025. Going forward, ZB Building Society will no longer be consolidated in the ZB Financial Holdings financial statements as it will no longer be a subsidiary of the Group.

42 GOING CONCERN

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

The Board has reviewed budgets for 2026 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 2025 have been prepared on going concern basis.

Annexures

- GRI Content Index
- Proxy Information
- Shareholder Information
- Notice to Shareholders
- Corporate Information
- ZB Financial Holdings Contact Details
- Notes

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 to 31 December 2025 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	14-15			
	2-2 Entities included in the organisation's sustainability reporting	14			
	2-3 Reporting period, frequency and contact point	1-2			
	2-4 Restatements of information	1			
	2-5 External assurance	1			
	2-6 Activities, value chain and other business relationships	19-21			
	2-7 Employees	73			
	2-8 Workers who are not employees	73			
	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			
	2-15 Conflicts of interest	Not Available			
	2-16 Communication of critical concerns	Not Available			
	2-17 Collective knowledge of the highest governance body	24			
	2-18 Evaluation of the performance of the highest governance body	28			
	2-19 Remuneration policies	Not Available			
	2-20 Process to determine remuneration	Not Available			
	2-21 Annual total compensation ratio	Not Available			
	2-22 Statement on sustainable development strategy	12, 31			

GRI Content Index (continued)

GRI STANDARD	DISCLOSURE	LOCATION (Page)	Omission		
			Part Omitted	Reason	Explanation
	2-23 Policy commitments	Not Available			
	2-24 Embedding policy commitments	Not Available			
	2-25 Processes to remediate negative impacts	43-47, 88-90			
	2-26 Mechanisms for seeking advice and raising concerns	49-52			
	2-27 Compliance with laws and regulations	31			
	2-28 Membership associations	15			
	2-29 Approach to stakeholder engagement	49			
	2-30 Collective bargaining agreements	75			
GRI 3: Material Topics 2021	3-1 Process to determine material topics	53			
	3-2 List of material topics	53			
	3-3 Management of material topics		See management approach for each topic		
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	96			
	201-2 Financial implications and other risks and opportunities due to climate change	88-90			
	201-3 Defined benefit plan obligations and other retirement plans	75			
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	79-80			
	203-2 Significant indirect economic impacts	81			
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Not Available			
GRI 207: Tax 2019	207-1 Approach to tax	98			
	207-2 Tax governance, control, and risk management	97-98			
	207-3 Stakeholder engagement and management of concerns related to tax	99			
	207-4 Country-by-country reporting	99			
GRI 301: Materials 2016	301-1 Materials used by weight or volume	Not Available			
	301-2 Recycled input materials used	Not Available			
	301-3 Reclaimed products and their packaging materials	Not Available			

GRI Content Index (continued)

GRI STANDARD	DISCLOSURE	LOCATION (Page)	Omission Part Omitted	Reason	Explanation
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	5, 88			
	302-2 Energy consumption outside of the organisation	88			
	302-3 Energy intensity	Not Available			
	302-4 Reduction of energy consumption	Not Available			
	302-5 Reductions in energy requirements of products and services	Not Available			
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	84-85			
	303-2 Management of water discharge -related impacts	84-85			
	303-3 Water withdrawal	Not Available			
	303-4 Water discharge	Not Available			
	303-5 Water consumption	5, 85			
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Not Available			
	304-2 Significant impacts of activities, products and services on biodiversity	Not Available			
	304-3 Habitats protected or restored	Not Available			
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	92			
	305-2 Energy indirect (Scope 2) GHG emissions	92			
	305-4 GHG emissions intensity	Not Available			
	305-5 Reduction of GHG emissions	Not Available			
	305-6 Emissions of ozone-depleting substances (ODS)	Not Available			
	305-7 Nitrogen oxides (NOx), sulphur oxides (SOx), and other significant air emissions	Not Available			
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	85-86			
	306-2 Management of significant waste-related impacts	85-86			
	306-3 Waste generated	Not Available			
	306-4 Waste diverted from disposal	Not Available			
	306-5 Waste directed to disposal	Not Available			

GRI Content Index (continued)

GRI STANDARD	DISCLOSURE	LOCATION (Page)	Omission Part Omitted	Reason	Explanation
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	73			
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Not Available			
	401-3 Parental leave	74			
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	77			
	403-2 Hazard identification, risk assessment, and incident investigation	77			
	403-3 Occupational health services	78			
	403-4 Worker participation, consultation, and communication on occupational health and safety	78			
	403-5 Worker training on occupational health and safety	78			
	403-6 Promotion of worker health	78			
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	78			
	403-8 Workers covered by an occupational health and safety management system	78			
	403-9 Work-related injuries	Not Available			
	403-10 Work-related ill health	Not Available			
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	77			
	404-2 Programs for upgrading employee skills and transition assistance programs	76			
	404-3 Percentage of employees receiving regular performance and career development reviews	Not Available			

GRI Content Index (continued)

GRI STANDARD	DISCLOSURE	LOCATION (Page)	Omission		
			Part Omitted	Reason	Explanation
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	27, 73			
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	75			
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	81			
	413-2 Operations with significant actual and potential negative impacts on local communities	Not Available			

Proxy Form

For the year ended 31 December 2025

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 Friday 26 June 2026, 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 2025.			
2	Ordinary	To confirm a final dividend of US$1,471,601.39, which represents US$0.84 cents per ordinary share for the year ended 31 December 2025 and payable in respect of 175,190,642 ordinary shares in issue.			
3	Ordinary	3.1 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. A. Makamure			
		ii. T. Sibanda			
		3.2 To elect the following Director who was appointed to the Board after the last Annual General Meeting and retires at the end of the meeting in terms of Article 62 of the Company's Articles of Association. Being eligible, she offers herself for re-election.			
		Makhosazana Melissa Sibanda			
3	Ordinary	To approve the remuneration of Directors for the past financial year.			
5	Ordinary	5.1 To approve the fees paid to Ernst and Young (Zimbabwe), the Company's Auditor for the past 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 company's current auditors have indicated their willingness to continue as auditors.			

Proxy Form (continued)

For the year ended 31 December 2025

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 ....2026.

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 27 June 2025 are available for inspection at the Company's registered office.

b) Electronic copies of the Company's 2023 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 2025, 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 due to the need to observe social distancing rules. 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 on credentials or any other assistance with regards to electronic participation should contact ZB Transfer Secretaries on **08677002001** or **0242 2934 585.** In the alternative, e-mails can be sent to transfersecretaries@zb.co.zw or Paidamoyo Mberikwazvo (pmberikwazvo@zb.co.zw).

Shareholder Information

ANALYSIS OF SHAREHOLDERS as at 31 December 2025				
Size of holding	Number of Shareholders	% holding	Total Holding	% holding
1 - 500	324	21.82%	61 163	0.03
501 - 1000	470	31.65%	273 180	0.16
1001 - 10000	387	26.06%	1 570 114	0.90
10001 - 20000	191	12.86%	2 663 743	1.52
20001 - 50000	69	4.65%	1 870 320	1.07
50001 - 100000	12	0.81%	861 843	0.49
100001 - 500000	18	1.21%	3 481 141	1.99
500001 - 10000000	3	0.20%	2 423 041	1.38
10000001+	11	0.74%	161 986 097	92.46
Totals	**1 485**	**100.00%**	**175 190 642**	**100.00**

ANALYSIS OF SHAREHOLDERS as at 31 December 2025				
Shareholders Group	Number of Shareholders	% holding	Total Holding	% holding
INDIVIDUALS	1 256	83.57	6 346 054	3.62
COMPANIES 127	8.46	152 334 892	86.95	
FCDA RESIDENT AND NEW NON RESIDENT	17	1.13	61 872	0.04
INSURANCE COMPANIES	4	0.27	185 678	0.11
INVESTMENT, TRUST AND PROPERTY COMPANIES	12	0.80	5 343 616	3.05
NOMINEE COMPANY	42	2.79	8 854 997	5.05
PENSION FUNDS	27	3.00	2 063 533	1.18
Totals	**1 485**	**100.00%**	**175 190 642**	**100.00**

TOP TEN SHAREHOLDERS as at 31 December 2025		Percentage of
Shareholder's Name	Total Holding	total issued shares
DATVEST NOMINEES (PVT) LTD	59 565 522	34.00
TRANSNATIONAL HOLDINGS LIMITED	41 065 689	23.44
ZB FINANCIAL HOLDINGS LIMITED	17 667 740	10.08
QUANTAFRICA WEALTH MANAGEMENT	15 037 435	8.58
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
MASHONALAND HOLDINGS LIMITED	2 403 802	1.37
AKRIBOS WEALTH MANGRS NOMINEES	2 027 400	1.16
TOTAL HOLDING OF TOP SHAREHOLDERS	**160 880 701**	**91.83**
REMAINING HOLDING	**14 309 941**	**8.17**
TOTAL ISSUED SHARES	**175 190 642**	**100**

Notice to Shareholders

NOTICE IS HEREBY GIVEN THAT the 37th Annual General Meeting of the shareholders of ZB Financial Holdings Limited will be held virtually via the Microsoft Teams application, on Friday 26 June 2026, 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 2025.

2. Dividend

To confirm a final dividend of US$1,471,601.39, which represents US$0.84 cents per ordinary share for the year ended 31 December 2025 and payable in respect of 175,190,642 ordinary shares in issue.

3. Directorate

i. In terms of Article 68 of the Company's Articles of Association, Messers Agnes Makamure and Thenjiwe Sibanda retire by rotation. The directors have offered themselves for re-election.

ii. Ms. Makhosazana Melissa Sibanda 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, she offers herself 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 2025 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 three (3) 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 27 June 2025 are available for inspection at the Company's registered office.

b. Electronic copies of the Company's 2025 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 2025, 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 Paidamoyo Mberikwazvo (pmberikwazvo@zb.co.zw) or transfersecretaries@zb.co.zw.

By order of the Board

T. F. A. MASIIWA
Group General Counsel & Board Secretary
05 June 2026
First Floor, 21 Natal Road Avondale
HARARE

CORPORATE INFORMATION

ZB Financial Holdings Head Office and Registered Office
21 Natal Road, Avondale, Harare
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www.zb.co.zw

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ZB Corporate Banking
21 Natal Road, Avondale, Harare
T: +263 242 781361-91, +263 08677002001

Group Treasury
21 Natal Road, Avondale, Harare
T: +263 242 781361-91, +263 08677002001

ZB Life Assurance Limited - Head Office
3rd Floor, ZB Life Towers
Sam Nujoma Street /Jason Moyo Avenue
P O Box 969, Harare
T: +263 242 708801/09, www.zb.co.zw

ZB Building Society - Head Office
21 Natal Road,
Avondale, Harare
T: +263 242 781361-91, +263 08677002001
E: zb@zb.co.zw, www.zbbs.co.zw

ZB Reinsurance - Head Office
2nd Floor, Finsure House
Sam Nujoma Street/Kwame Nkrumah Avenue
P O Box 2594, Harare
T: +263 242 759735, +263 8677002001
F: +263 242 751877

P & C Reinsurance Company (Pty) Ltd
Plot 50668 Unit 1B,
RDC Mpingo Building Fairgrounds, Gaborone
P O Box 45954 Riverwalk, Gaborone
T: +267 363 1013, E: operations@pcre.co.bw

ZB Capital (Private) Limited
21 Natal Road, Avondale, Harare
T: +263 242 781361-91 , +263 08677002001

ZB Transfer Secretaries (Private) Limited
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T: +263 242 781361-91, +263 08677002001

Qupa Microfinance
21 Natal Road, Avondale, Harare
T: +263 242 781361-91, +263 08677002001
ZB Barcelona (Private) Limited
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ZB Financial Holdings Group Footprint Contact Details

For the year ended 31 December 2025

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21 Natal Road
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ZB BANK UNITS
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Head Corporate and Investment Banking
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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
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Web address: www.zb.co.zw

Investment Banking
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Web address: www.zb.co.zw

Head Retail Banking
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Harare
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Web address: www.zb.co.zw

Electronic Banking
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P O Box 3198
Harare
Tel: (04) 781361/6
Fax: (04) 751869

RETAIL BANKING UNITS

21 Natal Road Service Centre
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

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 2025

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 2025

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 2025

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
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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
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Cell: 0772 990 266

Mt Darwin Service Centre
Cnr Hospital/Bindura Road
P O Box 110
Mt Darwin
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Fax: (076) 2633

QUPA MICROFINANCE

Head Office
2nd Floor
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QUPA ZB Chambers Service Centre
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Corner George Silundika and First Street
Harare
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ZB LIFE ASSURANCE LIMITED

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Sam Nujoma Street /Jason Moyo Avenue
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Website: www.zb.co.zw

Bulawayo
ZB Life Centre
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Bulawayo
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Gweru
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36 – 6th Street
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Gweru
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gweru@zblife.co.zw

Harare
Chiyedza House
Frist Street/Kwame Nkrumah Avenue
P O Box 969
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Mutare
ZB Life Centre
First Avenue
P O Box 598
Mutare
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mutare@zblife.co.zw

ZB Financial Holdings Group Footprint Contact Details (continued)

For the year ended 31 December 2025

ZB BUILDING SOCIETY

Chitungwiza
Shop No. 5
Old Mutual Complex
Chitungwiza
Tel: (0270) 22281
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ZB REINSURANCE LIMITED

Head Office
Finsure House
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Harare
Telephone: 759735-7
Facsimile: 751877
E-mail: info@zbre.co.zw
Website: www.zb.co.zw

Bulawayo Office
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ZB CAPITAL (PRIVATE) LIMITED

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Tel: +263 (0) 8677002001
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ZB TRANSFER SECRETARIES (PRIVATE) LIMITED

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Website: www.zb.co.zw

Notes

Notes (continued)

Notes (continued)

ZB Bank
Sustainability
Certified Financial
Institution

ZB Financial Holdings Limited, 21 Natal Road, Avondale, Harare, Zimbabwe

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