



Abridged Audited Results

FOR THE YEAR ENDED 31 DECEMBER 2024

GROUP CHAIRMAN'S STATEMENT

I am pleased to present to you FBC Holdings Limited's audited financial statements and business highlights for the year ended 31 December 2024.



Total Income ZWG	Profit Before Tax ZWG	Profit After Tax ZWG
Inflation Adjusted 7.23 billion (2024) 5.52 billion (2023)	Inflation Adjusted 2.01 billion (2024) 1.75 billion (2023)	Inflation Adjusted 1.63 billion (2024) 1.42 billion (2023)
Historical Cost 7.41 billion (2024) 0.48 billion (2023)	Historical Cost 4.10 billion (2024) 0.23 billion (2023)	Historical Cost 3.48 billion (2024) 0.19 billion (2023)
Total Assets ZWG	Total Equity ZWG	Net Asset Value/Share ZWG (cents)
Inflation Adjusted 19.57 billion (2024) 14.76 billion (2023)	Inflation Adjusted 4.56 billion (2024) 3.07 billion (2023)	Inflation Adjusted 677 (2024) 457 (2023)
Historical Cost 19.58 billion (2024) 1.36 billion (2023)	Historical Cost 4.69 billion (2024) 0.28 billion (2023)	Historical Cost 698 (2024) 42 (2023)
Basic Earnings Per Share ZWG (cents)	Cost-to-Income Ratio ZWG	Dividend US\$ (cents)
Inflation Adjusted 266.68 (2024) 233.02 (2023)	Inflation Adjusted 64.19% (2024) 68.24% (2023)	Final 0.25
Historical Cost 569.07 (2024) 31.35 (2023)	Historical Cost 44.64% (2024) 51.61% (2023)	Interim 0.25

Financial Performance Review – Inflation Adjusted

Despite the rapid economic, structural, and monetary changes that defined 2024, FBC Holdings delivered a strong financial performance, demonstrating resilience and adaptability. The Group achieved an inflation-adjusted profit before tax of ZWG1.63 billion, a 15% increase from ZWG1.75 billion in the prior year. Profit after tax also grew by 15% to ZWG1.63 billion on inflation-adjusted terms. This performance was driven by growth in lending activities, higher transaction volumes and successful investment initiatives, underscoring the Group's ability to capitalize on market opportunities. Return On Equity (ROE) was 36% compared to 46% recorded in 2023. While there was a decline in ROE, this reflects our strategic investments in growth opportunities that are expected to enhance long-term value. We are confident that these investments will yield positive outcomes and drive shareholder value in the future.

The Group's total income rose by 31% to ZWG7.23 billion from ZWG5.52 billion in the previous year, driven by strong revenue streams. Net interest income increased 38% to ZWG1.43 billion on the back of a 26% rise in loans and advances, which reached ZWG8.73 billion. Sustained demand for credit remains strong across all customer segments, reflecting market confidence. The Group is actively pursuing strategic initiatives to strengthen its funding base and meet growing customer needs, including securing regional lines of credit.

Net fee and commission income grew by 22% to ZWG1.23 billion, reflecting increased transactional volumes across multiple delivery channels. However, the Group's insurance subsidiaries recorded an insurance service loss of ZWG0.048 billion due to mismatches in premium recording, collections and claims payouts.

Other income, comprising foreign exchange dealing and investment income, rose by 49%, significantly contributing to the Group's overall revenue. This growth was primarily driven by effective hedging strategies and strong trading income performance.

Operational expenses increased by 16% to ZWG4.55 billion from ZWG3.92 billion in the previous year. This was primarily due to the re-pricing of overheads in response to exchange rate fluctuations, inflationary pressures, and increased impairment charges. However, the cost-to-income ratio improved to 64% from 68% in 2023, as income growth outpaced operating expenses.

The Group's financial position remained strong, with the statement of financial position strengthening by 33% to ZWG19.57 billion, supported by growth in loans and advances and the acquisition of the former Standard Chartered Bank Zimbabwe, now FBC Crown Bank. Shareholders' funds rose by 48% to ZWG4.56 billion, bolstered by higher retained earnings. All subsidiaries remained adequately capitalised, aligning with economic and regulatory capital standards. Moving forward, balance sheet restructuring will be key to improving efficiency amidst a tight monetary and fiscal policy environment.

Operating Context
The operating environment in 2024 was characterised by economic volatility, with inflation and foreign exchange fluctuations presenting significant risks in the first half of the year. However, interventions by the Reserve Bank of Zimbabwe and the Government helped stabilize conditions. Monetary policy adjustments, including higher statutory reserve requirements and tightened liquidity, curtailed speculative activities. Month-on-month inflation declined from a peak of 37.2% in September to 3.7% in December 2024, while the closing foreign exchange rate was ZWG25,798/USD. This necessitated robust strategies to sustain the Group's operations and performance.

Economic growth is projected to rebound to 6% in 2025, up from an estimated 2% in 2024, driven by the agricultural and mining sectors. This positive outlook is expected to create new opportunities in the financial services sector. The Group remains committed to navigating this complex landscape while delivering value to stakeholders.

Financial Services Sector

According to the Reserve Bank of Zimbabwe, the financial services industry remained sound and stable in 2024 despite macroeconomic challenges. The industry is undergoing rapid digital transformation and innovation, which has resulted in the deepening of product and service offerings. Transaction volumes have increased across multiple banking channels and institutions are leveraging new technologies to improve client retention and accessibility. Innovation is expected to reduce the cost of products and services, making access to financial service products affordable. Liquidity challenges have, however, constrained the banking sector's ability to fully support economic growth. To address this, various financial institutions, including FBC Holdings, are exploring alternative funding sources regionally and internationally to augment local financial resources.

Asset quality remains satisfactory, with non-performing loan (NPL) ratio standing at 3.7% as of 31 December 2024, though showing a marginal upward trend. The Group continues to implement strategies that align with evolving financial sector dynamics.

Insurance Sector

The insurance industry faced mixed fortunes in 2024. On the upside, the sector recorded notable developments across various dimensions, including market performance, technological adoption and innovation, to cater to customers' diverse needs. On the downside, the industry is navigating a complex economic landscape where disposable incomes and corporate revenues are low, impacting the demand for insurance products. Insurance uptake has remained low, with the industry shifting toward micro-insurance products that align with consumer incomes. Our insurance businesses are continuously adapting to industry developments.

On the regulatory front, the Insurance and Pensions Commission (IPEC) introduced significant reforms, including the Insurance and Pensions Commission Amendment Bill, gazetted in December 2024, which aligns industry practices with global standards. During the same period, IPEC also implemented the compensation framework guidelines for pensions and life assurance products and reviewed submissions under the Zimbabwe Integrated Capital and Risk Project (ZICARP). The enforcement of "No premium, no coverage" through SI 81 of 2023 has benefited insurance providers by ensuring timely premium collection and, consequently, has significantly strengthened the sector.

Property Market

The real estate sector demonstrated resilience, with continued demand for retail malls and residential shopping centers, where occupancy rates exceeded 80%. However, office space in the Central Business District (CBD) experienced high vacancy rates of 40-60% as businesses relocated to cost-effective locations outside city centres.

Investor interest in real estate remains strong, with rental yields holding steady. The sector has also experienced product innovation through affordable investment options such as Real Estate Investment Trusts (REIT), further widening investment opportunities. The property market is expected to continue registering growth due to robust demand for housing and the ensuing need for new business malls catering to the expanding urban population. The Group is actively pursuing opportunities in this space to enhance value creation.

Stock Market Performance

The Zimbabwe Stock Exchange All Share Index gained 117.6% in the year, ending with a market capitalisation of ZWG66.2 billion as of 31 December 2024. A pivotal event that shaped stock exchange performance was the introduction of the Zimbabwe Gold (ZWG) currency in April 2024, which resulted in the rebasing of the Zimbabwe Stock Exchange All Share Index (ZSE ALSI) to 100 points. The Victoria Falls Stock Exchange All Share Index recorded a marginal 4.08% gain ending the year with a market capitalization of USD1.28 billion amid foreign currency liquidity constraints. The Group benefited from the stock market growth, achieving commendable gains in its listed portfolio.

FBCH Share Price Performance

The FBCH share price closed the year at ZWG10.85 after gaining 462.6%. Subsequently, the Group's market capitalisation improved from ZWG1.29 billion to ZWG7.29 billion. During the year, a total of 9.89 million shares were traded at a weighted average price of ZWG12.53. The Group remains committed to the preservation and growth of shareholder value.

Acquisition of Standard Chartered Zimbabwe

On 18 May 2024, FBC Holdings successfully acquired Standard Chartered Bank Zimbabwe for USD 23,895,650. This marked a significant milestone in the Group's mission to solidify its position as a leading provider of financial services in Zimbabwe. The new entity was re-branded as Crown Bank Limited, aligning with the Group's strategic vision and identity. This acquisition strengthened FBC Holdings' market share of deposits and enhanced its overall financial position. By integrating Crown Bank Limited into its operations, the Group has further diversified its banking services, enhancing its ability to cater to a broader customer base.

Looking ahead, FBC Holdings anticipates significant growth opportunities from this acquisition, including expanding its revenue streams and adding a new client segment. This strategic move underscores the Group's commitment to driving innovation, growth, and long-term value for its stakeholders.

Sustainability

Sustainability remains central to the Group's strategy and business activities. We are setting new benchmarks for positive economic, social, and environmental impact. Through responsible banking, lending, and investing, the Group is committed to fostering inclusive economic and social transformational value in the communities we serve.

As the frequency and severity of climate change effects continue to rise, managing climate-related risks has become critical. Guided by the Reserve Bank of Zimbabwe (RBZ) Climate Risk Management Guideline, our risk management frameworks have been adapted to manage climate-related risks and opportunities effectively. Given the unique challenges faced in the Southern African region in adapting to and mitigating the effects of climate change, we are continuously making concerted efforts to scale up our climate finance initiatives to support the transition towards a low-carbon economy that is resilient to climate change.

In 2024, we further strengthened partnerships with stakeholders, including government agencies, regulatory bodies, international development institutions, and civil society organizations, to collaboratively address sustainability challenges. We remain committed to transparency and accountability, and as such, we are aligning our reporting frameworks with International Financial Reporting Standards (IFRS) sustainability disclosure standards to effectively and accurately communicate our ongoing sustainability journey.

Our Social Impact

The FBC Group is committed to improving our communities' social, environmental and financial well-being. In 2024, the Group invested in community development programs. In this regard, the Group donated farming implements, including seeds, fertilizers, and herbicides, to Shungu Dzenva Children's Home as part of our efforts to promote food self-sufficiency for the organization. This initiative aligns with Sustainable Development Goals, which aims to end hunger, achieve food security, improve nutrition and promote sustainable agriculture. Similarly, the Group donated a 10kV solar system to Entembeni Old People's Home, providing significant cost savings on electricity bills and reducing environmental impact.

The Group also retained title sponsorship of the FBC Zim-Open Golf Championship for the third consecutive year, demonstrating our strength in promoting the development of Golf in Zimbabwe. The FBC Zim-Open Golf Tournament contributes to achieving Sustainable Development Goals, including SDG 8 (Decent work and economic growth).

Lifelong learning is one of the FBC Group's core values. The Group promoted professional development through the sponsorship of numerous organizations, such as the Marketers Association of Zimbabwe (MAZ), the Bankers Association of Zimbabwe (BAZ), the Institute of Chartered Accountants of Zimbabwe (ICAZ), and the Project Management Institute of Zimbabwe (PMIZ), among others. Additionally, the Group offered scholarships for underprivileged students to study at local and regional universities, demonstrating a firm commitment to promoting universal access to quality education (SDG 4).

Digital Transformation and Innovation

2024 marked a pivotal year for FBC Holdings, characterized by significant advancements in digital transformation that strengthened our ambition to be a top financial services provider. We have accelerated innovation, deploying cutting-edge solutions that enhance customer experience, streamline operations, and drive sustainable growth. Our commitment to digitalisation has re-defined how we operate, modernising our infrastructure and equipping us to meet evolving customer needs with speed and agility. We aim to widen our digital touchpoints and capabilities to increase convenience to our customers, ensuring that they can transact anywhere in the world.

Following the integration of FBC Crown Bank (formerly Standard Chartered Bank), our expertise and capacity in digital banking have widened because of the decades of global banking experience we have inherited. We successfully launched digital lending through our microfinance arm, Microplan Financial Services. Internally, the Group is initiating automation projects to enhance operational efficiency and cost management.

The Group remains committed to expanding digital services to enhance customer experience and accessibility.

Compliance

The Group understands the importance of maintaining stakeholder trust and confidence in its pursuit of providing excellent service. Throughout the reporting period, we have prioritised compliance and good governance as fundamental pillars of our business strategy. Our Board of Directors offers robust oversight of our compliance efforts, ensuring that we adhere to the highest standards of corporate governance and ethical conduct. We have established clear lines of accountability and a robust framework for monitoring and evaluating compliance risks, enabling us to identify and mitigate potential issues promptly and effectively.

Directorate

The Board of Directors ("the Board") of FBCH Holdings Limited ("the Company") advises that Mr. Canada Malunga, a long-serving Non-Executive Director of the Company, resigned from the Board effective December 31, 2024, upon the expiration of his term.

During his tenure as a Board Member, Mr. Malunga served with distinction and diligence. The Board sincerely expresses its gratitude for his service over the past thirteen years and wishes him well in his future endeavours.

Dividend

I am pleased to advise that the Company has declared a final dividend of US 0.25 cents per share and ZWG 3.9 cents per share. This is in addition to an interim dividend of US 0.25 cents, which was paid in October 2024. The dividend is payable to shareholders registered in the books of the Company at the close of business on 17 April 2025. The shares of the Company will be traded cum-dividend on the Zimbabwe Stock Exchange up to the market day of 14 April 2025 and ex-dividend as from 15 April 2025. The dividend payment will be made to shareholders on or about 29 April 2025.

Outlook

The macroeconomic environment is expected to remain unchanged due to the tight fiscal and monetary policy frameworks pursued by authorities. While this austerity stance may result in short-term economic challenges through tighter liquidity, achieving macroeconomic stability has broader implications, such as promoting certainty, encouraging investment and boosting productivity.

Despite ongoing economic uncertainties, the Group remains well-positioned to capitalize on emerging opportunities.

Appreciation

Our Group has once again successfully navigated a challenging economic landscape and achieved sustained growth, thanks to the unwavering support of our valued customers. We are grateful to all our stakeholders for their continued trust and confidence in us. Your partnership remains the cornerstone of our success, and we are committed to upholding the highest standards of service excellence.

Finally, I would like to express my heartfelt gratitude to the FBC Holdings Board, management, and staff members for their exceptional leadership, dedication, and unwavering commitment. Your collective efforts and outstanding performance have driven our success and positioned us for a bright future.

Herbert Nkala
FBC Holdings Chairman

31 March 2025



Abridged Audited Results

FOR THE YEAR ENDED 31 DECEMBER 2024

GROUP CHIEF EXECUTIVE'S REPORT

I am pleased to present FBC Holdings Limited's audited financial statements for the year ended 31 December 2024. These results demonstrate our commitment to delivering exceptional financial services and fostering value-driven customer relationships.

Despite a challenging operating environment, the Group's financial performance highlights its resilience, adaptability and strategic focus on sustainable growth.

Operating Environment

Zimbabwe's operating environment presents a mix of challenges and opportunities amid global and domestic economic dynamics. On the global front, geopolitical tensions, protectionist policies, and persistent inflation continue to impact trade and capital flows. As a result, global GDP growth is expected to moderate from 3.2% in 2024 to 3.1% in 2025.

Domestically, Zimbabwe's multicurrency system, strengthened fiscal discipline, and tighter monetary policies have contributed to relative price and exchange rate stability. While GDP growth declined to 2% in 2024, a strong rebound growth of 6% is projected for 2025. This is expected to be driven by a 12.8% recovery in agriculture and a 5.6% expansion in mining. These sectors present significant opportunities for financial institutions to support value-chain financing, SME growth, and export-driven enterprises.

Despite these positive prospects, economic risks persist, including company closures, retrenchments, and liquidations primarily due to macroeconomic liquidity constraints and elevated borrowing costs.

To navigate the evolving landscape, the Group has aligned its strategic priorities to mitigate risks and ensure sustainable operations. The key focus areas include widening the revenue base by introducing new products, services, and market expansion, locally and regionally, and optimizing the balance sheet through portfolio re-balancing and readjustment of risk appetite. The Group will continue adapting to economic shifts, ensuring business resilience while leveraging opportunities in high-growth sectors.

Consolidated Group performance

The Group's financial statements for the year 2024 have been prepared in accordance with International Accounting Standard (IAS) 29, which governs financial reporting in hyperinflationary economies.

Financial Performance and Outlook

FBC Holdings Limited delivered strong financial results in 2024, experiencing significant growth across key revenue streams and solidifying its position in the financial services sector.

Profit before income tax increased by 15% to ZWG 2,01 billion, driven by growth in core lending, transaction processing activities and investment income.

Operating expenses rose by 16% to ZWG 4.55 billion, mainly due to business expansion, exchange rate fluctuations and inflationary pressures. Recent fiscal and monetary policies have curtailed inflationary pressures, and we remain hopeful that these measures will continue to foster price stability.

The Group's statement of financial position improved significantly by 33% to ZWG 19.57 billion, reflecting the Group's disciplined investment approach and prudent risk appetite. The asset mix also shows the Group's preference towards liquid assets, given the tight liquidity conditions in the market. Lending to targeted market segments increased loans and customer advances by 26%, from ZWG 6,909 billion to ZWG 8,732 billion. Cash and bank balances grew by 28%, from ZWG 3.5 billion to ZWG 4.5 billion, reflecting our focus on liquidity efficiency. Total equity rose to ZWG 4,555 billion from ZWG 3,069 billion, supported by a 62% increase in retained earnings.

Looking ahead, the Group will focus on:

- Resource mobilization to support business growth and meet customer funding needs.
- Asset optimization to enhance cash flow generation, targeting investments in high-growth areas.
- Balance Sheet efficiency, ensuring optimal capital allocation to maximize shareholder returns.
- Strategic lending, asset growth, and market diversification.

As at December 31, 2024, all Group subsidiaries were compliant with regulatory minimum capital requirements.

Group Segment Reviews

FBC Bank Limited (FBC Bank)

FBC Bank delivered a profit before tax of ZWG 1.09 billion for the year ended December 31, 2024. This performance was driven by strong growth in funded income, transaction fees, foreign exchange dealing and trading income. The funded income was mainly generated from loans and advances of ZWG 6.81 billion, which represented 51% of total assets (ZWG 13.3 billion).

The Bank's total payments and processing income reached ZWG 951.4 million, contributing 19.6% to its total revenue of ZWG 4.86 billion. FBC Bank has deployed 6,684 Point-of-Sale (POS) terminals across the market to enhance its digital banking presence.

The Bank has remained resilient and proactive in an environment marked by tight liquidity and high interest rates, which have limited lending activity. Amid heightened default risk, the Bank has strengthened its risk management framework, implementing stringent monitoring measures to uphold the quality of its loan book.

Looking ahead, FBC Bank remains focused on increasing its share in existing markets and targeting new market segments to diversify revenue streams. With ongoing innovation, financial inclusion, and operational efficiency, the Bank can navigate evolving economic conditions while delivering value to its stakeholders.

FBC Crown Bank Limited (Crown Bank)

Following the acquisition of Standard Chartered Zimbabwe on May 18, 2024, the entity was successfully rebranded as FBC Crown Bank Limited, strengthening the Group's position as a leading financial services provider.

Crown Bank recorded a profit before tax of ZWG 107.4 million, primarily driven by net fee and commission income. This profitability relates to the period post-acquisition until 31 December 2024. FBC Crown Bank now serves as the dedicated unit for priority and wholesale banking clients, offering tailored financial solutions to corporate entities, institutional investors and high-value clients. The acquisition aligns with the Group's long term growth strategy, enhancing market share, service offering and competitive positioning.

FBC Building Society

FBC Building Society recorded a loss of ZWG 44.3 million, mainly due to lower revenue generation. The Society managed 402 rental units, achieving an occupancy rate of 91%. In addition, under the Zvishavane Four Miles Project, 81 stands and houses were successfully sold.

The demand for housing remains strong, fuelled by urbanisation and population growth. In response, FBC Building Society is mobilising resources to tap into this opportunity with a strong housing project pipeline. In 2024, the Society developed 331 stands from the Four Miles project in Zvishavane, 18 flats in Marondera, 11 cluster houses and 18 industrial units in Msasa, Harare.

Looking ahead, FBC Building Society plans to develop residential stands in Hwange, Masvingo, and Zvishavane and to complete modern four-bedroom cluster homes in Helensvale, Harare, through joint venture initiatives. These developments will be pivotal in housing delivery, reducing the national backlog and promoting sustainable urban growth.

MicroPlan Financial Services

MicroPlan Financial Services, the Group's microfinance subsidiary, reported a robust profit before tax of ZWG 102.9 million, driven by strong growth in the lending portfolio, which was valued at ZWG 298 million as of 31 December 2024. The company maintains a diversified lending portfolio that aligns with Reserve Bank of Zimbabwe (RBZ) guidelines and serves salaried individuals, rural farming communities, and SMEs. The business unit achieved a total income of ZWG 418.6 million.

Aligned with Zimbabwe's Sustainable Development Goals (SDGs), including zero hunger, clean energy, water access, climate action and infrastructure, MicroPlan actively supports national priorities through targeted financial products. These include short-term household mortgages, solar loans for clean energy adoption, borehole loans to improve water access, and microloans, which empower low-income earners to combat food insecurity. By integrating these initiatives, MicroPlan advances the Sustainable Development Goals (SDGs) agenda and transforms communities, enhancing livelihoods and fostering sustainable economic resilience.

FBC Securities

Zimbabwe's capital markets experienced mixed fortunes in 2024, primarily due to several policy interventions by the monetary and fiscal authorities. The Zimbabwe Stock Exchange (ZSE) and the Victoria Falls Stock Exchange (VFEX) continued to offer opportunities to investors, with VFEX becoming a preferred platform for USD-denominated investments.

Capital markets are expected to stabilise, which should increase the momentum to generate business for potential investors. Key growth areas include increased listings on VFEX, digital transformation in trading and growing interest in alternative investments such as private equity and structured products.

FBC Insurance Company

FBC Insurance reported a profit before tax of ZWG 28 million, spurred by investment income. Business operations, however, recorded an insurance service loss of ZWG 2.4 million due to lower revenue generation and higher ceded premiums.

Given the current economic environment, the focus is on maximising investment income and enhancing premium revenue generation. The company is targeting new clients and markets to support its growth and preserve its balance sheet.

FBC Reinsurance Limited

FBC Reinsurance (FBC Re) posted a ZWG 117.2 million profit before tax, primarily driven by investment income. The company, however, recorded an insurance service loss of ZWG 45.9 million due to higher-than-expected claims, partly caused by exchange rate fluctuations between premium collection and claim settlement. In order to address this, FBC Re expanded retrocession coverage to manage increased claims and conducted client training to enhance treaty utilisation and underwriting risk assessment. The company experienced significant premium growth in key segments, including Fire, Agriculture and Marine insurance. The introduction of an agriculture retrocession program has strengthened FBC Re's ability to underwrite more business in this sector. The company plans to expand further by participating in other crop programs. Management remains focused on strict cost controls amid economic challenges while maintaining a disciplined underwriting strategy.

In Botswana, operations performed strongly, supported by a US\$2 million capital injection in 2024, to boost underwriting capacity. Business profitability and growth remain on track, reflecting our success in penetrating markets and increasing our market share in Southern Africa.

Our compliance priorities

Compliance is at the core of our operations, serving as a fundamental pillar in maintaining trust, integrity and long-term sustainability. In a dynamic regulatory environment, we remain steadfast in our commitment to upholding the highest compliance and regulatory standards.

Over the past year, we have proactively adapted to evolving regulatory requirements by continuously reviewing and refining our policies, procedures, and systems. Our approach ensures seamless alignment with local and international compliance frameworks while reinforcing our governance structures.

Beyond regulatory compliance, we are committed to fostering a strong compliance culture across the Group. We emphasise accountability at all levels, ensuring every employee understands their role in maintaining ethical business practices and mitigating risks. We continue to strengthen our risk and control environment through ongoing training, awareness initiatives, and a robust compliance monitoring framework. Looking ahead, we will remain vigilant in our compliance efforts, leveraging technology and best practices to enhance regulatory responsiveness and safeguard the interests of our stakeholders. By embedding compliance in our corporate culture, we are well-positioned to navigate the evolving and demanding environment, drive operational excellence and sustain the trust of our customers, investors and regulators.

Our Digital Transformation Journey

Our digital transformation journey remains in full swing, placing customers and the communities we serve at the centre of our innovation efforts. Enhancing convenience through process automation remained a key priority, leading to the streamlining of several critical banking functions. A significant milestone was achieved by enhancing our Internet Banking platform, where we integrated some of our manual processes to improve efficiency and user experience. Notable digital solutions introduced during the year included Bulk Payments, Automated International Transfers and Direct Integrations.

We continue to deepen and widen our digital transformation capabilities, which has enabled faster responses to customer needs and evolving market demands. Additionally, adopting emerging technologies, such as cloud computing, has facilitated greater agility in solution delivery. Integrating AI-powered solutions is expected to enhance customer convenience and operational efficiency.

Investments to improve our technological infrastructure remain a strategic focus area in 2025. We aim to improve system reliability and reinforce disaster recovery preparedness. Several critical technology upgrades and replacements are planned to ensure continued operational resilience.

As the cybersecurity landscape grows increasingly complex, Zimbabwe has witnessed a surge in cyber threats, including sophisticated ransomware attacks and data breaches. FBC Holdings has enhanced its information security framework to safeguard business operations. We have strengthened cyber risk management through process revisions, staff training and the acquisition of software applications to harden our technological environment. Compliance with local and international data protection regulations remains a core pillar of our cybersecurity strategy, ensuring the highest standards of information security across the Group.

Our People

Human capital is our make-or-break pillar. The well-being of our employees across the Group is fundamental to driving productivity and ensuring the sustainable growth of our business. We are dedicated to fostering a safe, inclusive, and healthy work environment—one that is free from harassment, violence, bullying, and intimidation. A positive workplace culture directly enhances employee engagement and organisational performance, reinforcing our commitment to a thriving workforce.

Following the acquisition of Standard Chartered Bank Zimbabwe, the Group embarked on a culture integration and transformation program to promote alignment, collaboration, and productivity.

Continuous learning is at the core of our values, ensuring our workforce remains agile and equipped with future-ready skills in an evolving business landscape. We are committed to training and upskilling our employees to maintain our competitive edge, with a recruitment strategy that prioritises technology, digital expertise, and data analytics capabilities. Our key focus areas, which are customer service, performance excellence, digitalisation and innovation, risk and compliance, and ethical business practices, can only be achieved through a well-equipped and highly skilled workforce.

Sustainability as a strategic imperative

FBC Holdings is embedding sustainability at the core of its operations, recognising its dual role in corporate responsibility and long-term value creation. Our key achievements in 2024 include:

- Strengthened Governance: We enhanced our sustainability governance framework, elevating it to a board-level priority and embedding it into our risk management and decision-making processes.
- Climate Action: Our commitment to environmental stewardship was demonstrated through active participation in the 16th Conference of Parties to the United Nations Convention on Biological Diversity (COP16) in Cali, Colombia. We are actively exploring renewable energy solutions and water conservation initiatives.
- Social Impact: We cultivated a diverse and inclusive workplace, prioritising employee well-being and safety. Additionally, we reinforced our commitment to community development through scholarships, internships and financial inclusion programs.
- Economic Contribution: We played a pivotal role in driving economic growth, by creating employment opportunities, fulfilling our tax obligations and expanding financial access for individuals and businesses, including SMEs.

Looking ahead, the Group will continue to leverage sustainability as a growth driver and position FBC Holdings for long-term success in an evolving and increasingly sustainability-focused world.

The Future

The Group remains well-positioned for sustained growth and long term success, underpinned by:

- Innovation and Digital Expansion – Continued investments in digital banking, fintech partnerships and automation to enhance operational efficiency and customer acquisition.
- Resilient Asset and Risk Management – The Group's strong capital position and proactive risk management approach will ensure sustainability amid evolving economic conditions.
- Sustained Revenue Diversification – The Group is well-positioned to expand its diversification drive.
- Regional and Sectoral Growth Opportunities – Strategic entry into high-growth sectors and regional markets to unlock long-term value.

With a highly skilled and diverse workforce, supported by a robust strategy management framework, the Group is set to grow and deliver enhanced value to shareholders, customers, and stakeholders in 2025 and beyond.

Appreciation

As we reflect on 2024, I would like to extend my heartfelt gratitude to our esteemed clients for their continued trust and confidence in the FBC brand. Your unwavering support is the foundation of our success, and we remain committed to fostering lasting relationships beyond financial transactions.

I also acknowledge the dedication of our Board of Directors, Management, and staff, whose resilience, expertise and passion for excellence have been instrumental in navigating an ever-evolving business landscape. Your commitment to innovation and customer-centric solutions continues to drive our growth.

With a shared vision for a prosperous future, we remain committed to delivering sustainable financial solutions that empower individuals, businesses, and communities.


Trynos Kufazvinei
Group Chief Executive
31 March 2025

Abridged Audited Results

FOR THE YEAR ENDED 31 DECEMBER 2024

AUDITORS' STATEMENT TO THE 2024 ABRIDGED INFLATION ADJUSTED

Consolidated Financial Statements

The inflation adjusted abridged audited results for the year ended 31 December 2024 should be read in conjunction with the complete set of inflation adjusted consolidated financial statements of FBC Holdings Limited as at and for the year ended 31 December 2024, which have been audited by KPMG Chartered Accountants (Zimbabwe) on which an unmodified opinion has been expressed. The opinion includes key audit matters in respect of Valuation of land and buildings and investment property, Expected credit loss allowance on loans and advances to customers and Acquisition of a subsidiary.

The auditors' report has been made available to management and the directors of FBC Holdings Limited. The engagement partner responsible for the audit was Themba Mudidi (PAAB Practice Certificate Number 0437).

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2024

	Note	Audited Inflation Adjusted		Unaudited Historical Cost*	
		31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
		Restated**	ZWG	ZWG	ZWG
Interest income calculated using the effective interest method	17	1 988 137 806	1 672 376 848	1 308 639 706	93 456 750
Interest expense	17.1	(581 830 992)	(629 950 740)	(391 280 975)	(34 241 220)
Net interest income		1 406 306 814	1 042 426 108	917 358 731	59 215 530
Fee and commission income	18	1 259 778 945	1 013 711 882	858 288 791	57 395 058
Fee and commission expense	18.1	(33 586 566)	(7 300 342)	(32 205 297)	(319 349)
Net fee and commission income		1 226 192 379	1 006 411 540	826 083 494	57 075 709
Insurance revenue	19	633 945 902	522 107 952	433 552 930	27 654 494
Insurance service expense	22	(579 477 750)	(493 751 525)	(424 208 329)	(29 294 903)
Net revenue/(expenses) from reinsurance contracts	14.1	(102 767 843)	(82 364 665)	(83 772 615)	(3 509 814)
Insurance service result		(48 299 691)	(54 008 238)	(74 428 014)	(5 150 223)
Revenue		2 584 199 502	1 994 829 410	1 669 014 211	111 141 016
Net foreign currency dealing and trading income					
Net gain from financial assets at fair value through profit or loss	20	3 722 163 789	2 498 503 950	3 682 407 556	224 335 304
Other operating income	21	947 714 024	368 306 218	991 551 796	34 683 879
		(23 865 161)	662 451 866	1 069 296 246	106 421 501
Total other income		4 646 012 652	3 529 262 034	5 743 255 598	365 440 684
Total net income		7 230 212 154	5 524 091 444	7 412 269 809	476 581 700
Credit impairment losses	5.4	(90 062 998)	(232 983 032)	(90 062 998)	(21 445 117)
Other operating expenses	22	(4 550 731 346)	(3 921 200 920)	(3 218 929 876)	(224 497 234)
Monetary (loss)/gain		(576 337 456)	384 538 143	-	-
Profit before income tax		2 013 080 354	1 754 445 635	4 103 276 935	230 639 349
Income tax expense	23	(383 152 633)	(331 005 804)	(627 141 165)	(39 174 439)
Profit for the year		1 629 927 721	1 423 439 831	3 476 135 770	191 464 910
Other comprehensive income/(loss)					
Items that will not be reclassified to profit or loss					
(Loss)/gain on property revaluation		(115 972 725)	598 643 013	807 093 960	87 464 755
Related tax		23 555 993	(117 574 987)	(167 421 797)	(17 093 112)
(Loss)/gain on financial assets at fair value through other comprehensive income		(85 533 517)	5 609 509	(80 939 687)	492 417
Related tax		24 618 093	(200 038)	24 388 401	(22 456)
		(153 332 156)	486 477 497	583 120 877	70 841 604
Items that may be subsequently reclassified to profit or loss					
Foreign operations – foreign currency translation differences		356 972 420	13 514 201	430 605 692	2 115 448
Related tax		-	-	-	-
		356 972 420	13 514 201	430 605 692	2 115 448
Total other comprehensive income/(loss) net income tax		203 640 264	499 991 698	1 013 726 569	72 957 052
Total comprehensive income for the year		1 833 567 985	1 923 431 529	4 489 862 339	264 421 962
Profit attributable to:					
Equity holders of the parent		1 628 080 275	1 422 816 457	3 474 192 056	191 422 812
Non - controlling interest		1 847 446	623 374	1 943 714	42 098
Profit for the year		1 629 927 721	1 423 439 831	3 476 135 770	191 464 910
Total comprehensive income attributable to:					
Equity holders of the parent		1 832 169 017	1 921 682 591	4 486 123 660	264 173 960
Non - controlling interest		1 398 968	1 748 938	3 738 679	248 002
		1 833 567 985	1 923 431 529	4 489 862 339	264 421 962
Earnings per share (ZWG cents)					
Basic earnings per share	24.1	266.68	233.02	569.07	31.35
Diluted earnings per share	24.2	266.68	233.02	569.07	31.35
Headline earnings per share	24.3	266.85	234.56	569.08	31.37
Diluted headline earnings per share	24.4	266.85	234.56	569.08	31.37

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

** This is due to currency conversion from ZWL to ZWG (refer to note 2.1)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

ASSETS	Note	Audited Inflation Adjusted		Unaudited Historical Cost*	
		31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
		ZWG	ZWG	ZWG	ZWG
Balances with other banks and cash	4	4 464 164 512	3 487 238 759	4 464 164 512	320 985 786
Financial assets at amortised cost	5.5	147 797 641	412 491 295	147 797 641	37 968 104
Loans and advances to customers	5.1	8 732 165 811	6 909 259 936	8 732 151 809	635 967 278
Trade and other receivables	5.2	183 080	3 195 403	183 080	294 124
Insurance contract assets	14	95 884 027	86 575 667	95 884 027	7 968 929
Reinsurance contract assets	14	113 970 090	86 617 098	113 970 090	7 972 743
Financial assets at fair value through profit or loss	6	1 160 738 732	531 150 893	1 169 682 467	49 698 513
Financial assets at fair value through other comprehensive income	7	170 572 658	5 246 322	170 572 658	482 902
Inventory	8	57 058 082	22 940 373	46 219 488	863 725
Prepayments and other assets	9	1 818 899 856	715 523 821	1 812 032 973	63 499 157
Current income tax asset		114 936 268	5 322 783	114 936 268	489 940
Deferred tax assets		109 648 566	3 689 672	153 964 408	3 354 632
Investment property	10	1 558 755 039	1 418 341 153	1 558 601 574	130 552 389
Intangible assets	11	10 891 172	9 724 464	1 174 114	62 060
Property and equipment	12	990 298 141	1 042 566 872	990 298 141	95 963 933
Right of use asset		20 725 906	16 350 577	11 097 781	331 065
Total assets		19 566 689 581	14 756 235 088	19 582 731 031	1 356 455 280
EQUITY AND LIABILITIES					
Liabilities					
Deposits from customers	13.1	7 529 631 160	4 424 358 751	7 529 631 160	407 243 773
Deposits from other banks	13.2	1 117 454 837	476 992 092	1 117 454 837	43 905 133
Borrowings	13.3	2 805 334 691	3 117 074 268	2 805 334 691	286 913 688
Insurance contract liabilities	14	288 116 863	318 626 653	288 116 863	29 328 255
Reinsurance contract liabilities	14	-	40 200 988	-	3 700 333
Trade and other payables	15</td				

Abridged Audited Results

FOR THE YEAR ENDED 31 DECEMBER 2024

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2024

Audited Inflation Adjusted

	Share Capital ZWG	Share Premium ZWG	Retained Profit ZWG	Translation reserve ZWG	Treasury shares ZWG	Non distributable Reserve ZWG	Revaluation Reserve ZWG	Financial assets at fair value reserve ZWG	Regulatory reserve ZWG	Changes in Ownership ZWG	Total ZWG	Non controlling Interest ZWG	Total equity ZWG
Balance at 1 January 2023, restated**	29 963	62 803 793	751 505 693	11 479 026	(108 921 226)	293 261 927	238 231 354	16 762 474	-	7 450 344	1 272 603 348	1 683 980	1 274 287 328
Profit for the period	-	-	1 422 816 457	-	-	-	-	-	-	-	1 422 816 457	623 374	1 423 439 831
Other comprehensive income													
Gain on revaluation of property, plant and equipment, net of tax	-	-	-	-	-	-	479 942 461	-	-	479 942 461	1 125 564	481 068 025	
Transfer from Regulatory Reserves	-	-	8 491 812	-	-	-	(8 491 812)	-	-	-	-	-	-
Foreign operations – foreign translation differences	-	-	-	13 514 201	-	-	-	-	-	13 514 201	-	13 514 201	
Gain on financial assets at fair value through OCI	-	-	-	-	-	-	5 409 472	-	-	5 409 472	-	5 409 472	
Total other comprehensive income	-	-	8 491 812	13 514 201	-	-	471 450 649	5 409 472	-	498 866 134	1 125 564	499 991 698	
Total comprehensive income	-	-	1 431 308 269	13 514 201	-	-	471 450 649	5 409 472	-	1 921 682 591	1 748 938	1 923 431 529	
Transaction with owners													
Dividend paid	-	-	(128 249 365)	-	-	-	-	-	-	(128 249 365)	-	(128 249 365)	
Share purchase	-	-	-	-	(395 140)	-	-	-	-	(395 140)	-	(395 140)	
Shareholders' equity at 31 December 2023, restated**	29 963	62 803 793	2 054 564 597	24 993 227	(109 316 366)	293 261 927	709 682 003	22 171 946	-	7 450 344	3 065 641 434	3 432 918	3 069 074 352
Balance at 1 January 2024	29 963	62 803 793	2 054 564 597	24 993 227	(109 316 366)	293 261 927	709 682 003	22 171 946	-	7 450 344	3 065 641 434	3 432 918	3 069 074 352
Profit for the period	-	-	1 628 080 275	-	-	-	-	-	-	1 628 080 275	1 847 446	1 629 927 721	
Other comprehensive income													
Gain on revaluation of property, plant and equipment, net of tax	-	-	-	-	-	-	(91 968 254)	-	-	(91 968 254)	(448 478)	(92 416 732)	
Transfers from revaluation reserve	-	-	4 054 471	-	-	-	(4 054 471)	-	-	-	-	-	
Transfers to regulatory reserve	-	-	(8 827 839)	-	-	-	-	8 827 839	-	-	-	-	
Foreign operations – foreign translation differences	-	-	-	356 972 420	-	-	-	-	-	356 972 420	-	356 972 420	
Gain on financial assets at fair value through OCI	-	-	-	-	-	-	(60 915 424)	-	-	(60 915 424)	-	(60 915 424)	
Total other comprehensive income	-	-	(4 773 368)	356 972 420	-	-	(96 022 725)	(60 915 424)	8 827 839	-	204 088 742	(448 478)	203 640 264
Total comprehensive income	-	-	1 623 306 907	356 972 420	-	-	(96 022 725)	(60 915 424)	8 827 839	-	1 832 169 017	1 398 968	1 833 567 985
Transaction with owners													
Dividend paid	-	-	(344 718 610)	-	-	-	-	-	-	(344 718 610)	-	(344 718 610)	
Share purchase	-	-	-	-	(2 395 160)	-	-	-	-	(2 395 160)	-	(2 395 160)	
29 963	62 803 793	3 333 152 894	381 965 647	(111 711 526)	293 261 927	613 659 278	(38 743 478)	8 827 839	7 450 344	4 550 696 681	4 831 886	4 555 528 567	
Unaudited Historical Cost*													
Balance at 1 January 2023, restated**	3	5 636	18 463 659	219 878	(666 684)	568 221	6 627 207	82 403	-	669	25 300 992	28 784	25 329 776
Profit for the period	-	-	191 422 812	-	-	-	-	-	-	191 422 812	42 098	191 464 910	
Other comprehensive income													
Gain on revaluation of property, plant and equipment, net of tax	-	-	-	-	-	-	70 165 740	-	-	70 165 740	205 903	70 371 643	
Transfer from Regulatory Reserves	-	-	162 659	-	-	-	(162 659)	-	-	-	-	-	
Foreign operations – foreign translation differences	-	-	-	2 115 448	-	-	-	-	-	2 115 448	-	2 115 448	
Gain on financial assets at fair value through OCI	-	-	-	-	-	-	469 961	-	-	469 961	-	469 961	
Total other comprehensive income	-	-	162 659	2 115 448	-	-	70 003 081	469 961	-	-	72 751 149	205 903	72 957 052
Total comprehensive income	-	-	191 585 471	2 115 448	-	-	70 003 081	469 961	-	-	264 173 961	248 001	264 421 962
Transaction with owners													
Dividend paid	-	-	(6 633 293)	-	-	-	-	-	-	(6 633 293)	-	(6 633 293)	
Share purchase	-	-	-	-	(10 354)	-	-	-	-	(10 354)	-	(10 354)	
3 5 636	203 415 837	2 335 326	(677 038)	568 221	76 630 288	552 364	-	669	282 831 306	276 785	283 108 091		
Balance at 1 January 2024	3	5 636	203 415 837	2 335 326	(677 038)	568 221	76 630 288	552 364	-	669	282 831 306	276 785	283 108 091
Profit for the period	-	-	3 474 192 056	-	-	-	-	-	-	3 474 192 056	1 943 714	3 476 135 770	
Other comprehensive income													
Gain on revaluation of property, plant and equipment, net of tax	-	-	-	-	-	-	637 877 198	-	-	637 877 198	1 794 965	639 672 163	
Transfers from revaluation reserve	-	-	2 273 369	-	-	-	(2 273 369)	-	-	-	-	-	
Transfers to regulatory reserve	-	-	(8 827 839)	-	-	-	-	8 827 839	-	-	-	-	
Foreign operations – foreign translation differences	-	-	-	430 605 692	-	-	-	-	-	430 605 692	-	430 605 692	
Gain on financial assets at fair value through OCI	-	-	-	-	-	-	(56 551 286)	-	-	(56 551 286)	-	(56 551 286)	
Total other comprehensive income	-	-	(6 554 470)	430 605 692	-	-	635 603 829	(56 551 286)	8 827 839	-	1 011 931 604	1 794 965	1 013 726 569
Total comprehensive income	-	-	3 467 637 586	430 605 692	-	-	635 603 829	(56 551 286)	8 827 839	-	4 486 123 660	3 738 679	4 489 862 339
Transaction with owners													
Dividend paid	-	-	(77 637 830)	-	-	-	-	-	-	(77 637 830)	-	(77 637 830)	
Share purchase	-	-	-	-	(2 067 980)	-	-	-	-	(2 067 980)	-	(2 067 980)	
3 5 636	3 593 415 593	432 941 018	(2 745 018)	568 221	712 234 117	(5 599 922)	8 827 839	669	4 689 249 156	4 015 464	4 693 264 620		

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

** This is due to currency conversion from ZWL to ZWG (refer to note 2.1)

NOTES TO THE CONSOLIDATED FINANCIAL RESULTS

For the year ended 31 December 2024

Abridged Audited Results

FOR THE YEAR ENDED 31 DECEMBER 2024

NOTES TO THE CONSOLIDATED FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2024

2.2 Going concern

The Group's forecasts and projections, taking account of changes in trading environment and performance, show that the Group should be able to operate within the level of its current financing. After making enquiries, the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. The Group therefore continues to adopt the going concern basis in preparing its consolidated financial statements.

2.3 Basis of consolidation

(a) Subsidiaries

The consolidated financial results combine the financial statements of FBC Holdings Limited ("the Company") and all its subsidiaries. Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The Company recognises investments in subsidiaries at cost. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets. Acquisition related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date; any gains or losses arising from such remeasurement are recognised through profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with IFRS 9 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the statement of comprehensive income.

Inter-company transactions, balances, income and expenses on transactions between group companies are eliminated. Unrealised profits or losses are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(b) Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity within "changes in ownership reserve". Gains or losses on disposals to non-controlling interests are also recorded in equity within "changes in ownership reserve".

(c) Disposal of subsidiaries

When the Group ceases to have control any retained interest in the entity is remeasured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

2.4 Segment reporting

An operating segment is a distinguishable component of the Group that is engaged in business activities from which it earns revenues and incurs expenses (including revenues and expenses relating to transactions with other components of the entity); whose operating results are reviewed regularly by the entity's chief operating decision maker ("CODM") to make decisions about resources to be allocated to the segment and to assess its performance; and for which discrete financial information is available.

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Group Executive Committee that makes strategic decisions.

The Group's operating segments have been aggregated based on the nature of the products and services on offer and the nature of the regulatory environment. The CODM is responsible for allocating resources and assessing performance of the operating segments.

In accordance with IFRS 8-Operating Segments, the Group has the following business segments: commercial banking, wholesale banking, microlending, mortgage financing, reinsurance, short-term insurance and stockbroking.

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The Group's financial statements and its financial results are influenced by accounting policies, assumptions, estimates and management judgements, which necessarily have to be made in the course of the preparation of the financial statements.

The Group makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. All estimates and assumptions required in conformity with IFRS are best estimates undertaken in accordance with the applicable standard. Estimates and judgements are evaluated on a continuous basis, and are based on past experience and other factors, including expectations with regard to future events. Accounting policies and management's judgements for certain items are especially critical for the Group's results and financial situation due to their materiality.

The areas involving critical accounting estimates and judgements include determination of functional currency, impairment allowances, income taxes, insurance liabilities, inventory, investment property, property and equipment and unlisted investments.

4 BALANCES WITH BANKS AND CASH

4.1 Balances with Reserve Bank of Zimbabwe ("RBZ")

Current account balances

	Audited Inflation Adjusted		Unaudited Historical Cost	
	31 Dec 2024	31 Dec 2023 Restated**	31 Dec 2024	31 Dec 2023 Restated**
	ZWG	ZWG	ZWG	ZWG
760 001 566	71 698 864	760 001 566	6 599 581	
3 704 162 946	3 415 539 895	3 704 162 946	314 386 205	

4.2 Cash and cash equivalents

Cash and bank balances comprise of balances with less than three months maturity from date of acquisition, including cash on hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

Cash and cash equivalents include the following for the purposes of the statement of cash flows:

Current account balance at Reserve Bank of Zimbabwe ("RBZ") (note 4.1)

760 001 566	71 698 864	760 001 566	6 599 581
3 704 162 946	3 415 539 895	3 704 162 946	314 386 205
4 464 164 512	3 487 238 759	4 464 164 512	320 985 786

5 FINANCIAL ASSETS

5.1 Loans and advances to customers

Loans and advance maturities

3 431 447 988	4 720 468 018	3 431 447 988	434 499 397
5 465 505 478	2 435 436 145	5 465 491 476	224 170 454
8 896 953 466	7 155 904 163	8 896 939 464	658 669 851
(164 787 655)	(246 644 227)	(164 787 655)	(22 702 573)

8 732 165 811	6 909 259 936	8 732 151 809	635 967 278
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NOTES TO THE CONSOLIDATED FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2024

5.2 Trade and other receivables

Trade and other receivables

Gross carrying amount

Impairment allowance

Total

5.3 Irrevocable commitments

There are no irrevocable commitments to extend credit, which can expose the Group to penalties or disproportionate expense.

5.4 Movement in credit impairment losses

Audited Inflation Adjusted Restated**	Financial assets at fair value through OCI ZWG	Trade and other receivables ZWG	Loans and advances ZWG	Financial assets at amortised cost and guarantees ZWG		Undrawn contractual commitments ZWG	Total ZWG
				31 Dec 2024	31 Dec 2023 Restated**		
Movement in credit impairment losses							
Balance at 01 January 2023	-	-	99 700 220	1 785 636	3 800 368	105 286 224	
Effects of IAS 29	-	-	(78 952 571)	(1 414 045)	(3 009 510)	(83 376 126)	
Change on application of IFRS 17	-	(150 864)	-	-	-	(150 864)	
Impairment loss allowance	-	426 959	228 793 563	1 658 217	2 104 293	232 983 032	
Amounts written off/reversals during the year	-	-	(2 896 985)	-	-	(2 896 985)	
Impairment reversal	-	(276 095)	-	-	-	(276 095)	
Balance as at 31 December 2023	-	-	246 644 227	2 029 808	2 895 151	251 569 186	
Balance at 01 January 2023	-	-	246 644 227	2 029 808	2 895 151	251 569 186	
Effects of IAS 29	-	-	(223 941 654)	(1 842 973)	(2 628 664)	(228 413 291)	
Additions due to business acquisition	-	-	31 506 177	-	-	31 506 177	
Impairment loss allowance	1 254 764	-	84 457 960	869 057	3 481 217	90 062 998	
Amounts written off/reversals during the year	-	-	(2 920 088)	-	-	(2 920 088)	
Impairment reversal	-	-	29 041 033	-	-	29 041 033	
Balance as at 31 December 2024	1 254 764	-	164 787 655	1 055 892	3 747 704	170 846 015	

Unaudited Historical Cost Restated**

Audited Inflation Adjusted Restated**	Financial assets at amortised cost ZWG	Unaudited Historical Cost Restated**		Audited Inflation Adjusted Restated**
		31 Dec 2024	31 Dec 2023 Restated**	



Abridged Audited Results

FOR THE YEAR ENDED 31 DECEMBER 2024

NOTES TO THE CONSOLIDATED FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2024

9	Audited Inflation Adjusted		Unaudited Historical Cost	
	31 Dec 2024		31 Dec 2023	
	ZWG	Restated**	ZWG	Restated**
PREPAYMENTS AND OTHER ASSETS				
Prepayments	118 957 437	84 637 925	103 528 791	5 889 347
Refundable deposits for Mastercard and Visa transactions	59 586 580	48 480 307	59 586 580	4 462 410
Stationery stock and other consumables	383 338	2 173 635	383 338	160 820
Time - share asset	23 218 650	20 087 206	23 218 650	1 848 944
Zimswitch receivables	-	46 304 836	-	4 262 167
Bill payments receivables	703 034 567	8 195 401	703 034 567	754 352
RBZ NCND and auction system balances*	830 399 673	351 367 295	830 399 673	32 341 894
Capital work in progress	10 790 316	10 790 316	33 032	33 032
Deferred employee benefit on staff loan	22 455 818	105 559 599	22 455 818	9 716 321
Other	50 073 477	37 927 301	69 392 524	4 029 870
	1 818 899 856	715 523 821	1 812 032 973	63 499 157
Current	1 759 313 276	667 043 514	1 752 446 393	59 036 747
Non-current	59 586 580	48 480 307	59 586 580	4 462 410
Total	1 818 899 856	715 523 821	1 812 032 973	63 499 157
*RBZ NCND and auction system balances refer to pre-funded customer positions upon allotment of foreign currency from the Central bank. The Group did not impair prepayments and other assets as they comprise of non-financial assets and short term financial assets held with the Reserve Bank of Zimbabwe. Any expected credit loss on these balances are considered to be immaterial.				

10 INVESTMENT PROPERTY

Balance as at 1 January	1 418 341 153	577 587 448	130 552 389	11 063 554
Additions due to business acquisition	153 402 520	-	153 402 520	-
Additions	211 640 972	45 915 795	211 279 647	2 436 323
Fair value adjustment	(275 307 234)	755 333 650	1 013 811 647	115 359 038
Disposals	(24 204 732)	(14 322 629)	(23 508 031)	(1 137 859)
Transfer from property and equipment	69 322 000	-	69 322 000	-
Transfer from inventory	5 560 360	53 826 889	3 741 402	2 831 333
Balance as at 31 December	1 558 755 039	1 418 341 153	1 558 601 574	130 552 389
Non-current	1 558 755 039	1 418 341 153	1 558 601 574	130 552 389
Total	1 558 755 039	1 418 341 153	1 558 601 574	130 552 389

11 INTANGIBLE ASSETS

Year ended 31 December				
Opening net book amount	9 724 464	8 858 565	62 060	26 609
Additions	1 369 359	1 962 559	1 166 779	47 926
Amortisation charge	(202 651)	(1 096 660)	(54 725)	(12 475)
Closing net book amount	10 891 172	9 724 464	1 174 114	62 060
As at 31 December				
Cost	49 512 665	48 143 306	1 249 113	82 334
Accumulated amortisation	(38 621 493)	(38 418 842)	(74 987)	(20 262)
Net book amount	10 891 172	9 724 464	1 174 114	62 060

12 PROPERTY AND EQUIPMENT

	Land and buildings	Machinery	Computer equipment	Furniture and office equipment	Motor vehicles	Total
Audited Inflation Adjusted	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG
Year ended 31 December 2023						
Opening net book amount	276 450 498	14 078 320	24 510 398	52 611 024	72 346 317	439 996 557
Additions	3 872 109	7 668 948	14 732 846	25 075 435	11 698 643	63 047 981
Revaluation of property	426 204 349	13 043 379	11 103 526	62 449 050	71 274 627	584 074 931
Disposals	-	-	(324 573)	(9 921 514)	(604 085)	(10 850 172)
Depreciation	(3 380 645)	(2 375 427)	(8 490 478)	(8 399 575)	(11 056 300)	(33 702 425)
Closing net book amount	703 146 311	32 415 220	41 531 719	121 814 420	143 659 202	1 042 566 872
As at 31 December 2023						
Cost or valuation	716 422 252	36 621 083	90 646 222	186 132 466	182 837 439	1 212 659 462
Accumulated depreciation	(13 275 941)	(4 205 863)	(49 114 503)	(64 318 046)	(39 178 237)	(170 092 590)
Net book amount	703 146 311	32 415 220	41 531 719	121 814 420	143 659 202	1 042 566 872
Year ended 31 December 2024						
Opening net book amount	703 146 311	32 415 220	41 531 719	121 814 420	143 659 202	1 042 566 872
Additions due to business acquisition	136 923 472	-	-	27 349	603 048	137 553 869
Additions	2 824 788	2 465 605	18 391 996	20 812 789	14 879 290	59 374 468
Revaluation of property	(109 533 668)	(7 711 548)	3 008 844	(30 363 426)	18 260 404	(126 339 394)
Effects of change in functional currency	65 521 088	-	2 249 271	1 074 446	129 851	68 974 656
Adjustment to cost	46	-	-	-	-	46
Transfer to investment property	(69 322 000)	-	(6 223 573)	(201 429)	(1 861 964)	(8 286 966)
Disposals	-	-	(1 604 184)	(15 382 884)	(11 710 120)	(74 118 668)
Depreciation	(11 407 354)	(1 604 184)	(15 382 884)	(11 710 120)	(74 118 668)	(114 223 410)
Closing net book amount	718 152 683	25 565 093	43 575 373	101 454 029	101 550 963	990 298 141
As at 31 December 2024						
Cost or valuation	677 314 890	31 375 140	105 823 489	176 407 749	214 718 217	1 205 639 485
Accumulated depreciation	(24 683 295)	(5 810 047)	(64 497 387)	(76 028 166)	(113 297 105)	(284 316 000)
Net book amount	718 152 683	25 565 093	43 575 373	101 454 029	101 550 963	990 298 141
Unaudited Historical Cost Restated**						
Year ended 31 December 2023						
Opening net book amount	5 294 855	269 667	472 405	1 005 293	1 385 812	8 428 032
Additions	248 624	427 612	769 733	922 405	541 181	2 909 555
Revaluation of property	59 417 563	2 321 276	2 963 806	9 691 467	12 067 557	86 461 669
Adjustment to cost	-	-	(6 701)	(189 715)	(17 341)	(1 100)
Disposals	-	-	(34 869)	(361 924)	(228 078)	(753 805)
Depreciation	(241 790)	(34 869)	(361 924)	(228 078)	(753 805)	(1 620 466)
Closing net book amount	64 719 252	2 983 686	3 837 319	11 200 272	13 223 404	95 963 933
As at 31 December 2023						
Cost or valuation	65 000 522	3 028 652	4 315 570	11 480 174	14 100 711	97 925 629
Accumulated depreciation	(281 270)	(44 966)	(478 251)	(279 899)	(



Abridged Audited Results

FOR THE YEAR ENDED 31 DECEMBER 2024

NOTES TO THE CONSOLIDATED FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2024

14.1 The following reconciliations show how the net carrying amounts of insurance and reinsurance contracts in each segment changed during the year as a result of cash flows and amounts recognised in the statement of profit or loss and OCI.

Movement in insurance and reinsurance contract balances

Audited Inflation Adjusted

31 Dec 2024

Non-life

Insurance contracts

Analysis by remaining coverage and incurred claims

Net opening assets/(liabilities)

Net opening balance

Changes in the statement of profit or loss and OCI

Insurance revenue

Insurance service expense

Incurred claims and other insurance service expenses

Amortisation of insurance acquisition cash flows

Losses and reversals of losses on onerous contracts

Adjustment to liabilities for incurred claims

Premium refunds

Insurance service result

Net finance expenses from insurance contracts

Effect of movement in exchange rates

Total changes in the statement of profit or loss and OCI

Cash flows

Premiums received

Claims and other insurance service expenses paid

Insurance acquisition cash flows

Total cash flows

Transfer to other items in the statement of financial position

Contracts derecognised on disposal of subsidiary

Net closing balance

Unaudited Historical Cost

31 Dec 2024

Net opening assets/(liabilities)

Net opening balance

Changes in the statement of profit or loss and OCI

Insurance revenue

Insurance service expense

Incurred claims and other insurance service expenses

Amortisation of insurance acquisition cash flows

Losses and reversals of losses on onerous contracts

Adjustment to liabilities for incurred claims

Premium refunds

Insurance service result

Net finance expenses from insurance contracts

Effect of movement in exchange rates

Total changes in the statement of profit or loss and OCI

Cash flows

Premiums received

Claims and other insurance service expenses paid

Insurance acquisition cash flows

Total cash flows

Transfer to other items in the statement of financial position

Contracts derecognised on disposal of subsidiary

Net closing balance

	Liability for incurred claims				
	Contracts under PAA				
	Liability for remaining coverage	Loss component	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Total
	ZWG	ZWG	ZWG	ZWG	ZWG
Net opening assets/(liabilities)	(99 037 752)	6 811	(119 315 315)	(13 705 193)	(232 051 449)
Net opening balance	(99 037 752)	6 811	(119 315 315)	(13 705 193)	(232 051 449)
Changes in the statement of profit or loss and OCI					
Insurance revenue	633 945 902	-	-	-	633 945 902
Insurance service expense	633 945 902	-	-	-	633 945 902
Total changes in the statement of profit or loss and OCI	332 014 347	55 181 865	(326 784 107)	(954 872)	59 457 233
Cash flows					
Premiums received	(572 276 891)	-	-	-	(572 276 891)
Claims and other insurance service expenses paid	157 197 393	-	247 684 733	-	404 882 126
Insurance acquisition cash flows	147 756 145	-	-	-	147 756 145
Total cash flows	(267 323 353)	-	247 684 733	-	(19 638 620)
Transfer to other items in the statement of financial position	-	-	-	-	-
Contracts derecognised on disposal of subsidiary	-	-	-	-	-
Net closing balance	(34 346 758)	55 188 676	(198 414 689)	(14 660 065)	(192 232 836)
Unaudited Historical Cost					
31 Dec 2024					
Net opening assets/(liabilities)	(13 129 827)	(1 566 593)	(5 228 112)	(1 434 794)	(21 359 326)
Net opening balance	(13 129 827)	(1 566 593)	(5 228 112)	(1 434 794)	(21 359 326)
Changes in the statement of profit or loss and OCI					
Insurance revenue	433 552 930	-	-	-	433 552 930
Insurance service expense	433 552 930	-	-	-	433 552 930
Total changes in the statement of profit or loss and OCI	212 101 931	12 164 468	(243 603 227)	1 643 473	(17 693 355)
Cash flows					
Premiums received	(589 288 036)	-	-	-	(589 288 036)
Claims and other insurance service expenses paid	168 848 792	-	186 446 594	-	355 995 386
Insurance acquisition cash flows	80 812 495	-	-	-	80 812 495
Total cash flows	(339 626 749)	-	186 446 594	-	(153 180 155)
Transfer to other items in the statement of financial position	-	-	-	-	-
Contracts derecognised on disposal of subsidiary	-	-	-	-	-
Net closing balance	(140 654 645)	10 597 875	(62 384 745)	208 679	(192 232 836)

NOTES TO THE CONSOLIDATED FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2024

Audited Inflation Adjusted

31 Dec 2023

Restated**

Non-life

Insurance contracts

Analysis by remaining coverage and incurred claims

	Liability for incurred claims				
	Contracts under PAA				
	Liability for remaining coverage	Loss component	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Total
	ZWG	ZWG	ZWG	ZWG	ZWG
Net opening assets/(liabilities)	(18 996 599)	8 886 718	(44 515 140)	(1 542 252)	(56 167 273)
Net opening balance	(18 996 599)	8 886 718	(44 515 140)	(1 542 252)	(56 167 273)
Changes in the statement of profit or loss and OCI					
Insurance revenue	522 107 952	-	-	-	522 107 952
Insurance service expense	522 107 952	-	-	-	522 107 952
Total changes in the statement of profit or loss and OCI	241 178 970	8 132 987	(305 601 200)	(7 354 422)	(63 643 665)
Cash flows					
Premiums received	(480 200 335)	-	-	-	(480 200 335)
Claims and other insurance service expenses paid	-	-	209 692 998	-	209 692 998
Insurance acquisition cash flows	158 267 290	-	-	-	158 267 290
Total cash flows	(321 933 045)	-	209 692 998	-	(112 240 047)
Transfer to other items in the statement of financial position	-	-	-	-	-
Contracts derecognised on disposal of subsidiary	-	-	-	-	-
Net closing balance	(99 750 674)	17 019 705	(140 423 342)	(8 896 674)	(232 050 985)
Unaudited Historical Cost					
31 Dec 2023					
Net opening assets/(liabilities)	(607 764)	170 223	(467 778)	6 032	(899 287)
Net opening balance	(607 764)	170 223	(467 778)	6 032	(899 287)
Changes in the statement of profit or loss and OCI					
Insurance revenue	27 654 494	-	-	-	27 654 494
Insurance service expense	27 654 494	-	-	-	27 654 494
Total changes in the statement of profit or loss and OCI	21 352 985	1 396 370	(18 903 925)	(1 055 118)	2 047 483
Cash flows					
Premiums received	(42 071 601)	-	-	-	(42 071 601)
Claims and other insurance service expenses paid	-	-	12 451 340	-	12 451 340
Insurance acquisition cash flows	7 112 740	-	-	-	7 112 740
Total cash flows	(34 958 861)	-	12 451 340	-	(22 507 521)
Transfer to other items in the statement of financial position	-	-	-	-	-
Contracts derecognised on disposal of subsidiary	-	-	-	-	-
Net closing balance	(14 213 640)	1 566 593	(7 663 192)	(1 049 086)	(21 359 325)

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Abridged Audited Results

FOR THE YEAR ENDED 31 DECEMBER 2024

NOTES TO THE CONSOLIDATED FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2024

Audited Inflation Adjusted
31 Dec 2024

Non-Life

Reinsurance contracts

Analysis by remaining coverage and incurred claims

Assets for remaining coverage				
Excluding Loss recovery component ZWG	Loss recovery component ZWG	Asset for incurred claims ZWG	Total ZWG	
15 312 853	38 479	31 064 864	46 416 196	
15 312 853	38 479	31 064 864	46 416 196	
181 170 139	-	-	181 170 139	
181 170 139	-	-	181 170 139	
Amounts recoverable from reinsurers				
Amortisation of reinsurance acquisition cash flows				
Recoveries of incurred claims and other insurance service expenses				
Recoveries and reversals of recoveries of losses on onerous underlying contracts				
Losses and reversals of losses on onerous contracts				
Adjustment to assets for incurred claims				
Premium refunds				
Effect of changes in non-performance risk of reinsurers				
Net (revenue)/expenses from reinsurance contracts	124 675 120	(26 750 166)	4 842 889	102 767 843
Net finance expenses from insurance contracts				
Effect of movement in exchange rates				
Total changes in the statement of profit or loss and OCI	179 673 012	2 906 917	4 842 889	187 422 818
Cash flows				
Premiums paid				
Amounts received				
Total cash flows	(146 833 309)	26 964 385	-	(119 868 924)
Contracts derecognised on disposal of subsidiary				
Net closing balance	48 152 556	29 909 781	35 907 753	113 970 090
Unaudited Historical Cost				
31 Dec 2024				
Net opening assets/(liabilities)				
1 408 021	3 542	2 860 846	4 272 409	
Net opening balance	1 408 021	3 542	2 860 846	4 272 409
Changes in the statement of profit or loss and OCI				
Allocation of reinsurance premiums paid				
128 641 906	-	-	128 641 906	
128 641 906	-	-	128 641 906	
Amounts recoverable from reinsurers				
Amortisation of reinsurance acquisition cash flows				
Recoveries of incurred claims and other insurance service expenses				
Recoveries and reversals of recoveries of losses on onerous underlying contracts				
Losses and reversals of losses on onerous contracts				
Adjustment to assets for incurred claims				
Premium refunds				
Effect of changes in non-performance risk of reinsurers				
Net (revenue)/expenses from reinsurance contracts	95 298 611	(16 368 886)	4 842 889	83 772 615
Net finance expenses from insurance contracts				
Effect of movement in exchange rates				
Total changes in the statement of profit or loss and OCI	166 094 311	43 309 892	4 842 889	214 247 093
Cash flows				
Premiums paid				
Amounts received				
Total cash flows	(121 132 517)	16 583 105	-	(104 549 412)
Contracts derecognised on disposal of subsidiary				
Net closing balance	46 369 816	59 896 539	7 703 735	113 970 090

NOTES TO THE CONSOLIDATED FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2024

Audited Inflation Adjusted
Restated**
31 Dec 2023

Non-Life

Reinsurance contracts

Analysis by remaining coverage and incurred claims

Assets for remaining coverage				
Excluding Loss recovery component ZWL ('000)	Loss recovery component ZWL ('000)	Asset for incurred claims ZWL ('000)	Total ZWL ('000)	
(9 515 611)	752 401	3 084 084	(5 679 126)	
(9 515 611)	752 401	3 084 084	(5 679 126)	
181 170 139	-	-	181 170 139	
181 170 139	-	-	181 170 139	
Amounts recoverable from reinsurers				
Amortisation of reinsurance acquisition cash flows				
Recoveries of incurred claims and other insurance service expenses				
Recoveries and reversals of recoveries of losses on onerous underlying contracts				
Losses and reversals of losses on onerous contracts				
Adjustment to assets for incurred claims				
Premium refunds				
Effect of changes in non-performance risk of reinsurers				
Net (revenue)/expenses from reinsurance contracts	52 986 276	5 096 083	24 282 305	82 364 664
Net finance expenses from insurance contracts				
Effect of movement in exchange rates				
Total changes in the statement of profit or loss and OCI	102 409 282	5 096 083	(55 298 971)	52 206 394
Cash flows				
Premiums paid				
Amounts received				
Total cash flows	-	-	(111 158)	(111 158)
Contracts derecognised on disposal of subsidiary				
Net closing balance	92 893 671	5 848 484	(52 326 045)	46 416 110
Unaudited Historical Cost				
31 Dec 2023				
Net opening assets/(liabilities)				
(228 041)	14 432	104 826	(108 783)	
Net opening balance	(228 041)	14 432	104 826	(108 783)
Changes in the statement of profit or loss and OCI				
Allocation of reinsurance premiums paid				
8 816 563	-	-	8 816 563	
8 816 563	-	-	8 816 563	
Amounts recoverable from reinsurers				
Amortisation of reinsurance acquisition cash flows				
Recoveries of incurred claims and other insurance service expenses				
Recoveries and reversals of recoveries of losses on onerous underlying contracts				
Losses and reversals of losses on onerous contracts				
Adjustment to assets for incurred claims				
Premium refunds				
Effect of changes in non-performance risk of reinsurers				
Net (revenue)/expenses from reinsurance contracts	805 657	469 073	2 235 085	3 509 815
Net finance expenses from insurance contracts				
Effect of movement in exchange rates				
Total changes in the statement of profit or loss and OCI	4 276 602	469 073	(1 380 632)	3 365 043
Cash flows				
Premiums paid				
Amounts received				
Total cash flows	-	-	1 016 149	1 016 149
Contracts derecognised on disposal of subsidiary				
Net closing balance	4 048 561	483 505	(259 657)	4 272 409

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Abridged Audited Results

FOR THE YEAR ENDED 31 DECEMBER 2024

NOTES TO THE CONSOLIDATED FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2024

	Audited Inflation Adjusted		Unaudited Historical Cost	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
	ZWG	Restated** ZWG	ZWG	Restated** ZWG
15 TRADE AND OTHER PAYABLES				
Trade and other payables	1 641 897 912	1 157 136 453	1 594 284 542	105 062 734
Deferred income	192 121 936	62 703 391	116 239 069	3 908 404
Visa and MasterCard settlement payables	6 146 564	302 863 275	6 146 564	27 877 302
TT Resdex inwards	48 466 050	18 129 267	48 466 050	1 668 723
RBZ cash cover	21 592 734	234 586 766	21 592 734	21 592 734
Zimswitch settlement	15 118 329	28 134 476	15 118 329	2 589 661
Instant banking balances	207 333 765	8 640 114	207 333 765	795 287
Other liabilities	74 404 320	552 836 283	74 024 078	50 690 051
Intermediary tax	64 119 899	40 102 384	64 119 899	3 691 257
Customer funds awaiting payment	108 028 570	325 346 566	108 028 570	29 946 795
	2 379 230 079	2 730 478 975	2 255 353 600	247 822 948
Current	2 087 853 007	2 135 134 430	2 087 853 007	195 083 370
Non-current	291 377 072	595 344 545	167 500 593	52 739 578
Total	2 379 230 079	2 730 478 975	2 255 353 600	247 822 948
16 SHARE CAPITAL AND SHARE PREMIUM				
16.1 Authorised				
Number of ordinary shares, with a nominal value of ZWG0,000,000,000,400,2042**	800 000 000	800 000 000	800 000 000	800 000 000
	671 949 927	671 949 927	671 949 927	671 949 927
16.2 Issued and fully paid				
Number of ordinary shares, with a nominal value of ZWL0,000,000,000,400,2042**				
	671 949 927	671 949 927	671 949 927	671 949 927
16.3 Share capital movement				
INFLATION ADJUSTED				
As at 1 January 2023				
Share issue	-			
As at 31 December 2023				
Share issue	-			
As at 31 December 2024				
HISTORICAL COST				
As at 1 January 2023				
Share issue	-			
As at 31 December 2023				
Share issue	-			
As at 31 December 2024				
	Audited Inflation Adjusted		Unaudited Historical Cost	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
	ZWG	Restated** ZWG	ZWG	Restated** ZWG
17 INTEREST INCOME				
Cash and cash equivalents	39 691 362	45 192 366	29 653 594	2 792 270
Loans and advances to other banks	83 457 182	148 961 533	53 912 287	8 327 046
Loans and advances to customers	1 805 476 723	1 371 818 161	1 186 375 242	77 566 780
Banker's acceptances and tradable bills	20 145 498	48 482 999	13 860 866	1 903 204
Other interest income	39 367 041	57 921 789	24 837 717	2 867 450
	1 988 137 806	1 672 376 848	1 308 639 706	93 456 750
Credit related fees that are an integral part of the effective interest on loans and advances have been classified under interest income.				
17.1 INTEREST EXPENSE				
Deposit from other banks	82 379 684	153 200 963	56 037 980	7 496 031
Demand deposits	20 727 860	30 677 953	13 883 013	1 755 348
Lines of credit from financial institutions	401 353 139	341 790 465	267 266 408	20 040 860
Time deposits	77 370 309	104 281 359	54 093 574	4 948 981
	581 830 992	629 950 740	391 280 975	34 241 220
18 FEE AND COMMISSION INCOME				
Retail service fees	1 203 412 202	932 349 043	812 880 782	51 202 756
Credit related fees	38 208 658	17 814 422	31 707 058	1 035 214
Investment banking fees	6 956 401	52 013 745	6 892 412	4 533 986
Brokerage commission	11 201 684	11 534 672	6 808 539	623 102
	1 259 778 945	1 013 711 882	858 288 791	57 395 058
18.1 FEE AND COMMISSION EXPENSE				
Brokerage	33 586 566	7 300 342	32 205 297	319 349
19 INSURANCE REVENUE				
Contracts measured under PAA				
Life risk	633 945 902	522 107 952	433 552 930	27 654 494
Non-life	633 945 902	522 107 952	433 552 930	27 654 494
20 NET GAIN FROM FINANCIAL INSTRUMENTS CARRIED AT FAIR VALUE				
Financial assets at fair value through profit or loss (note 6), fair value gains	947 714 024	368 306 218	991 551 796	34 683 879
21 OTHER OPERATING INCOME				
Rental income	54 710 817	38 313 133	43 026 188	2 295 179
Loss on disposal of property and equipment	(1 069 431)	(9 408 362)	(45 557)	(108 485)
Sundry income	199 754 359	42 406 070	122 117 193	2 087 313
Bad debts (written off)/recoveries	(1 953 672)	(1 935 699)	(3 117 522)	(213 651)
Fair value adjustment on investment property	(275 307 234)	593 076 724	907 315 944	102 361 145
	(23 865 161)	662 451 866	1 069 296 246	106 421 501

NOTES TO THE CONSOLIDATED FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2024

	Audited Inflation Adjusted		Unaudited Historical Cost	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
	ZWG	Restated** ZWG	ZWG	Restated** ZWG
22 OPERATING EXPENSES				
Insurance service expenses				
Claims and benefits	343 534 439	-	256 777 874	260 106 110
Losses on onerous insurance contracts			30 661 600	-
Amounts attributed to/amortisation of insurance acquisition cash flows	147 756 145	-	158 267 290	86 998 142
Net impairment loss on assets for insurance acquisition			-	7 909 958
Staff costs	16 808 850	-	36 887 593	11 239 695
Administration expenses	71 378 316	-	11 157 168	65 864 382
	579 477 750	493 751 525	424 208 329	29 294 903
Other operating expenses				
Administrative expenses	1 361 891 562	-	827 538 186	700 961 455
Staff costs (note 22.1)	2 589 848 099	-	2 170 791 636	2 162 518 827
Directors' remuneration (note 22.2)	457 448 018	-	857 912 998	285 022 972
Audit fees:				
- Financial statements audit-current year fees	25 298 054	-	24 378 152	15 542 410
- Financial statements audit-prior year fees	1 512 615	-	4 003 524	1 171 634
- Other services	-	-	1 658 712	-
Depreciation	114 223 410	-	33 702 425	53 350 943
Amortisation			202 651	54 725
Leases of low value items and short term leases			306 937	12 475
	4 550 731 346	3 921 200 920	3 218 929 876	224 497 234
22.1 Staff costs				
Salaries and allowances	2 500 997 239	-	2 159 378 097	2 096 684 453
Social security	27 646 799	-	8 762 376	20 298 088
Pension contribution	78 012 911	-	39 538 756	56 775 981
	2 606 656 949	2 207 679 229	2 173 758 522	138 908 321
22.2 Director's remuneration				
Board fees	39 869 288	-	23 600 090	29 845 114
Other emoluments	475 998	-	2 651	462 714
For services as management	417 102 732	-	834 310 257	254 715 144
	457 448 018	857 912 998	285 022 972	42 593

Abridged Audited Results

FOR THE YEAR ENDED 31 DECEMBER 2024

NOTES TO THE CONSOLIDATED FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2024

25 SEGMENT REPORTING

Segment information is presented in respect of business segments.

Segment revenue, expenses, liabilities and assets are items that are directly attributable to the business segment or which can be allocated on a reasonable basis to a business segment.

The Group comprises of eight business segments i.e. commercial banking, wholesale banking, microlending, mortgage financing, short term reinsurance, short term insurance, stockbroking and insurance broking.

Performance is measured based on segment profit before income tax, as included in the internal management reports that are reviewed by the Group Executive Committee.

Audited Inflation Adjusted

	Short term								
	Commercial banking	Wholesale banking	Microlending	Mortgage financing	Short term reinsurance	Short term insurance	Stockbroking	Insurance Broking	Consolidated
31 Dec 2024	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG
Total segment net income									
Interest income	1 455 052 932	73 832 082	314 884 654	150 663 632	3 508 455	10 129 124	179 239	-	2 008 250 118
Interest expense	(510 950 967)	(4 455 499)	(28 561 118)	(53 366 811)	-	(63 578)	(803 860)	(490 370)	(598 692 203)
Net interest income	944 101 965	69 376 583	286 323 536	97 296 821	3 508 455	10 065 546	(624 621)	(490 370)	1 409 557 915
Sales	-	-	-	-	-	-	-	-	-
Cost of sales	-	-	-	-	-	-	-	-	-
Gross profit	-	-	-	-	-	-	-	-	-
Insurance service result	-	-	-	-	-	-	-	-	-
Net fee and commission income	951 386 134	120 225 078	667 856	143 686 608	-	(45 945 613)	(2 373 234)	-	3 811 200
- Retail service fees	938 520 618	109 099 257	-	123 893 399	-	-	-	-	-
- Credit related fees	5 909 115	11 125 821	667 856	19 793 209	-	-	-	-	-
- Investment banking fees	6 956 401	-	-	-	-	-	-	-	-
- Brokerage commission	-	-	-	-	-	-	3 811 200	1 670 039	1 221 446 915
Net trading income and other income	2 964 184 860	126 491 730	85 904 335	(23 804 584)	252 373 464	116 830 406	9 290 876	1 490 835	3 532 761 922
Total net income for reported segments	4 859 672 959	316 093 391	372 895 727	217 178 845	209 936 306	124 522 718	12 477 455	2 670 504	6 115 447 905
Intersegment revenue	(25 422 340)	(1 329 244)	(2 774)	(6 687 600)	(6 656 105)	(106 645 957)	(572 775)	(2 394 710)	(149 711 505)
Intersegment interest expense and commission	81 267 025	1 777 846	45 756 752	20 990 016	1 368 998	21 663 995	875 881	522 872	174 223 385
Net income from external customers	4 915 517 644	316 541 993	418 649 705	231 481 261	204 649 199	39 540 756	12 780 561	798 666	6 139 959 785
Segment profit/(loss) before income tax	1 085 109 986	107 365 053	102 877 046	44 237 093	117 236 752	28 006 097	(53 932)	2 858 779	1 487 636 874
Impairment allowances on financial assets	115 875 590	(55 870 631)	11 099 096	18 368 489	-	232 786	-	-	89 705 330
Depreciation	97 029 190	2 494 040	2 414 303	6 633 196	1 821 727	2 680 539	117 895	694 340	113 885 230
Amortisation	107 879	-	804	-	3 241	-	-	90 727	202 651
Segment assets	13 317 939 825	3 173 034 778	322 961 250	2 304 328 457	523 321 772	311 168 160	32 528 875	12 751 615	19 998 034 732
Total assets include :									
Additions to non-current assets	40 770 753	2 287 962	4 971 686	6 757 413	3 229 612	2 606 997	95 007	-	60 719 430
Segment liabilities	10 893 584 111	2 232 085 076	291 521 033	1 537 768 931	295 804 406	205 511 206	19 961 771	19 570 046	15 495 806 580

Audited Inflation Adjusted

	Short term								
	Commercial banking	Microlending	Mortgage financing	Short term reinsurance	Short term insurance	Stockbroking	Insurance Broking	Consolidated	
31 Dec 2023	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG
Total segment net income									
Interest income	1 304 471 979	293 228 170	114 234 201	6 563 372	8 229 843	11 332	(866 759)	(8 794 317)	1 726 738 897
Interest expense	(501 901 477)	(26 377 779)	(162 882 336)	-	(441 971)	-	-	-	(701 284 639)
Net interest income	802 570 502	266 850 391	(48 648 135)	6 563 372	7 787 872	(875 427)	(8 794 317)	1 025 454 258	
Sales	-	-	-	-	-	-	-	-	-
Cost of sales	-	-	-	-	-	-	-	-	-
Gross profit	-	-	-	-	-	-	-	-	-
Insurance service result	-	-	-	(5 319 882)	5 122 394	-	-	-	(197 488)
Net fee and commission income	889 620 399	631 596	108 304 766	-	-	3 761 425	1 397 757	1 003 715 943	
- Retail service fees	829 585 050	-	99 439 251	-	-	-	-	-	-
- Credit related fees	8 021 604	631 596	8 865 515	-	-	-	-	-	-
- Investment banking fees	52 013 745	-	-	-	-	-	-	-	-
- Brokerage commission	-	-	-	-	-	3 761 425	1 397 757		
Net trading income and other income	2 290 285 330	20 864 911	619 381 161	27 559 512	7 400 925	10 132 290	3 187 683	2 978 811 812	
Total net income for reported segments	3 982 476 231	288 346 898	679 037 792	28 803 002	20 311 191	13 018 288	(4 208 877)	5 007 784 525	(131 122 021)
Intersegment revenue	(36 621 717)	(459 875)	(20 077 695)	(6 400 205)	(61 121 127)	(459 787)	(5 981 615)		
Intersegment interest expense and commission	69 713 021	42 451 644	34 892 671	744 148	19 980 459	1 047 305	9 220 465	178 049 713	
Net income from external customers	4 015 567 535	330 338 667	693 852 768	23 146 945	(20 829 477)	13 605 806	(970 027)	5 054 712 217	
Segment profit/(loss) before income tax	1 297 904 046	39 187 465	371 488 628	(2 236 107)	2 143 395	3 102 117	(8 194 883)	1 703 394 661	
Impairment allowances on financial assets	217 024 051	10 547 568	4 569 093	-	276 332	-	-	232 417 044	
Depreciation	20 411 757	1 357 117	7 598 458	1 908 129	124 694	323 886	33 314 017		
Amortisation	1 001 231	804	-	3 898	-	90 728	1 096 661		
Segment assets	12 021 257 122	334 284 711	1 987 754 078	34 101 186	25 245 824	27 882 483	8 226 832	14 438 752 236	
Total assets include :									
Additions to non-current assets	47 339 569	4 814 973	8 465 599	2 964 708	1 278 475	35 180	-	64 898 504	
Segment liabilities	10 085 550 153	316 178 164	1 152 621 068	28 115 122	17 499 426	18 876 245	21 535 359	11 640 375 536	
Type of revenue generating activity	Commercial and retail banking	Microlending	Mortgage financing	Underwriting general classes of short term re-insurance	Underwriting general classes of short term re-insurance	Equity market dealing	Short term insurance broking		

NOTES TO THE CONSOLIDATED FINANCIAL RESULTS (CONTINUED)

Abridged Audited Results

FOR THE YEAR ENDED 31 DECEMBER 2024

NOTES TO THE CONSOLIDATED FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2024

26 SEGMENT REPORTING (CONTINUED)

	Audited Inflation Adjusted		Unaudited Historical Cost	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
	ZWG	ZWG	ZWG	ZWG
Operating segments reconciliations				
Net income				
Total net income for reportable segments	6 139 959 785	5 054 712 217	6 434 037 578	451 052 552
Total net income for non reportable segments	1 316 875 967	20 196 976 973	1 244 905 702	36 862 285
Elimination of intersegment revenue received from the holding company	(1 717 725)	(1 053 251)	(1 254 891)	(52 378)
Intersegment eliminations	(224 905 873)	(19 726 544 495)	(265 418 580)	(11 280 759)
Group total net income	7 230 212 154	5 524 091 444	7 412 269 809	476 581 700
Group profit before tax				
Total profit before income tax for reportable segments	1 487 636 874	1 703 394 661	3 763 326 748	228 569 297
Intersegment eliminations	525 443 480	51 050 974	339 950 187	2 070 052
Profit before income tax	2 013 080 354	1 754 445 635	4 103 276 935	230 639 349
Group assets				
Total assets for reportable segments	19 998 034 732	14 438 752 236	19 952 850 822	1 383 830 059
Other group assets	2 458 285 843	1 090 444 464	1 785 252 888	66 114 886
Deferred tax asset allocated to the holding company	111 713 273	317 173	158 943 573	2 353 647
Intersegment eliminations	(3 001 344 267)	(773 278 785)	(2 314 316 251)	(95 843 312)
Group total assets	19 566 689 581	14 756 235 088	19 582 731 032	1 356 455 280
Group liabilities				
Total liabilities for reportable segments	15 495 806 580	11 640 375 536	15 397 486 087	1 114 286 261
Other group liabilities and elimination of intersegment payables	(484 645 566)	46 785 200	(508 019 675)	(40 939 072)
Group total liabilities	15 011 161 014	11 687 160 736	14 889 466 412	1 073 347 189

In the normal course of business, group companies trade with one another and the material intergroup transactions include:

- 1) Underwriting of insurance risk by the insurance subsidiary;
- 2) Reinsurance of the insurance subsidiary's insurance risk by the reinsurance subsidiary;
- 3) Borrowings from the banking subsidiary by group companies and placement of funds and operating of current accounts; and
- 4) Placement of funds with the Bank and the Building Society by Group companies.

These transactions result in income, expenses, assets and liabilities that are eliminated on consolidation.

27 FINANCIAL RISK MANAGEMENT

The Group has a defined risk appetite that is set by the Board and it outlines the amount of risk that business is prepared to take in pursuit of its objectives and it plays a pivotal role in the development of risk management plans and policies. The Group regularly reviews its policies and systems to reflect changes in markets, products, regulations and best market practice.

The policies specifically cover foreign exchange risk, liquidity risk, interest rate risk, credit risk and the general use of financial instruments. Group Risk and Compliance, Group Internal audit review from time to time the integrity of the risk control systems in place and ensure that risk policies and strategies are effectively implemented within the Group.

The Group's risk management strategies and plans are aimed at achieving an appropriate balance between risk and return and minimise potential adverse effects on the Group's financial performance.

The Group's activities and operations results in exposure to the following risks:

- (a) Credit risk
- (b) Market risk
- (b.i) Interest rate risk,
- (b.ii) Currency risk
- (b.iii) Price risk
- (c) Liquidity risk
- (d) Settlement risk
- (e) Operational risk
- (f) Capital risk
- (g) Climate related risk
- (h) Insurance risk

Other risks:

- (i) Reputational risk
- (j) Legal and Compliance risk
- (k) Strategic risk

The Group controls these risks by diversifying its exposures and activities among products, clients, and by limiting its positions in various instruments and investments.

27.1 Credit risk

Credit risk is the risk of loss due to the inability or unwillingness of a counterparty to meet their obligations as and when they fall due. Credit risk arises from lending, trading, insurance products and investment activities and products. Credit risk and exposure to loss are inherent parts of the Group's business.

The Group manages, limits and controls concentrations of credit risk in respect of individual counterparties and groups. The Group structures the levels of credit risk it undertakes by placing limits on the amount of risk accepted in relation to one counterparty or group or counterparties and to geographical and industry segments. Such risks are monitored on a revolving basis and are subject to an annual or more frequent review, when considered necessary. Limits on the level of credit risk by product and industry sector are approved by the Board of Directors of the subsidiary companies.

The Board Credit Committees of FBC Bank, FBC Crown, Microplan and the Building Society periodically review and approve the Group's policies and procedures to define, measure and monitor the credit and settlement risks arising from the Group's lending and investment activities. Limits are established to control these risks. Any facility exceeding established limits of the subsidiary's Management Credit Committee must then be approved by the subsidiary Board Credit Committee.

The Group Credit Management Division evaluates the credit exposures and assures ongoing credit quality by reviewing individual credit and concentration and monitoring of corrective action.

The Group Credit Division periodically prepares detailed reports on the quality of the customers for review by the Board Loans Review Committees of the subsidiary companies and assess the adequacy of the impairment allowance. Any loan or portion thereof which is classified as a 'loss' is written off. To maintain an adequate allowance for credit losses, the Group generally provides for a loan or a portion thereof, when a loss is probable.

Credit policies, procedures and limits

The Group has sound and well-defined policies, procedures and limits which are reviewed at least once every year and approved by the Board of Directors of the subsidiary companies and strictly implemented by management. Credit risk limits include delegated approval and write-off limits to Credit Managers, Management, Board Credit Committees and the Board. In addition there are counterparty limits, individual account limits, group limits and concentration limits.

Credit risk mitigation and hedging

As part of the Group's credit risk mitigation and hedging strategy, various types of collateral is taken by the banking subsidiaries. These include mortgage bonds over residential, commercial and industrial properties, cession of book debts and the underlying moveable assets financed. In addition, a guarantee is often required particularly in support of a credit facility granted to counterparty. Generally, guarantor counterparties include parent companies and shareholders. Creditworthiness for the guarantor is established in line with the credit policy.

Credit risk stress testing

The Group recognises the possible events or future changes that could have a negative impact on the credit portfolios which could affect the Group's ability to generate more business. To mitigate this risk, the Group has put in place stress testing framework that guides the Group's banking subsidiaries in conducting credit stress tests.

Significant increase in credit risk

The Group monitors all financial assets that are subject to impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk the Group will measure the loss allowance based on the lifetime rather than 12-month ECL.

Credit terms:

Default
This is failure by a borrower to comply with the terms and conditions of a loan facility as set out in the facility offer letter or loan contract. Default occurs when a debtor is either unwilling or unable to repay a loan.

Past due loans

These are loans in which the debtor is in default by exceeding the loan tenure or expiry date as expressly set out in the loan contract i.e. the debtor fails to repay the loan by a specific given date.

Impaired loans

The Group's policy regarding impaired/doubtful loans is that all loans where the degree of default becomes extensive such that the Group no longer has reasonable assurance of collection of the full outstanding amount of principal and interest; all such loans are classified in the categories 8, 9 and 10 under the Basel II ten tier grading system and stage 3 under IFRS 9 staging matrix.

NOTES TO THE CONSOLIDATED FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2024

Provisioning policy and write offs

The Group has adopted IFRS 9 to determine expected credit losses (ECL)

The table below shows the mapping of the RBZ Supervisory Rating Scale to the IFRS 9 staging matrix

Rating	Descriptive classification	Risk level	Level of allowance	2012 Grading and level of allowance	IFRS 9 grading/tier system	Type of allowance
1	Prime grade	Insignificant	1%			
2	Strong	Modest	1%			
3	Satisfactory	Average	2%			
4	Moderate	Acceptable	3%			
5	Fair	Acceptable with care	4%			
6	Speculative	Management attention	5%			
7	Highly Speculative	Special mention	10%			
8	Substandard	Vulnerable	20%	C (20%)		
9	Doubtful	High default	50%	D (50%)	Stage 3	Lifetime ECL
10	Loss	Bankrupt	100%	E (100%)		

Expected Credit Losses (ECL)

In the context of IFRS 9, it is the probability-weighted estimate of credit losses (i.e., the present value of all cash shortfalls) over the expected life of the financial instrument. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract (scheduled or contractual cashflows) and the cash flows that the entity expects to receive (actual expected cashflows)

Expected Credit Losses are the product of Probability of Default(PD)*Exposure at Default (EAD)* Loss Given Default(LGD)

Probability of Default (PD)

It is the chance that borrowers will fail to meet their contractual obligations in the future. The PD is derived using historical internal credit rating data.

Exposure at Default (EAD)

It is the total value that a bank is exposed to at the time of a loan's default. In most cases and for most loan products, EAD is taken as the gross outstanding balance at time of default. It also includes off -balance sheet exposures such as guarantees and lending commitments which are then modelled based on historical experience to determine the appropriate exposure estimates.

Loss Given Default (LGD)

It is an estimate of the loss from a transaction given that a default has occurred. The LGD estimate is calculated as the quotient of the set of estimated cash flows resulting from the workout and/or collections process (the loss of principal, the carrying costs of non-performing loans e.g. interest income foregone and workout expenses). The estimates take into account the time value of money by discounting the recoveries to the date of default.

	Audited Inflation Adjusted		Unaudited Historical Cost	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
	ZWG	ZWG	ZWG	ZWG
27.1.1 Exposure to credit risk				
Loans and advances				
Stage 3/Grade 8:				
Stage 3/Grade 9:				
Stage 3/Grade 10:				
Gross amount				
Allowance for impairment				
Carrying amount				
Stage 2/Grade 4 - 7:				
Stage 1/Grade 1 - 3:				
Gross amount				
Allowance for impairment				
Carrying amount				

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NOTES TO THE CONSOLIDATED FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2024

Loans and advances	Unaudited Historical Cost											
	31 Dec 2024						31 Dec 2023 Restated**					
	ECL staging			ECL staging			ECL staging			ECL staging		
Credit grade	Stage 1 12-month	Stage 2 Lifetime	Stage 3 Lifetime	Total	ECL ZWG	ZWG	Stage 1 12-month	Stage 2 Lifetime	Stage 3 Lifetime	ECL ZWG	ZWG	Total
Investment grade	7 237 172 076	24 309 124	-	7 261 481 200	499 976 582	-	-	-	-	499 976 582	-	-
Standard monitoring	-	250 848 089	-	250 848 089	-	-	120 167 727	-	-	120 167 727	-	-
Special monitoring	-	1 058 508 209	-	1 058 508 209	-	-	30 915 770	-	-	30 915 770	-	-
Default	-	-	326 101 966	326 101 966	-	-	7 609 772	-	-	7 609 772	-	-
Gross loans and advances	7 237 172 076	1 333 665 422	326 101 966	8 896 939 464	499 976 582	ZWG	151 083 497	7 609 772	658 669 851	499 976 582	ZWG	31 Dec 2023 Restated**
Loss allowance	(69 073 697)	(21 862 019)	(73 851 939)	(164 787 655)	(7 479 536)	(ZWG)	(10 243 110)	(4 979 927)	(22 702 573)	(7 479 536)	(ZWG)	(22 702 573)
Net loans and advances	7 168 098 379	1 311 803 403	252 250 027	8 732 151 809	492 497 046	ZWG	140 840 387	2 629 845	635 967 278	492 497 046	ZWG	31 Dec 2023 Restated**
Analysis												
Gross amount												
Balance as at January	499 976 582	151 083 497	7 609 772	658 669 851								
Effects of IAS 21	3 852 110 343	993 747 661	62 882 982	4 908 740 986								
Additions due to business acquisition	327 930 773	-	20 242	327 951 015								
Transfers	(71 187 051)	56 426 666	14 760 385									
Stage 1	(127 600 940)	119 179 476	8 421 464									
Stage 2	56 095 929	(63 632 354)	7 536 425									
Stage 3	317 960	879 544	(1 197 504)									
New issue	4 338 099 688	580 368 328	289 321 202	5 207 789 218								
Repayments	(1 709 758 259)	(447 960 730)	(38 392 137)	(2 196 111 126)								
Amounts written off during the year as uncollectible	-	-	(10 100 480)	(10 100 480)								
Balance as at December	7 237 172 076	1 333 665 422	326 101 966	8 896 939 464	499 976 582	ZWG	151 083 497	7 609 772	658 669 851	499 976 582	ZWG	31 Dec 2023 Restated**
Impairment												
Balance as at January	7 479 535	10 243 110	4 979 927	22 702 572								
Additions due to business acquisition	31 467 733	1 082 427	66 681	32 616 841								
Transfers	(43 490 638)	47 713 549	(42 222 712)	(1)								
Stage 1	(36 468 539)	36 373 752	94 786									
Stage 2	(7 231 918)	10 950 408	(3 718 491)									
Stage 3	209 619	389 389	(599 007)									
Net change due to new issues and repayments	45 985 596	(35 371 546)	80 193 787	90 807 837								
Interest in suspense (reclassification)	25 626 373	(2 901 085)	(1 145 310)	21 579 978								
Changes in parameters	2 005 298	1 095 564	(6 020 434)	(2 919 572)								
Amounts written off during the year as uncollectible	-	-	-	-								
Balance as at December	69 073 697	21 862 019	73 851 939	164 787 655	7 479 536	ZWG	10 243 110	4 979 927	22 702 573	7 479 536	ZWG	31 Dec 2023 Restated**

27.1.2 Sectoral analysis of utilizations of loans and advances to customers

	Audited Inflation Adjusted											
	2024				2023				Unaudited Historical Cost			
	ZWG	%	ZWG	%	ZWG	%	ZWG	%	ZWG	%	ZWG	%
Mining	241 015 006	3%	310 574 269	4%	241 015 006	3%	28 587 066	4%	241 015 006	3%	28 587 066	4%
Manufacturing	1 568 051 710	18%	887 121 330	12%	1 568 051 710	18%	81 655 819	12%	1 568 051 710	18%	81 655 819	12%
Mortgage	506 670 446	6%	361 416 128	5%	506 670 446	6%	33 268 847	5%	506 670 446	6%	33 268 847	5%
Wholesale	183 893 873	2%	823 137 476	12%	183 893 873	2%	75 766 372	12%	183 893 873	2%	75 766 372	12%
Distribution	810 347 485	9%	6 413 699	0%	810 347 485	9%	590 354	0%	810 347 485	9%	590 354	0%
Individuals	1 857 241 257	21%	847 197 932	12%	1 857 241 257	21%	77 981 037	12%	1 857 241 257	21%	77 981 037	12%
Agriculture	624 779 069	7%	515 027 072	7%	624 779 069	7%	47 406 094	7%	624 779 069	7%	47 406 094	7%
Communication	59 125 487	1%	14 455 572	0%	59 125 487	1%	1 330 575	0%	59 125 487	1%	1 330 575	0%
Construction	138 915 608	2%	358 294 513	5%	138 915 608	2%	32 979 516	5%	138 915 608	2%	32 979 516	5%
Local authorities	10 321 061	0%	656	0%	10 321 061	0%	60	0%	10 321 061	0%	60	0%
Other services	2 896 592 264	33%	3 032 265 516	42%	2 896 578 262	34%	279 106 111	42%	2 896 578 262	34%	279 106 111	42%
	8 896 953 466	100%	7 155 904 163	100%	8 896 939 464	100%	658 669 851	100%	8 896 939 464	100%	658 669 851	100%

Reconciliation of allowance for impairment for loans and advances

Audited Inflation Adjusted	31 Dec 2024											
Specific allowance / Stage 3				Collective allowance / Stage 1-2				Restated**				
ZWG	%											
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Abridged Audited Results

FOR THE YEAR ENDED 31 DECEMBER 2024

NOTES TO THE CONSOLIDATED FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2024

Credit grade
Investment grade
Standard monitoring
Special monitoring
Default

Gross undrawn loan commitments and guarantees
Loss allowance
Net undrawn loan commitments and guarantees

Analysis
Gross amount
Balance as at January

Transfers
Stage 1
Stage 2
Stage 3

New issue
Repayments
Amounts written off during the year as uncollectible

Balance as at December

Impairment
Balance as at January
Changes on initial application of IFRS 9
Transfers
Stage 1
Stage 2
Stage 3

Net change due to new issues and repayments
Interest in suspense (reclassification)
Changes in parameters
Amounts written off during the year as uncollectible

Balance as at December

	Unaudited Historical Cost					
	31 Dec 2024			31 Dec 2023 Restated**		
	Stage 1 12-month ECL ZWG	Stage 2 Lifetime ECL ZWG	Stage 3 Lifetime ECL ZWG	Total ZWG	Stage 1 12-month ECL ZWG	Stage 2 Lifetime ECL ZWG
Credit grade						
Investment grade	230 721 479			230 721 479	39 693 835	-
Standard monitoring	-			-	-	39 693 835
Special monitoring	-			-	-	-
Default	-			-	-	-
Gross undrawn loan commitments and guarantees	230 721 479	-	-	230 721 479	39 693 835	-
Loss allowance	(3 747 535)	-	-	(3 747 535)	(266 487)	-
Net undrawn loan commitments and guarantees	226 973 944	-	-	226 973 944	39 427 348	-
Analysis						
Gross amount	39 693 835	-	-	39 693 835	5 311 907	-
Balance as at January						5 311 907
Transfers	-	-	-	-	-	-
Stage 1	-	-	-	-	-	-
Stage 2	-	-	-	-	-	-
Stage 3	-	-	-	-	-	-
New issue	284 498 953	-	-	284 498 953	46 214 058	-
Repayments	(93 471 309)	-	-	(93 471 309)	(11 832 130)	-
Amounts written off during the year as uncollectible	-	-	-	-	-	-
Balance as at December	230 721 479	-	-	230 721 479	39 693 835	-
Impairment						
Balance as at January	266 487	-	-	266 487	72 795	-
Changes on initial application of IFRS 9	-	-	-	-	-	-
Transfers	-	-	-	-	-	-
Stage 1	-	-	-	-	-	-
Stage 2	-	-	-	-	-	-
Stage 3	-	-	-	-	-	-
Net change due to new issues and repayments	3 481 049	-	-	3 481 049	193 692	-
Interest in suspense (reclassification)	-	-	-	-	-	-
Changes in parameters	-	-	-	-	-	-
Amounts written off during the year as uncollectible	-	-	-	-	-	-
Balance as at December	3 747 536	-	-	3 747 536	266 487	-

NOTES TO THE CONSOLIDATED FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2024

27.1.5 Trade and other receivables

Past due and impaired

Allowance for impairment

Carrying amount

Past due but not impaired

Neither past due nor impaired

Gross amount, not impaired

Allowance for impairment

Carrying amount, not impaired

Total carrying amount

Audited Inflation Adjusted 31 Dec 2024 ZWG	31 Dec 2023 Restated** ZWG	Unaudited Historical Cost	
		31 Dec 2024 ZWG	31 Dec 2023 Restated** ZWG
-	-	-	-
-	-	-	-
183 080	3 195 403	183 080	294 124
183 080	3 195 403	183 080	294 124
183 080	3 195 403	183 080	294 124

27.2 Liquidity risk

Liquidity risk is the risk of not being able to generate sufficient cash to meet financial commitments, to extend credit, meet deposit maturities, settle claims and other unexpected demands for cash. Liquidity risk arises when assets and liabilities have differing maturities.

Management of liquidity risk

The Group does not manage liquidity risk in isolation as it is often triggered by consequences of other financial risks such as credit risk and market risk. The Group's liquidity risk management framework is therefore designed to ensure that its subsidiaries have adequate liquidity to withstand any stressed conditions. To achieve this objective, the Board of Directors of the Company, through the Board Asset Liability Committees of FBC Bank, FBC Crown, Microplan and the Building Society and Board Risk and Compliance Committees, is ultimately responsible for liquidity risk management. The responsibility for managing the daily funding requirements is delegated to the Heads of Treasury Divisions for the banking entities and the Finance Directors for non-banking entities with independent day to day monitoring being provided by Group Risk Management.

Liquidity and funding management

The Group's management of liquidity and funding is decentralised and each entity is required to fully adopt the liquidity policy approved by the Board with independent monitoring being provided by the Group Risk Management Division. The Group uses concentration risk limits to ensure that funding diversification is maintained across products, counterparties, and sectors. Major sources of funding are in the form of deposits across a spectrum of retail and wholesale clients for banking subsidiaries.

Cash flow and maturity profile analysis

The Group uses the cash flow and maturity mismatch analysis on both contractual and behavioural basis to assess the banking units' abilities to meet immediate liquidity requirements and plan for their medium to long term liquidity profile.

Liquidity contingency plans

In line with the Group's liquidity management policy, liquidity contingency plans are in place for the subsidiaries in order to ensure a positive outcome in the event of a liquidity crisis. The plans clearly outline early warning indicators which are supported by clear and decisive crisis response strategies. The crisis response strategies are created around the relevant crisis management structures and address both specific and market crises.

Liquidity stress testing

It is the Group's policy that each entity conducts stress tests on a regular basis to ensure that they have adequate liquidity to withstand stressed conditions. In this regard, anticipated on- and off-balance sheet cash flows are subjected to a variety of specific and systemic stress scenarios during the period in an effort to evaluate the impact of unlikely events on liquidity positions.

The table below analyses the Group's financial assets and liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

Audited Inflation Adjusted Contractual maturity analysis on balance sheet items as at 31 December 2024	Up to 3 months ZWG			3 months to 1 year ZWG			Over 1 to 20 years ZWG			Total ZWG
	Liabilities	Assets held for managing liquidity risk (contractual maturity dates)	Liquidity gap	Cumulative liquidity gap - on balance sheet	Off balance sheet items	Total liabilities	Liquidity gap	Cumulative liquidity gap - on and off balance sheet		
Deposits from customers	7 528 838 114	4 464 164 512	-	-	-	7 529 631 160	-	-	-	7 529 631 160
Deposits from other banks	1 048 034 951	112 994 561	9 485 069	59 934 817	1 784 700	1 117 454 837	149 645 112	1 485 645 112	1 485 645 112	1 117 454 837
Borrowings	236 917 077	553 387 276	447 784 970	2 197 779 348	5 000 000	2 882 481 395	-	-	-	2 882 481 395
Insurance liabilities	288 116 863	52 463 529	104 927 059	-	-	288 116 863	-	-	-	288 116 863
Trade and other liabilities excluding deferred income	1 566 689 082	183 080	330 079 169	290 339 892	3 000 000	1 566 689 082	98 065 434	1 160 738 732	1 160 738 732	2 187 108 143
Total liabilities - (contractual maturity)	10 668 596 087	788 142 254	-	2 548 054 057	3 000 000	10 668 596 087	98 065 434	1 160 738 732	1 160 738 732	14 004 792 398
Balances with banks and cash	4 464 164 512	-	-	-	-	4 464 164 512	-	-	-	4 464 164 512
Financial assets at amortised cost	112 994 561	34 865 851	1 784 700	1 485 645 112	1 485 645 112	112 994 561	1 784 700	1 485 645 112	1 485 645 112	1 485 645 112
Loans and advances to customers	553 387 276	3 625 981 181	4 880 253 046	9 059 621 503	9 059 621 503	553 387 276	4 880 253 046	9 059 621 503	9 059 621 503	9 059 621 503
Insurance assets	52 463 529	104 927 059	52 463 529	209 854 117	209 854 117	52 463 529	104 927 059	209 854 117	209 854 117	209 854 117
Trade and other receivables	183 080	-	-	-	-	183 080	-	-	-	183 080
Financial assets at fair value through profit or loss	1 062 673 298	-	-	-	-	1 062 673 298	-	-	-	1 062 673 298
Financial assets at fair value through other comprehensive income	8 109 928	-	-	-	-	8 109 928	-	-	-	8 109 928
Other assets excluding time share assets, deferred acquisition costs, stationary and prepayments, work in progress	1 420 640 758	38 958 224	205 951 133	1 665 550 115	1 665 550 115	1 420 640 758	38 958 224	205 951 133	205 951 133	

Abridged Audited Results

FOR THE YEAR ENDED 31 DECEMBER 2024

NOTES TO THE CONSOLIDATED FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2024

Audited Inflation Adjusted

Contractual maturity analysis on balance sheet items as at 31 December 2023

Restated**

Liabilities

Deposits from customers
Deposits from other banks
Borrowings
Insurance liabilities
Trade and other liabilities excluding deferred income

Total liabilities - (contractual maturity)

Assets held for managing liquidity risk (contractual maturity dates)

Balances with banks and cash
Financial assets at amortised cost
Loans and advances to customers
Bonds and debentures
Insurance assets
Trade and other receivables
Financial assets at fair value through profit or loss
Financial assets at fair value through other comprehensive income
Other assets excluding time share assets, deferred acquisition costs, stationary and prepayments

Liquidity gap

Cumulative liquidity gap - on balance sheet

Off balance sheet items

Liabilities

Guarantees and letters of credit
Commitments to lend

Total liabilities

Liquidity gap

Cumulative liquidity gap - on and off balance sheet

Unaudited Historical Cost

Contractual maturity analysis on balance sheet items as at 31 December 2024

Liabilities

Deposits from customers
Deposits from other banks
Borrowings
Insurance liabilities
Trade and other liabilities excluding deferred income

Total liabilities - (contractual maturity)

Assets held for managing liquidity risk (contractual maturity dates)

Balances with banks and cash
Financial assets at amortised cost
Loans and advances to customers
Bonds and debentures
Insurance assets
Trade and other receivables
Financial assets at fair value through profit or loss
Financial assets at fair value through other comprehensive income
Other assets excluding time share assets, deferred acquisition costs, stationary and prepayments, work in progress

Liquidity gap

Cumulative liquidity gap - on balance sheet

Off balance sheet items

Liabilities
Guarantees and letters of credit
Commitments to lend

Total liabilities

Liquidity gap

Cumulative liquidity gap - on and off balance sheet

Contractual maturity analysis on balance sheet items as at 31 December 2023

Restated**

Liabilities

Deposits from customers
Deposits from other banks
Borrowings
Insurance liabilities
Trade and other liabilities excluding deferred income

Total liabilities - (contractual maturity)

Assets held for managing liquidity risk (contractual maturity dates)

Balances with banks and cash
Financial assets at amortised cost
Loans and advances to customers
Bonds and debentures
Insurance assets
Trade and other receivables
Financial assets at fair value through profit or loss
Financial assets at fair value through other comprehensive income
Other assets excluding time share assets, deferred acquisition costs, stationary and prepayments

Liquidity gap

Cumulative liquidity gap - on balance sheet

Off balance sheet items

Liabilities
Guarantees and letters of credit
Commitments to lend

Total liabilities

Liquidity gap

Cumulative liquidity gap - on and off balance sheet

The Group determines ideal weights for maturity buckets which are used to benchmark the actual maturity profile. Maturity mismatches across the time buckets are managed through the tenor of new advances and the profile of time deposits.

NOTES TO THE CONSOLIDATED FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2024

27.3 Market risk

Market risk is the risk of financial loss from on and off balance sheet positions arising from adverse movements in market prices such as interest rates, foreign exchange rates and equity prices.

The market risk for the trading portfolio is managed and monitored based on a collection of risk management methodologies to assess market risk including Value-at-Risk ("VaR") methodology that reflects the interdependency between risk variables, stress testing, loss triggers and traditional risk management measures. Non-trading positions are managed and monitored using other sensitivity analysis.

27.3.1 Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. The interest rate risk profile is assessed regularly based on the fundamental trends in interest rates, economic developments and technical analysis. The Group's policy is to monitor positions on a daily basis to ensure positions are maintained within the established limits.

Interest rate risk exposure stems from assets and liabilities maturing or being repriced at different times. For example:

- i) Liabilities may mature before assets, necessitating the rollover of such liabilities until sufficient quantity of assets mature to repay the liabilities. The risk lies in that interest rates may rise and that expensive funds may have to be used to fund assets that are yielding lower returns.
- ii) Assets may mature before liabilities do, in which case they have to be reinvested until they are needed to repay the liabilities. If interest rates fall the re-investment may be made at rates below those being paid on the liabilities waiting to be retired.

This risk is managed by ALCO through the analysis of interest rate sensitive assets and liabilities, using tools such as Value at Risk ("VaR"), Scenario Analysis and Gap Analysis.

Scenario analysis of net interest income

The Group's trading book is affected by interest rate movements. The desired interest rate risk profile is achieved through effective management of the statement of financial position composition. When analyzing the impact of a shift in the yield curve on the Group's interest income, the Group recognizes that the sensitivity of changes in the interest rate environment varies by asset and liability class. Scenarios are defined by the magnitude of the yield curve shift assumed. Analysis of the various scenarios is then conducted to give an appreciation of the distribution of future net interest income and economic value of equity as well as their respective expected values.

27.3.2 Currency risk

The Group is a diversified local Company and its major trading and reporting currency is the ZWG. The Group is exposed to various currency exposures primarily with respect to the South African rand, Botswana pula, British pound, United States Dollar and the Euro, mainly due to the cash holding and switch transactions in the banking subsidiary.

Foreign exchange risks arise from future commercial transactions and recognised assets and liabilities. This is the risk from movement in the relative rates of exchange between currencies. The risk is controlled through control of open position as per ALCO directives, Reserve Bank of Zimbabwe requirements and analysis of the market. The Group manages this risk through monitoring long and short positions and assessing the likely impact of forecasted movements in exchange rates on the Group's profitability.

27.3.3 Equity Price risk

The Group is exposed to equity price risk because of investments held by the Group and classified on the consolidated statement of financial position at fair value through profit or loss. The Group is not exposed to commodity price risk. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio.

27.4 Settlement risk

The Group's activities may give rise to risk at the time of settlement of transactions and trades. Settlement risk is the risk of loss due to the failure of a counterparty to honour their obligation to deliver cash, securities or other assets as contractually agreed.

For certain types of transactions, the Group mitigates this risk by conducting settlements through a settlement/clearing agent to ensure that trades are settled only when both parties have fulfilled their contractual settlement obligations. Settlement limits form part of the credit approval / limit monitoring process.

27.5 Operating risk

Operational risk is the risk of loss arising from the potential inadequate information systems, technological failures, breaches in internal controls, fraud, unforeseen catastrophes, or other operational problems that may result in unexpected losses. Operational risk exists in all products and business activities.

Group's approach to managing operational risk

The Group's approach is that business activities are undertaken in accordance with fundamental control principles of operational risk identification, clear documentation of control procedures, segregation of duties, authorisation, close monitoring of risk limits, monitoring of assets use, reconciliation of transactions and compliance.

Operational risk framework and governance

The Board has ultimate responsibility for ensuring effective management of operational risk. This function is implemented through the Board Risk and Compliance Committee at Group level which meets on a quarterly basis to review all major risks including operational risks. This Committee serves as the oversight body in the application of the Group's operational risk management framework, including business continuity management. Subsidiaries have board committees responsible for ensuring robust operational risk management frameworks. Other Group management committees which report to Group Executive Committee include the Group New Product Committee, Group IT Steering Committee and Group Business Continuity Committee.

The management and measurement of operational risk

The Group identifies and assesses operational risk inherent in all material products, activities, processes and systems. It ensures that before new products, activities, processes and systems are introduced or undertaken, the operational risk inherent in them is subjected to adequate assessment by the appropriate risk committees which include the Group Risk and Compliance Committee and Group New Product Committee.

The Group conducts Operational Risk Assessments in line with the Group's risk strategy. These assessments cover causes and events that have, or might result in losses, as well as monitor overall effectiveness of controls and whether prescribed controls are being followed or need correction. Key Risk Indicators ("KRIs") which are statistical data relating to a business or operations unit are monitored on an ongoing basis. The Group also maintains a record of loss events that occur in the Group in line with Basel II requirements. These are used to measure the Group's exposure to the respective losses. Risk limits are used to measure and monitor the Group's operational risk exposures. These include branch cash holding limits, teller transaction limits, transfer limits and write off limits which are approved by management and the Board. In addition, the Group also uses risk mitigation mechanisms such as insurance programmes to transfer risks. The Group maintains adequate insurance to cover key operational and other risks.

Business continuity management

To ensure that the essential functions of the Group are able to continue in the event of adverse circumstances, the Group Business Continuity Plan is reviewed annually and approved by the Board. The Group Business Continuity Committee is responsible for ensuring that all subsidiary companies conduct tests each year in line with the Group policy. The Group successfully conducted its business continuity tests and all processes were well documented. All structures, processes and systems of the banking subsidiaries have been aligned to Basel II requirements. The Group also adopted in full all the Risk Management Guidelines which were issued by the Reserve Bank of Zimbabwe as part of the Basel II implementation for the banking subsidiaries.

27.6 Capital risk

27.6.1 Regulatory Capital and Financial Risk Management

Capital risk refers to the risk of the Group's own capital resources being adversely affected by unfavourable external developments.

The Group's objective when managing capital, which is a broader concept than the 'equity' on the face of the statement of financial position, are:

- To comply with the capital requirements set by the regulators of the Group's subsidiaries;
- To safeguard the Group's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- To maintain a strong capital base to support the development of its businesses.

Capital adequacy and the use of regulatory capital are monitored daily by the Group's management, employing techniques based on the guidelines developed by the Basel Committee as implemented by the Reserve Bank of Zimbabwe (the "RBZ"), for supervisory purposes for the banking subsidiaries. The required information is filed with the RBZ on a quarterly basis.

It is the intention of the Group to maintain a ratio of total regulatory capital to its risk-weighted assets (the "Capital Adequacy Ratio") above the minimum level set by the Reserve Bank of Zimbabwe which takes into account the risk profile of the Group.

The regulatory capital requirements are strictly observed when managing economic capital. The banking subsidiaries' regulatory capital is analysed into three tiers:

- Tier 1 capital, which includes ordinary share capital and premium, retained profits, non-distributable reserves and other regulatory adjustments relating to items that are included in equity but are treated differently for capital adequacy purposes.
- Tier 2 capital, which includes qualifying subordinated liabilities, revaluation reserve, collective impairment allowances and the element of the fair value reserve relating to unrealised gains on equity instruments classified as available-for-sale.
- Tier 3 capital or market and operational risk capital includes market risk capital and operational risk capital. Operational risk includes legal risk. Market risk capital is allocated to the risk of losses in the on and off balance sheet position arising from movements in market prices.

Various limits are applied to elements of the capital base. The amount of capital qualifying for tier 2 capital cannot exceed tier 1 capital and the qualifying term subordinated loan capital may not exceed 50 percent of tier 1 capital. There are also restrictions on the amount of collective impairment allowances that may be included as part of tier 2 capital. Other deductions from capital include the carrying amounts of investments in subsidiaries that are not included in the regulatory consolidation, investment in the capital of other banks and certain other regulatory items.

The Group's operations are categorised as either banking or trading book, and risk weighted assets are determined according to specified requirements that seek to reflect the varying levels or risk attached to assets and off balance sheet exposures.

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Overall, the Group recognises the need to maintain a balance between the higher returns that might be possible with greater gearing and the advantages and security afforded by a sound capital position. The Group and its individually regulated operations have always complied with all externally imposed capital requirements throughout the period.

Abridged Audited Results

FOR THE YEAR ENDED 31 DECEMBER 2024

NOTES TO THE CONSOLIDATED FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2024

The Securities Commission of Zimbabwe ("SECZ") sets and monitors capital requirements for the stockbroking subsidiary and the Insurance and Pensions Commission ("IPEC") sets and monitors capital requirements for the insurance subsidiaries. The following subsidiaries have their capital regulated by the regulatory authorities:

Company As at 31 December 2024	Regulatory Authority	Minimum capital required US\$	Minimum capital required ZWG	Net Regulatory Capital ZWG	Total Equity ZWG
FBC Bank Limited	RBZ	30 000 000	773 955 000	1 016 007 814	2 457 241 124
FBC Building Society	RBZ	20 000 000	515 970 000	724 223 824	762 460 871
FBC Reinsurance Limited	IPEC	-	150 000 000	227 185 123	227 185 123
FBC Securities (Private) Limited	SECZ	-	150 000	11 730 024	11 730 024
FBC Insurance Company (Private) Limited	IPEC	-	37 500 000	87 292 772	87 292 772
Microplan Financial Services (Private) Limited	RBZ	25 000	644 963	75 564 247	75 564 247
FBC Crown Bank Limited	RBZ	30 000 000	773 955 000	641 723 365	940 949 702

As at 31 December 2023

FBC Bank Limited	RBZ	30 000 000	73 294 043	122 539 058	177 382 975
FBC Building Society	RBZ	20 000 000	48 862 696	62 650 720	75 540 534
FBC Reinsurance Limited	IPEC	-	60 031	7 706 315	7 706 315
FBC Securities (Private) Limited	SECZ	-	60	868 728	868 728
FBC Insurance Company (Private) Limited	IPEC	-	15 008	6 017 142	6 017 142
Microplan Financial Services (Private) Limited	RBZ	25 000	61 078	3 284 227	3 284 227

27.7 Climate related risk

Climate-related risks¹ are potential negative impacts on the Group arising from climate change. Climate-related risks have an impact on the principal risk categories discussed above (i.e. credit, liquidity, market and operational risks), but due to their pervasive nature have been identified and managed by the Group on an overall basis.

The Group distinguishes between physical risks and transition risks. Physical risks arise as the result of acute weather events such as hurricanes, floods and wildfires, and longer-term shifts in climate patterns, such as sustained higher temperatures, heat waves, droughts and rising sea levels. Transition risks arise as a result of measures taken to mitigate the effects of climate change and transition to a low-carbon economy – e.g. changes to laws and regulations, litigation to failure to mitigate or adapt, and shifts in supply and demand for certain commodities, products and services due to changes in consumer behaviour and investor demand.

The Group has set up a Committee, which is responsible for developing group-wide policies, processes and controls to incorporate climate risks in the management of principal risk categories.

The Group has developed a climate risk framework for:

- identifying risk factors and assessing their potential impact on the Group's financial statements; and
- allocating responsibilities for managing each identified risk factor.

The Group has also set out principles on how to incorporate climate-related risk into stress test scenarios.

27.8 Reputational risk

Reputational risk refers to the risk of damage to the Group's image, which may affect its ability to retain and generate business. The Group manages reputational risk by ensuring that business is conducted in accordance with the legal and regulatory requirements. In addition, the Group's corporate governance structure conforms to international standards. The Group also has systems in place to monitor customer service satisfaction levels as well as processes to resolve customer queries and complaints.

27.9 Legal and compliance risk

Legal and compliance risk is the risk that arises due to the Group's failure to adhere to legal and regulatory obligations. The Group manages this risk through dedicated Legal and Compliance units, and deliberations by its Board Risk and Compliance Committee.

27.10 Strategic risk

Strategic risk refers to the potential for opportunity loss arising from failure to optimise the earnings potential of the Group. The Board approves the Group's strategy as formulated by top management, while the Chief Executive Officer has the overall responsibility of strategy implementation. The Board conducts a quarterly review of the strategy's performance and its continued applicability.

27.11 Insurance Risk

Insurance and reinsurance contracts expose the Group to underwriting risk, which comprises insurance risk, policyholder behaviour risk and expense risk. In addition, the Group is exposed to financial and operational risks from insurance and reinsurance contracts.

The risk under an insurance contract is the possibility that the insured event occurs and the uncertainty of the amount of the resulting claim. By the very nature of an insurance contract, this risk is random and therefore unpredictable.

For a portfolio of insurance contracts where the theory of probability is applied to pricing and provisioning, the principal risk that the Group faces under its insurance contracts is that the actual claims and benefit payments exceed the carrying amount of the insurance liabilities. This could occur because the frequency or severity of claims and benefits are greater than estimated. Insurance events are random, and the actual number and amount of claims and benefits will vary from year to year from the level established using statistical techniques.

The Group has developed its insurance underwriting strategy to diversify the type of insurance risks accepted and within each of these categories to achieve a sufficiently large population of risks to reduce the variability of the expected outcome.

27.11.1 Concentration of insurance risk

With the insurance process, concentration of risk may arise where a particular event or series of events could impact heavily upon the Group's liabilities. Such concentration may arise from a single insurance contract or through a small number of related contracts, and relate to circumstances where significant liabilities could arise.

Property is subject to a number of risks, including theft, fire, business interruption and weather. For property business there is risk that external factors such as adverse weather conditions may adversely impact upon a large proportion of a particular geographical portion of the property risks. Claim inducing perils such as storms, floods, subsidence, fires, explosions, and rising crime levels will occur on a regional basis, meaning that the Group has to manage its geographical risk dispersion very carefully.

For motor business the main risks relate mainly to losses arising from theft, fire, third party losses and accident. Claims including perils such as increase in crime levels, adverse weather and bad road networks will occur meaning that the Group has to ensure that all products are adequately priced and that salvage recovery is pursued in order to mitigate losses.

32 CORPORATE GOVERNANCE

The Board is committed to the principles of openness, integrity and accountability. It recognises the developing nature of corporate governance and assesses its compliance with local and international generally accepted corporate governance practices on an ongoing basis through its various subcommittees. The Board is responsible to the shareholders for setting the direction of the Group through the establishment of strategies objectives and key policies. The Board monitors the implementation of these policies through a structured approach to reporting and accountability. The Board meets regularly, with a minimum of four scheduled meetings annually. To assist the Board in the discharge of its responsibilities a number of committees have been established, of which the following are the most significant: (i) Board Audit Committee, (ii) Board Human Resources and Remuneration Committee, (iii) Board Finance and Strategy Committee (iv) Board Risk and Compliance Committee (v) Board Marketing and Public Relations Committee (vi) Board Digitalization and Innovations.

Board Attendance

Board member	Main Board				Board Audit				Board HR				Board Finance & Strategy				Board Risk & Compliance				Board Marketing and PR				Board Digitalisation and Innovations						
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4			
Herbert Nkala					N/A	N/A	N/A	N/A					N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A			
Chipo Mtasa													N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A		
Kleto Chiketsani					N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A		
Aeneas Chuma									N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Gary Collins					N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A		
Franklin Kennedy					N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A		
Trynos Kufazvinei					N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A		
Abel Magwaza					N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A		
David Makwara					N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A		
Canada Malunga					N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A		
Charles Msipa													N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A		
Rutenhuro Moyo								X		N/A	N/A	N/A	N/A	N/A	N/A	N/A	X														
Sifiso Ndlovu					N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A		
Vimbai Nyemba	X	X	X	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A		
Webster Rusere					N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A		

Key

✓ - Attended



Abridged Audited Results

FOR THE YEAR ENDED 31 DECEMBER 2024

STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

ASSETS	Note	Audited Inflation Adjusted		Unaudited Historical Cost	
		31 Dec 2024	31 Dec 2023 Restated**	31 Dec 2024	31 Dec 2023 Restated**
		ZWG	ZWG	ZWG	ZWG
Balances with banks and cash	1	3 003 593 120	3 336 899 252	3 003 593 120	307 147 662
Financial assets at fair value through profit or loss	2	98 065 435	196 560 796	98 065 435	18 092 602
Financial assets at amortised cost	3.2	868 377	265 060 000	868 377	24 397 668
Loans and advances to customers	4	6 807 946 247	6 138 743 545	6 807 946 247	565 045 744
Amounts due from group companies	6	703 613 552	139 172 007	703 613 552	12 810 203
Prepayments and other assets	7	1 861 168 229	820 222 522	1 851 006 935	73 937 813
Current tax asset		78 467 297		78 467 297	
Investment property	8	335 391 336	411 007 958	335 391 336	37 831 569
Intangible assets	10	10 670 963	9 409 483	1 172 748	60 420
Right of use asset	11.1	10 824 879	7 091 945	4 687 392	26 482
Property and equipment	9	407 330 390	697 089 615	407 330 390	64 164 191
Total assets		13 317 939 825	12 021 257 123	13 292 142 829	1 103 514 354
EQUITY AND LIABILITIES					
Liabilities					
Deposits from customers	12	5 138 823 731	4 070 363 920	5 138 823 731	374 660 025
Deposits from other financial institutions	12.1	1 130 501 532	852 093 706	1 130 501 532	78 431 672
Lines of credit	12.2	2 808 318 814	2 857 376 603	2 808 318 814	263 009 602
Current tax liability		-	23 888 459	-	2 198 832
Deferred tax liability		715 025 993	461 284 823	725 021 201	42 143 450
Lease liability	11.2	6 660 714	1 535 174	6 660 714	141 306
Trade and other payables	13	1 094 253 330	1 819 007 471	1 025 575 716	165 546 493
Total liabilities		10 893 584 114	10 085 550 156	10 834 901 708	926 131 380
Equity					
Share capital		82 510 910	82 510 910	7 405	7 405
Share premium		58 854 978	58 854 978	5 282	5 282
Retained earnings		2 017 637 601	1 346 517 670	2 127 582 956	128 224 335
Other reserves		265 352 222	447 823 409	329 645 478	49 145 952
Total equity		2 424 355 711	1 935 706 967	2 457 241 121	177 382 974
Total equity and liabilities		13 317 939 825	12 021 257 123	13 292 142 829	1 103 514 354

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2024

	Note	Audited Inflation Adjusted		Unaudited Historical Cost	
		31 Dec 2024	31 Dec 2023 Restated**	31 Dec 2024	31 Dec 2023 Restated**
		ZWG	ZWG	ZWG	ZWG
Interest income calculated using the effective interest method	15	1 455 052 932	1 304 471 979	935 405 133	72 920 829
Interest and similar expenses	16	(510 950 967)	(501 901 477)	(340 749 511)	(28 748 730)
Net interest related income		944 101 965	802 570 502	594 655 622	44 172 099
Fee and commission income	17	951 386 134	889 620 399	598 081 352	50 503 027
Revenue		1 895 488 099	1 692 190 901	1 192 736 974	94 675 126
Dealing and trading income	19	3 127 957 161	2 087 632 451	3 088 200 927	186 516 296
Other operating income	18	(163 772 301)	202 652 879	249 376 694	32 094 767
Total other income		2 964 184 860	2 290 285 330	3 337 577 621	218 611 063
Total net income		4 859 672 959	3 982 476 231	4 530 314 595	313 286 189
Credit impairment losses on financial assets	5	(115 875 591)	(217 024 051)	(115 875 591)	(19 976 159)
Monetary (loss)/gain		(1 181 385 326)	25 709 455	-	-
Administrative expenses	20	(2 477 302 057)	(2 493 257 589)	(1 721 470 356)	(134 351 992)
Profit before income tax		1 085 109 985	1 297 904 046	2 692 968 648	158 958 038
Income tax expense		(360 954 227)	(279 469 012)	(661 554 652)	(35 158 975)
Profit for the period		724 155 758	1 018 435 034	2 031 413 996	123 799 063
Other comprehensive income:					
Items that will not be reclassified to profit or loss:					
(Loss)/gain on property revaluation		(224 485 867)	423 838 127	365 156 186	58 632 916
Tax relating to other comprehensive income		46 069 151	(91 697 581)	(82 383 291)	(12 867 123)
Other comprehensive income (net of income tax)		(178 416 716)	332 140 546	282 772 895	45 765 793
Total comprehensive income for the period		545 739 042	1 350 575 580	2 314 186 891	169 564 856

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2024

	Note	Audited Inflation Adjusted		Share capital ZWG	Share premium ZWG	Retained earnings ZWG	Revaluation reserve ZWG	Total equity ZWG
		31 Dec 2024	31 Dec 2023 Restated**					
Opening balances as at 1 January 2023		82 510 910	58 854 978	491 537 541	124 174 675	757 078 104		
Profit for the year		-	-	1 018 435 034	-	1 018 435 034		
Other comprehensive income				-	-	-	332 140 546	332 140 546
Revaluation of property and equipment		-	-	-	-	-	332 140 546	332 140 546
Total comprehensive income		-	-	1 018 435 034	332 140 546	1 350 575 580		
Transactions with owners of equity								
Dividend paid		-	-	(171 946 717)	-	-	(171 946 717)	
Revaluation realised on disposal of previously revalued assets		-	-	8 491 812	(8 491 812)	-	-	-
Balance as at 31 December 2023		82 510 910	58 854 978	1 346 517 670	447 823 409	1 935 706 967		
Opening balances as at 1 January 2024		82 510 910	58 854 978	1 346 517 670	447 823 409	1 935 706 967		
Profit for the year		-	-	724 155 758	-	-	724 155 758	
Other comprehensive income				-	-	-	(178 416 716)	(178 416 716)
Revaluation of property and equipment		-	-	-	-	-	(178 416 716)	(178 416 716)
Revaluation realised on disposal of previously revalued assets		-	-	4 054 471	(4 054 471)	-	-	-
Total comprehensive income		-	-	728 210 229	(182 471 187)	545 739 042		
Transactions with owners of equity </td								

Abridged Audited Results

FOR THE YEAR ENDED 31 DECEMBER 2024

NOTES TO THE FINANCIAL RESULTS

For the year ended 31 December 2024

1	BALANCES WITH BANKS AND CASH	Audited Inflation Adjusted		Unaudited Historical Cost	
		31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
		ZWG	Restated** ZWG	ZWG	Restated** ZWG
1	Balances with Reserve Bank of Zimbabwe	1 227 358 242	526 828 806	1 227 358 242	48 492 395
	Statutory reserve balances	134 013 732	23 957 973	134 013 732	2 205 232
	Current account balances	1 361 371 974	550 786 779	1 361 371 974	50 697 627
	Balances with other banks and cash				
	Nostro accounts	261 663 161	1 204 905 362	261 663 161	110 906 514
	Notes and coins	506 554 384	598 229 180	506 554 384	55 064 501
	Other bank balances	874 003 601	982 977 931	874 003 601	90 479 020
	1 642 221 146	2 786 112 473	1 642 221 146	256 450 035	
	Cash and cash equivalents				
	3 003 593 120	3 336 899 252	3 003 593 120	307 147 662	
2	FINANCIAL ASSETS HELD AT FAIR VALUE THROUGH PROFIT OR LOSS				
	Balance as at 1 January	196 560 796	47 718 197	18 092 602	914 031
	Additions	3 285 832	128 399 655	3 285 832	11 818 653
	Disposal	(3 562 507)	(2 142 158)	-	-
	Fair value adjustment	(98 218 686)	20 442 944	78 829 159	5 359 918
	Balance as at 31 December	98 065 435	196 560 796	98 065 435	18 092 602
3	FINANCIAL ASSETS AT AMORTISED COST				
	Open market treasury bills	1 000 000	265 457 986	1 000 000	24 434 301
	Accrued interest	60 666	800 176	60 666	73 653
	1 060 666	266 258 162	1 060 666	24 507 954	
3.1	Maturity analysis of financial assets at amortised cost				
	Maturing between 0 to 90 days	1 060 666	133 076 607	1 060 666	12 249 147
	Maturing between 91 to 180 days	-	133 149 326	-	12 255 840
	Maturing in more than 365 days	-	32 229	-	2 967
	1 060 666	266 258 162	1 060 666	24 507 954	
3.2	Exposure to credit risk : financial assets at amortised cost				
	Stage I classified exposures : investment grade	1 060 666	266 258 162	1 060 666	24 507 954
	Twelve months expected credit losses	(192 289)	(1 198 162)	(192 289)	(110 286)
	Carrying amount of financial assets at amortised cost	868 377	265 060 000	868 377	24 397 668
4	LOANS AND ADVANCES TO CUSTOMERS				
	Maturing within 1 year	2 336 541 909	4 128 979 426	2 336 541 909	380 055 338
	Maturing after 1 year but within 5 years	4 603 797 448	2 241 694 894	4 603 797 448	206 338 667
	Gross carrying amount	6 940 339 357	6 370 674 320	6 940 339 357	586 394 005
	Expected credit losses (note 4.3)	(132 393 110)	(231 930 775)	(132 393 110)	(21 348 261)
	Net loans and advances	6 807 946 247	6 138 743 545	6 807 946 247	565 045 744
4.1	Loans concentration by sector				
	AUDITED INFLATION ADJUSTED				
	Sector of the economy	31 Dec 2024	gross total	31 Dec 2023	gross total
		ZWG	percentage	ZWG	percentage
	Agriculture	603 620 070	8.7%	491 662 531	7.7%
	Communication	59 125 472	0.9%	14 455 572	0.2%
	Construction	107 592 978	1.6%	358 294 513	5.6%
	Distribution	757 069 498	10.9%	6 234 673	0.1%
	Individuals	1 023 764 798	14.9%	624 367 330	9.8%
	Local authorities	10 321 061	0.1%	656	0.0%
	Manufacturing	1 190 655 887	17.0%	886 645 537	13.9%
	Mortgages	354 022 409	5.1%	266 761 320	4.2%
	Mining	210 074 020	3.0%	310 248 872	4.9%
	Other services	2 440 199 291	35.2%	2 588 565 841	40.6%
	Wholesale	183 893 873	2.6%	823 137 475	12.9%
	Gross value of loans and advances	6 940 339 357	100%	6 370 674 320	100%
	Expected credit loss allowance	(132 393 110)		(231 930 775)	
	Net loans and advances	6 807 946 247	100%	6 138 743 545	565 045 744
	HISTORICAL COST UNAUDITED				
	Sector of the economy	31 Dec 2024	gross total	31 Dec 2023	gross total
		ZWG	percentage	ZWG	percentage
	Agriculture	603 620 070	8.7%	45 283 100	7.7%
	Communication	59 125 472	0.9%	1 330 575	0.2%
	Construction	107 592 978	1.6%	32 979 516	5.6%
	Distribution	757 069 498	10.9%	573 876	0.1%
	Individuals	1 023 764 798	14.9%	57 470 409	9.8%
	Local authorities	10 321 061	0.1%	60	0.0%
	Manufacturing	1 190 655 887	17.0%	81 612 024	13.9%
	Mortgages	354 022 409	5.1%	24 554 267	4.2%
	Mining	210 074 020	3.0%	28 557 115	4.9%
	Other services	2 440 199 291	35.2%	238 266 691	40.6%
	Wholesale	183 893 873	2.6%	75 766 372	12.9%
	Gross value of loans and advances	6 940 339 357	100%	586 394 005	100%
	Expected credit loss allowance	(132 393 110)		(21 348 261)	
	Net loans and advances	6 807 946 247	100%	565 045 744	
4.2	Exposure to credit risk : Loans and advances				
	Gross carrying amount of loans and advances to customers	ZWG	31 Dec 2024	ZWG	31 Dec 2023
	Amortised cost of gross loans and advances ; past due and impaired				
	Stage III classified exposures : default				
	Grade 8: impaired	274 713 283	18 811 922	274 713 283	1 731 559
	Grade 9: impaired	7 962 173	52 883 145	7 962 173	4 867 673
	Grade 10: impaired	24 233 760	3 552 817	24 233 760	327 022
	Amortised cost, past due and impaired				
	Life time expected credit losses	306 909 216	75 247 884	306 909 216	6 926 254
		(67 732 346)	(49 238 884)	(67 732 346)	(4 532 234)
	Carrying amount, past due and impaired				
		239 176 870	26 009 000	239 176 870	2 394 020
	Past due but not impaired				
	Stage II classified exposures : standard monitoring : special monitoring	1 033 885 408	1 273 325 288	1 033 885 408	171 490 308
		171 490 308			
	Gross amount, past due but not impaired				
	Life time expected credit losses	1 205 375 716	1 595 498 069	1 205 375 716	306 909 216
		(16 312 483)	(107 940 260)	(16 312 483)	(67 732 346)
	Carrying amount, past due and not impaired				
		1 189 063 233	1 487 557 809	1 189 063 233	136 923 493
	Neither past due nor impaired				
	Stage I classified exposures : investment grade	5 428 054 425	4 699 928 367	5 428 054 425	1 033 885 408
	Twelve months expected credit losses	(48 348 281)	(74 751 631)	(48 348 281)	(322 172 781)
	Carrying amount, not impaired				
		5 379 706 144	4 625 176 736	5 379 706 144	425 728 231
	Total carrying amount (loans and advances)	6 807 946 247	6 138 743 545	6 807 946 247	565 045 744

NOTES TO THE FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2024

4.3 Expected credit loss staging: 31 December 2024

	AUDITED INFLATION ADJUSTED			
Stage 1 12-month ECL ZWG	Stage 2 Lifetime ECL ZWG	Stage 3 Lifetime ECL ZWG	Total ZWG	

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Abridged Audited Results

FOR THE YEAR ENDED 31 DECEMBER 2024

NOTES TO THE FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2024

	Audited Inflation Adjusted		Unaudited Historical Cost	
	31 Dec 2024	31 Dec 2023 Restated**	31 Dec 2024	31 Dec 2023 Restated**
	ZWG	ZWG	ZWG	ZWG
6 AMOUNTS DUE FROM GROUP COMPANIES				
FBC Holdings Limited	561 217 493	83 601 246	561 217 493	7 695 146
FBC Building Society	16 869 583	20 631 883	16 869 583	1 899 079
FBC Reinsurance Limited	20 877 557	-	20 877 557	-
FBC Insurance Company Limited	42 229 939	26 774 780	42 229 939	2 464 507
FBC Securities (Private) Limited	11 510 148	-	11 510 148	-
OutRisk Underwriting Management Agency (Private) Limited	14 783 599	8 164 098	14 783 599	751 471
MicroPlan Financial Services (Private) Limited	10 555 417	-	10 555 417	-
FBC Crown	25 569 816	-	25 569 816	-
Total	703 613 552	139 172 007	703 613 552	12 810 203
Current	703 613 552	139 172 007	703 613 552	12 810 203
Receivables from group companies	703 613 552	139 172 007	703 613 552	12 810 203
7 PREPAYMENTS AND OTHER ASSETS				
Prepayments	68 844 294	74 466 940	58 683 000	5 294 122
MasterCard, Visa and Zimswitch collateral balances	55 712 935	48 480 307	55 712 935	4 462 410
Non-negotiable certificate of deposits, auction balances receivable	180 399 673	525 282 499	180 399 673	48 350 064
Deferred employee benefits	22 455 818	105 559 599	22 455 818	9 716 320
Other receivables	1 533 755 509	66 433 177	1 533 755 509	6 114 897
	1 861 168 229	820 222 522	1 851 006 935	73 937 813
7.1 Maturity analysis prepayments and other assets				
Maturing within 1 year	1 805 455 294	771 742 215	1 795 294 000	69 475 403
Maturing after 1 year but within 5 years	55 712 935	48 480 307	55 712 935	4 462 410
	1 861 168 229	820 222 522	1 851 006 935	73 937 813
8 INVESTMENT PROPERTY				
Balance as at 1 January	411 007 958	177 556 256	37 831 569	3 401 049
Fair value adjustments	(75 616 622)	220 994 790	297 559 767	33 284 415
Additions	-	12 456 912	-	1 146 105
Balance at 31 December	335 391 336	411 007 958	335 391 336	37 831 569
9 PROPERTY AND EQUIPMENT				
Carrying amount at the beginning of the year	697 089 615	258 668 931	64 164 191	4 954 743
Additions	39 401 393	45 377 010	24 680 256	1 829 934
Disposals	(7 645 561)	(10 382 696)	(4 048 450)	(198 878)
Revaluation	(224 485 867)	423 838 127	365 156 186	58 632 916
Depreciation charge for the period	(97 029 190)	(20 411 757)	(42 261 793)	(1 054 524)
Carrying amount at the end of the year	407 330 390	697 089 615	407 330 390	64 164 191
10 INTANGIBLE ASSETS				
Computer software	70 636 082	68 673 523	81 226	33 300
Cost	1 369 359	1 962 559	1 166 779	47 926
Additions	-	-	-	-
Closing Balance	72 005 441	70 636 082	1 248 005	81 226
Amortisation				
As at 31 December				
Opening balance	61 226 599	60 225 368	20 806	9 203
Current year charge	107 879	1 001 231	54 451	11 603
Closing Balance	61 334 478	61 226 599	75 257	20 806
Closing Net Book value	10 670 963	9 409 483	1 172 748	60 420
11 LEASES				
11.1 RIGHT OF USE ASSETS LEASES				
The Bank has leases for Commercial Banking premises, guest houses and Agency Banking outlets across the country. With the exception of short-term leases and leases of low-value underlying assets, each lease is recognised as a right-of-use asset and a lease liability. Variable lease payments which do not depend on an index or a rate (such as lease payments based on a percentage of gross revenue) are excluded from the initial measurement of the lease liability and asset. The Bank classifies its right-of-use assets in a consistent manner to its property and equipment.				
Audited Inflation Adjusted				
31 Dec 2024	31 Dec 2023 Restated**		31 Dec 2024	31 Dec 2023 Restated**
ZWG	ZWG		ZWG	ZWG
Cost				
Cost or valuation	12 353 434	12 353 434	51 948	51 948
Remeasurements	5 496 930	-	5 496 930	-
Balance at the end of the period	17 850 364	12 353 434	5 548 878	51 948
Depreciation				
Opening Balance	5 261 489	5 105 381	25 467	16 639
Charge for the year	1 763 996	156 108	836 019	8 827
Accumulated Depreciation	7 025 485	5 261 489	861 486	25 466
Net Carrying amount	10 824 879	7 091 945	4 687 392	26 482
11.2 Lease liabilities				
The Bank has entered into commercial leases on certain properties. These leases have varying terms with renewable options included in some of the contracts. There are no restrictions placed upon the Bank by entering into these leases.				
Future minimum rentals or lease charges payable under non-cancellable operating leases at 31 December are as follows:				
Maturity analysis of lease liabilities:				
Payable between two and five years	6 660 714	1 535 174	6 660 714	141 306
	6 660 714	1 535 174	6 660 714	141 306
12 DEPOSITS FROM CUSTOMERS				
Amounts due to customers by type:				
Demand deposits	4 683 348 102	3 594 732 277	4 683 348 102	330 880 116
Promissory notes	455 475 629	475 631 643	455 475 629	43 779 909
	5 138 823 731	4 070 363 920	5 138 823 731	374 660 025
12.1 Deposits from other financial institutions				
Money market deposits	1 130 501 532	852 093 706	1 130 501 532	78 431 672
12.2 LINES OF CREDIT				
African Export-Import Bank	2 808 318 814	2 857 241 025	2 808 318 814	262 997 122
The Reserve Bank of Zimbabwe Productive Sector Facility	-	135 578	-	12 480
	2 808 318 814	2 857 376 603	2 808 318 814	263 009 602
Total Deposits	9 077 644 077	7 779 834 229	9 077 644 077	716 101 299
12.3 Deposits concentration				
Audited Inflation Adjusted				
31 Dec 2024			31 Dec 2023 Restated**	
	gross total	percentage	gross total	percentage
ZWG	ZWG		ZWG	ZWG
Agriculture	317 283 101	3.5%	271 921 867	3.5%
Construction	631 272 772	7.0%	541 021 159	7.0%
Wholesale and retail trade	854 075 733	9.4%	731 970 494	9.4%
Public sector	909 751 371	10.0%	582 568 884	7.5%
Manufacturing	707 244 984	7.8%	606 131 799	7.8%
Telecommunication	94 715 723	1.0%	81 174 435	1.0%
Transport	86 718 648	1.0%	74 320 683	1.0%
Individuals	1 008 811 408	11.1%	385 114 446	5.0%
Financial services	3 938 820 346	43.4%	3 709 470 309	47.6%
Mining	277 878 060	3.1%	580 963 396	7.5%
Other	251 071 931	2.8%	215 176 757	2.8%
	9 077 644 077	100%	7 779 834 229	100%

NOTES TO THE FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2024

	Historical Cost Unaudited			
	31 Dec 2024	31 Dec 2023 Restated**	31 Dec 2024	31 Dec 2023 Restated**
	gross total	percentage	gross total	percentage
Deposits concentration				
Agriculture	317 283 101	3.5%	25 029 274	3.5%
Construction	631 272 772	7.0%	49 798 742	7.0%
Wholesale and retail trade	854 075 733	9.4%	67 374 832	9.4%
Public sector	909 751 371	10.0%	53 623 036	7.5%
Manufacturing	707 244 984	7.8%	55 791 90	



Abridged Audited Results

FOR THE YEAR ENDED 31 DECEMBER 2024

NOTES TO THE FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2024

24 LIQUIDITY PROFILING

Liquidity profiling as at 31 December 2024

	Audited Inflation Adjusted				
	Upto 3 months ZWG	3 months to 1 year ZWG	Over 1 year ZWG	Total ZWG	
On balance sheet items					
Liabilities					
Deposits from customers	5 138 030 685	793 046	-	5 138 823 731	
Deposits from other financial institutions	1 057 139 932	10 426 379	62 935 221	1 130 501 532	
Lines of credit	153 588 667	346 473 855	2 308 256 292	2 808 318 814	
Lease liabilities	-	-	6 660 714	6 660 714	
Other liabilities	1 094 253 330	-	-	1 094 253 330	
Total liabilities - (contractual maturity)	7 443 012 614	357 693 280	2 377 852 227	10 178 558 121	
Assets held for managing liquidity risk					
Balances with other banks and cash	2 964 447 804	39 145 316	-	3 003 593 120	
Gross financial assets at amortised cost	1 060 666	-	-	1 060 666	
Financial assets at fair value through profit or loss	-	-	98 065 435	98 065 435	
Gross loans and advances to customers	4 337 630 552	229 246 805	2 373 462 000	6 940 339 357	
Other assets (excluding prepayments)	2 495 937 487	-	-	2 495 937 487	
Total assets - (contractual maturity)	9 799 076 509	268 392 121	2 471 527 435	12 538 996 065	
Liquidity gap	2 356 063 895	(89 301 159)	93 675 208	2 360 437 944	
Cumulative liquidity gap - on balance sheet	2 356 063 895	2 266 762 736	2 360 437 944	-	
Off balance sheet items					
Liabilities					
Guarantees and letters of credit	-	175 732 951	-	175 732 951	
Commitments to lend	46 966 613	-	-	46 966 613	
Total liabilities	46 966 613	175 732 951	-	222 699 564	
Liquidity gap	2 309 097 282	(265 034 110)	93 675 208	2 137 738 380	
Cumulative liquidity gap - on and off balance sheet	2 309 097 282	2 044 063 172	2 137 738 380	-	
Liquidity profiling as at 31 December 2023					
Restated**					
On balance sheet items					
Liabilities					
Deposits from customers	4 069 526 448	21 552	815 920	4 070 363 920	
Deposits from other financial institutions	777 935 269	3 683 848	70 474 589	852 093 706	
Lines of credit	432 113 559	36 374 960	2 388 888 084	2 857 376 603	
Lease liabilities	-	-	1 535 174	1 535 174	
Other liabilities	1 463 031 634	302 863 275	-	1 765 894 909	
Total liabilities - (contractual maturity)	6 742 606 910	342 943 635	2 461 713 767	9 547 264 312	
Assets held for managing liquidity risk					
Balances with other banks and cash	2 810 070 446	526 828 806	-	3 336 899 252	
Gross financial assets at amortised cost	133 076 607	133 149 326	32 229	266 258 162	
Financial assets at fair value through profit or loss	-	-	196 560 796	196 560 796	
Gross loans and advances to customers	1 820 784 919	894 330 510	3 655 558 891	6 370 674 320	
Other assets (excluding prepayments)	836 447 281	-	48 480 307	884 927 588	
Total assets - (contractual maturity)	5 600 379 253	1 554 308 642	3 900 632 223	11 055 320 118	
Liquidity gap	(1 142 227 657)	1 211 365 007	1 438 918 456	1 508 055 806	
Cumulative liquidity gap - on balance sheet	(1 142 227 657)	69 137 350	1 508 055 806	-	
Off balance sheet items					
Liabilities					
Guarantees and letters of credit	-	346 803 903	-	346 803 903	
Commitments to lend	76 712 105	-	-	76 712 105	
Total liabilities	76 712 105	346 803 903	-	423 516 008	
Liquidity gap	(1 218 939 762)	864 561 104	1 438 918 456	1 084 539 798	
Cumulative liquidity gap - on and off balance sheet	(1 218 939 762)	(354 378 658)	1 084 539 798	-	
Liquidity profiling as at 31 December 2024					
On balance sheet items					
Liabilities					
Deposits from customers	5 138 030 685	793 046	-	5 138 823 731	
Deposits from other financial institutions	1 057 139 932	10 426 379	62 935 221	1 130 501 532	
Lines of credit	153 588 667	346 473 855	2 308 256 292	2 808 318 814	
Lease liabilities	-	-	6 660 714	6 660 714	
Other liabilities	1 094 253 330	-	-	1 094 253 330	
Total liabilities - (contractual maturity)	7 443 012 614	357 693 280	2 377 852 227	10 178 558 121	
Assets held for managing liquidity risk					
Balances with other banks and cash	2 964 447 804	39 145 316	-	3 003 593 120	
Gross financial assets at amortised cost	1 060 666	-	-	1 060 666	
Financial assets at fair value through profit or loss	-	-	98 065 435	98 065 435	
Gross loans and advances to customers	4 337 630 552	229 246 805	2 373 462 000	6 940 339 357	
Other assets (excluding prepayments)	2 495 937 487	-	-	2 495 937 487	
Total assets - (contractual maturity)	9 799 076 509	268 392 121	2 471 527 435	12 538 996 065	
Liquidity gap	2 356 063 895	(89 301 159)	93 675 208	2 360 437 944	
Cumulative liquidity gap - on balance sheet	2 356 063 895	2 266 762 736	2 360 437 944	-	
Off balance sheet items					
Liabilities					
Guarantees and letters of credit	-	175 732 951	-	175 732 951	
Commitments to lend	46 966 613	-	-	46 966 613	
Total liabilities	46 966 613	175 732 951	-	222 699 564	
Liquidity gap	2 309 097 282	(265 034 110)	93 675 208	2 137 738 380	
Cumulative liquidity gap - on and off balance sheet	2 309 097 282	2 044 063 172	2 137 738 380	-	

NOTES TO THE FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2024

25 INTEREST RATE REPRICING AND GAP ANALYSIS

Total position as at 31 December 2024

	Audited Inflation Adjusted					Over 365 days ZWG	Non-interest bearing ZWG	Total ZWG			
	0 - 30 days ZWG	31 - 90 days ZWG	91-180 days ZWG	181-365 days ZWG							
Cash and cash equivalents											
Gross financial assets at amortised cost											
Cash and cash equivalents	406 184 894	428 673 392	39 145 315	-	-	2 129 589 519</					



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FOR THE YEAR ENDED 31 DECEMBER 2024

NOTES TO THE FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2024

25 INTEREST RATE REPRICING AND GAP ANALYSIS (continued)

Total position as at 31 December 2024

	Unaudited Historical Cost						
	0 - 30 days ZWG	31 - 90 days ZWG	91-180 days ZWG	181-365 days ZWG	Over 365 days ZWG	Non-interest bearing ZWG	Total ZWG
Cash and cash equivalents	406 184 894	428 673 392	39 145 315	-	-	2 129 589 519	3 003 593 120
Gross financial assets at amortised cost	-	-	-	1 060 666	-	-	1 060 666
Financial assets at fair value through profit or loss	-	-	-	-	-	98 065 435	98 065 435
Gross loans and advances to customers	736 647 776	213 180 009	286 833 379	1 099 880 745	4 603 797 448	-	6 940 339 357
Prepayments and other assets	-	-	-	-	-	1 851 006 935	1 851 006 935
Amounts due from group companies	-	-	-	-	-	703 613 552	703 613 552
Investment property	-	-	-	-	-	335 391 336	335 391 336
Current tax asset	-	-	-	-	-	78 467 297	78 467 297
Right of use assets	-	-	-	-	-	4 687 392	4 687 392
Intangible assets	-	-	-	-	-	1 172 748	1 172 748
Property and equipment	-	-	-	-	-	407 330 390	407 330 390
Total assets	1 142 832 670	641 853 401	325 978 694	1 100 941 411	4 603 797 448	5 609 324 604	13 424 728 228
Deposits from customers	449 576 300	2 494 276	-	793 046	-	4 685 960 109	5 138 823 731
Deposits from other financial institutions	845 321 440	215 760 207	3 676 536	5 808 532	59 934 817	-	1 130 501 532
Lines of credit	-	-	-	346 473 855	2 461 844 959	-	2 808 318 814
Other liabilities	-	-	-	-	-	1 025 575 716	1 025 575 716
Lease liability	-	-	-	-	-	6 660 714	6 660 714
Deferred tax liabilities	-	-	-	-	-	725 021 201	725 021 201
Capital and reserves	-	-	-	-	-	2 460 286 955	2 460 286 955
Total equity and liabilities	1 294 897 740	218 254 483	3 676 536	353 075 433	2 521 779 776	8 903 504 695	13 295 188 663
Interest rate repricing gap	(152 065 070)	423 598 918	322 302 158	747 865 978	2 082 017 672	(3 294 180 091)	129 539 565
Cumulative interest rate repricing gap	(152 065 070)	271 533 848	593 836 006	1 341 701 984	3 423 719 656	129 539 565	-
Total position as at 31 December 2023							
Restated**							
	0 - 30 days ZWG	31 - 90 days ZWG	91-180 days ZWG	181-365 days ZWG	Over 365 days ZWG	Non-interest bearing ZWG	Total ZWG
Cash and cash equivalents	56 633 638	17 487 243	17 929 707	-	-	215 097 074	307 147 662
Gross financial assets at amortised cost	-	24 505 000	-	-	2 954	-	24 507 954
Financial assets at fair value through profit or loss	-	-	-	-	-	18 092 602	18 092 602
Gross loans and advances to customers	304 725 754	43 127 377	-	-	238 540 874	-	586 394 005
Prepayments and other assets	-	-	-	-	-	73 937 813	73 937 813
Amounts due from group companies	-	-	-	-	-	12 810 203	12 810 203
Investment property	-	-	-	-	-	37 831 569	37 831 569
Right of use assets	-	-	-	-	-	26 482	26 482
Intangible assets	-	-	-	-	-	60 420	60 420
Property and equipment	-	-	-	-	-	64 164 191	64 164 191
Total assets	361 359 392	85 119 620	17 929 707	-	238 543 828	422 020 354	1 124 972 901
Deposits from customers	44 551 791	230 313	1 984	-	75 102	329 800 835	374 660 025
Deposits from other financial institutions	56 020 269	11 266 863	4 218 373	248 979	6 677 188	-	78 431 672
Lines of credit	-	43 127 377	-	-	219 882 225	-	263 009 602
Other liabilities	-	-	-	-	-	165 546 493	165 546 493
Lease liability	-	-	-	-	-	141 306	141 306
Current tax liability	-	-	-	-	-	2 198 832	2 198 832
Deferred tax liabilities	-	-	-	-	-	42 143 450	42 143 450
Capital and reserves	-	-	-	-	-	177 382 974	177 382 974
Total liabilities	100 572 060	54 624 553	4 220 357	248 979	226 634 515	717 213 890	1 103 514 354
Interest rate repricing gap	260 787 332	30 495 067	13 709 350	(248 979)	11 909 313	(295 193 536)	21 458 547
Cumulative interest rate repricing gap	260 787 332	291 282 399	304 991 749	304 742 770	316 652 083	21 458 547	-

26 FBC BANK FOREIGN EXCHANGE GAP AS AT 31 DECEMBER 2024

Foreign exchange gap analysis as at 31 December 2024

Base currency ZWG equivalent	USD ZWG	ZAR ZWG	EUR ZWG	BWP ZWG	GBP ZWG	Total ZWG
Assets						
Cash	470 510 698	13 026 779	3 354 840	293 555	867 943	488 053 815
Balances with Reserve Bank	1 003 974 250	2 255 427	58 648	93 023	-	1 006 381 348
Correspondent nostro balances	298 517 393	8 465 893	33 069 210	723 361	1 446 051	342 221 908
Other Bank balances	1 026 079 810	-	4 582 483	-	-	1 030 662 293
Loans and overdrafts	6 207 618 141	30 843	-	-	-	6 207 648 984
Other assets	744 062 308	(9 056 925)	(9814 015)	(2875 498)	(795 372)	640 007 598
Total assets	9 750 762 600	(6 679 883)	31 251 166	(1765 559)	1 518 622	9 714 975 946
Liabilities						
Deposits from customers	5 171 132 546	8 821 595	7 236 710	322 365	262 449	5 187 775 665
Lines of credit	2 808 318 814	-	-	-	-	2 808 318 814
Other liabilities	744 360 463	435 548	733 556	14 004	124 194	745 667 765
Total liabilities	8 723 811 823	9 257 143	7 970 266	336 369	386 643	8 741 762 244
Net currency position	1 026 950 777	(7 604 026)	23 280 900	(2101 928)	1 131 979	973 213 702
Foreign exchange gap analysis as at 31 December 2023						
Restated**						
	USD ZWG	ZAR ZWG	EUR ZWG	BWP ZWG	GBP ZWG	
Assets						
Cash	53 129 546	56 764	427 448	10 370	11 998	53 636 116
Balances with Reserve Bank	105 144 734	10 435	5 019	153	-	105 160 341
Correspondent nostro balances	40 860 849	147 748	2 521 430	11 093	21 566	43 562 686
Other Bank balances	120 077 473	-	-	-	-	120 077 473
Loans and overdrafts	524 005 361	3	-	-	-	524 005 364
Other assets	60 341 387	1 471	5 631	1 925	17 932	60 368 346
Total assets	903 559 350	216 421	2 959 528	23 541	51 486	906 810 326
Liabilities						
Deposits from customers	366 485 112	100 175	617 761	4 329	4 390	367 211 767
Lines of credit	263 009 601	-</td				



Abridged Audited Results

FOR THE YEAR ENDED 31 DECEMBER 2024

NOTES TO THE FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2024

Overall composite risk key

Rating	Description
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 such risks.
Moderate	Risk management systems appropriately mitigate inherent risk. For a given low risk area, significant risks 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 institution.
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 a significant impact on the Bank's overall condition.

Direction of overall risk key

Rating	Description
Increasing	Based on the current information, risk is expected to increase in the next 12 months.
Decreasing	Based on the current information, risk is expected to decrease in the next 12 months.
Stable	Based on the current information, risk is expected to be stable in the next 12 months.

FBC Bank Limited's CAMELS* ratings by The Reserve Bank Of Zimbabwe

Camels component	Latest RBS ratings 30 June 2014	Camels component			
		Capital adequacy	Asset quality	Management	Earnings
Capital adequacy	2				
Asset quality	2				
Management	2				
Earnings	1				
Liquidity	1				
Sensitivity to market risk	2				
Composite rating	2				

*CAMELS- is an acronym for capital adequacy, asset quality, management, earnings, liquidity, and sensitivity to market risk. CAMELS rating system uses a rating scale of 1-5, where '1' is strong, '2' is satisfactory, '3' is fair, '4' is weak, and '5' is critical.

*RBS- stands for risk-based supervision.

29 GOING CONCERN

In accordance with the requirements of International Financial Reporting Standards, the directors carried out a going concern assessment for the entity. Key considerations were made on compliance with regulatory requirements with main focus on compliance with regulatory minimum capital requirements, the operating environment and the inherent risks thereof and the budgets and future plans of the Bank. The Bank was in compliance with the regulatory minimum capital requirement for Tier 1 banks as at 31 December 2024 and has a robust plan for capital maintenance and growth into the future. On the basis of the review, the directors have a reasonable expectation that the Bank, taking into account the operating environment, has adequate resources to continue in operational existence for the foreseeable future. The Bank therefore continues to adopt the going concern basis in preparing its financial statements.

30 INTERNATIONAL CREDIT RATING

The Bank traditionally has its credit ratings reviewed annually by an international credit rating agency, Global Credit Rating Company. The Bank was awarded an International A+ Credit Rating in 2024.

31 BOARD ATTENDANCE

NAME	Executive ("E") / Non Executive Director ("NE")	QUARTER 1	QUARTER 2	QUARTER 3	QUARTER 4
Morgan Nzwere Independent Non-Executive Chairman	N/E	✓	✓	✓	✓
Webster Rusere Managing Director	E	✓	✓	✓	✓
Alfred Chitanda Executive Director	E	✓	✓	✓	✓
Normathemba Halimana Independent Non-Executive Director	N/E	✓	✓	✓	✓
Trynos Kufavinei Group Chief Executive/Non-Executive	N/E	✓	✓	✓	✓
Mary Machingaidze Independent Non-Executive Director	N/E	✓	✓	✓	✓
Abel Magwaza Group Finance Director/Non-Executive	N/E	✓	✓	✓	✓
Martin Makonese Executive Director	E	✓	✓	✓	✓
Fungai Makoni Independent Non-Executive Director	N/E	✓	✓	✓	✓
Caroline Mathonsi Independent Non – Executive Director	N/E	✓	✓	✓	✓
Peter Moyo Independent Non – Executive Director	N/E	✓	✓	✓	✓
Tendai Mutseyekwa Non – Independent Non – Executive Director	N/E	✓	✓	✓	✓
Patrick Takawira Executive Director	E	✓	✓	✓	✓

KEY

✓ - Present

X - Absent

N/E - Non-executive director

E - Executive director

32 GROUP BOARD COMMITTEES

The FBC Holdings Limited (the "parent company") Board of Directors has constituted separate committees which include the Group Audit Committee, Group Finance and Strategy Committee, Group Risk and Compliance Committee and the Group Human Resources and Remuneration, as shown below:

GROUP AUDIT COMMITTEE

Members	Q1	Q2	Q3	Q4
Chipo Mutasa (Chairperson)	Non-Executive Director of FBC Holdings Limited	✓	✓	✓
Charles Msipa	Non-Executive Director of FBC Holdings Limited	✓	✓	✓
Rutenhuro Moyo	Non-Executive Director of FBC Holdings Limited	✓	✓	✓
Aeneas Chuma	Non-Executive Director of FBC Holdings Limited	✓	✓	✓

The Committee is chaired by a non-executive director and comprises non-executive directors only. The Divisional Director of Internal Audit, the Group Finance Director, the Managing Directors of the Bank, Short term Insurance, Building Society, Reinsurance, Securities and the Group Chief Executive attend the committee by invitation. The committee is constituted at Group level and oversees subsidiary companies.

The Committee meets regularly to:

- Review compliance with banking regulations;
- Review the effectiveness of internal controls;
- Review and approve the financial statements; and
- Review reports of both internal and independent auditors findings, instituting special investigations where necessary.

NOTES TO THE FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2024

GROUP FINANCE AND STRATEGY COMMITTEE

Members	Q1	Q2	Q3	Q4
Canada Malunga (Chairman)	Non-Executive Director of FBC Holdings Limited	✓	✓	✓
Trynos Kufavinei	Group Chief Executive	✓	✓	✓
Franklin Kennedy	Non-Executive Director of FBC Holdings Limited	✓	✓	✓
Rutenhuro Moyo	Non-Executive Director of FBC Holdings Limited	✓	✓	✓
David Makwara	Non-Executive Director of FBC Holdings Limited	✓	✓	✓

This Committee is constituted at group level and oversees the subsidiary companies. It is chaired by a non-executive director. Meetings of the Committee are attended by invitation, by other senior executives.

The Committee meets at least four times a year to review the following amongst other activities:

- The Bank's strategy and budget;
- The Bank's performance against agreed benchmarks; and
- The adequacy of the Bank's management information systems.

GROUP RISK AND COMPLIANCE COMMITTEE

Members	Q1	Q2	Q3	Q4
Rutenhuro Moyo (Chairman)	(Non-Executive Director of FBC Holdings)	✓	✓	✓
Sifiso Ndlovu	Non-Executive Director of FBC Holdings Limited	✓	✓	✓
Aeneas Chuma	Non-Executive Director of FBC Holdings Limited	✓	✓	✓
Franklin Kennedy	Non-Executive Director of FBC Holdings Limited	✓	✓	✓

The Committee is constituted at Group level and is responsible for the Risk Management function. It is chaired by a non-executive director. The Committee's primary objective is to maintain oversight of the Bank's risk and regulatory compliance process and monitor their effectiveness.

GROUP HUMAN RESOURCES AND REMUNERATION COMMITTEE

Members	Q1	Q2	Q3	Q4
Charles Msipa (Chairman)	Non-Executive Director of FBC Holdings Limited	✓	✓	✓
Chipo Mutasa	Non-Executive Director of FBC Holdings Limited	✓	✓	✓
Herbert Nkala	Non-Executive Director of FBC Holdings Limited	✓	✓	✓
Vimbai Nyemba	Non-Executive Director of FBC Holdings Limited	✓	✓	✓

The Committee is chaired by a non-executive director and comprises mainly of non-executive directors. This Committee is constituted at Group level and oversees the subsidiary companies. Meetings of the committee are attended by invitation, by the Divisional Director of Human Resources.

The Committee's primary objective is to ensure that the right calibre of management is attracted and retained. To achieve this, it ensures that the executive directors, senior managers and staff are appropriately rewarded for their contribution to the Bank's performance.

The Committee is also responsible for the Bank's Human Resources Policy issues, terms and conditions of service.

Non-executive directors are remunerated by fees and do not participate in any performance-related incentive schemes.

The following Board Committees fall under FBC Bank Limited:

CREDIT COMMITTEE

Members	Q1	Q2	Q3	Q4
Mary N Machingaidze (Chairperson)	Non-Executive Director of FBC Holdings Limited	✓	✓	✓
Webster Rusere	Managing Director of FBC Bank Limited	✓	✓	✓
Fungai D Makoni	Non-Executive Director of FBC Holdings Limited	✓	✓	✓

This Committee falls directly under the Bank. It sets the Bank's credit policy and also approves credit applications above management's discretionary limits. The Committee is responsible for the overall quality of the Bank's credit portfolio. The Committee is chaired by a non-executive director. The Heads of Credit and Risk Management Departments attend the Committee meetings by invitation.

LOANS REVIEW COMMITTEE

Members	Q1	Q2	Q3	Q4
Peter C C Moyo (Chairman)	Non-Executive Director of FBC Bank Limited	✓	✓	✓
Trynos Kufavinei				



Abridged Audited Results

FOR THE YEAR ENDED 31 DECEMBER 2024

STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

	Notes	Audited Inflation Adjusted		Unaudited Historical Cost		
		31 Dec 2024	31 Dec 2023 Restated**	31 Dec 2024	31 Dec 2023 Restated**	
		ZWG	ZWG	ZWG	ZWG	
Assets						
Cash and cash equivalents						
Cash and cash equivalents	1	442 920 030	341 640 404	442 920 030	31 446 575	
Financial assets at amortised cost	2	98 390 430	120 655 856	98 390 430	11 105 868	
Loans and advances to customers	3	803 449 807	340 376 134	803 449 807	31 330 204	
Inventory	5	57 058 082	22 940 373	46 219 488	863 725	
Other assets	6	18 502 697	17 218 587	18 037 381	1 502 763	
Investment properties	7	754 477 133	997 395 680	754 477 133	91 806 113	
Property and equipment	8	127 198 595	147 339 067	127 198 595	13 561 947	
Right of use assets	9	2 331 683	187 976	2 331 683	17 302	
Total assets		2 304 328 457	1 987 754 077	2 293 024 547	181 634 497	
Liabilities						
Deposits from banks	10.1	267 827 831	144 404 075	267 827 831	13 291 793	
Deposits from customers	10.2	841 853 148	498 433 566	841 853 148	45 878 731	
Lease liability		4 612 326	195 153	4 612 326	17 963	
Other liabilities	11	423 475 626	509 588 272	416 270 371	46 905 476	
Total liabilities		1 537 768 931	1 152 621 066	1 530 563 676	106 093 963	
Equity						
Share capital		696 945	696 945	65	65	
Share premium		126 422 263	126 422 263	432 807	432 807	
Revaluation reserve		99 170 609	119 435 302	124 509 654	12 889 814	
Retained earnings		540 269 709	588 578 501	637 518 345	62 217 848	
Total equity		766 559 526	835 133 011	762 460 871	75 540 534	
Total equity and liabilities		2 304 328 457	1 987 754 077	2 293 024 547	181 634 497	

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2024

	Share capital ZWG	Share premium ZWG	Revaluation reserve ZWG	Retained earnings ZWG	Unaudited Historical Cost	
					31 Dec 2023	Total ZWG
Opening balance as at 1 January 2023	65	432 807	1 498 501	5 649 147	7 580 520	
Surplus for the year	-	-	-	-	57 244 016	57 244 016
Other comprehensive income					11 391 313	11 391 313
Revaluation gain	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	11 391 313	57 244 016
Transactions with owners recorded directly in equity						
Dividend paid	-	-	-	-	(675 315)	(675 315)
Shareholders equity as at 31 December 2023	65	432 807	12 889 814	62 217 848	75 540 534	
Opening balance as at 1 January 2024	65	432 807	12 889 814	62 217 848	75 540 534	
Surplus for the year	-	-	-	-	661 806 017	661 806 017
Other comprehensive income					111 619 840	111 619 840
Revaluation gain	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	111 619 840	661 806 017
Transactions with owners recorded directly in equity						
Dividend paid	-	-	-	-	(86 505 520)	(86 505 520)
Shareholders equity as at 31 December 2024	65	432 807	124 509 654	637 518 345	762 460 871	

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2024

	Notes	Audited Inflation Adjusted		Unaudited Historical Cost	
		31 Dec 2024	31 Dec 2023 Restated**	31 Dec 2024	31 Dec 2023 Restated**
		ZWG	ZWG	ZWG	ZWG
Interest income					
Interest income	12	150 663 632	114 234 201	109 210 708	5 660 413
Interest expense	13	(53 366 811)	(162 882 336)	(37 739 661)	(7 035 904)
Net interest income		97 296 821	(48 648 135)	71 471 047	(1 375 491)
Fees and commission income					
Fees and commission income		146 896 521	111 629 509	103 478 485	6 233 554
Fees and commission expense		(3 209 913)	(3 324 743)	(2 366 079)	(128 086)
Net fees and commission income		143 686 608	108 304 766	101 112 406	6 105 467
Other income					
Other income	14	(23 804 584)	619 381 161	759 427 640	90 218 091
Total net income		217 178 845	679 037 792	932 011 093	94 948 067
Expected credit losses					
Operating expenses	4	(18 368 489)	(4 569 093)	(18 368 489)	(420 566)
Total operating expenses	15	(339 517 648)	(613 633 522)	(251 836 587)	(37 283 485)
Total operating expenses		(357 886 137)	(618 202 615)	(270 205 076)	(37 704 051)
Surplus from operations					
Surplus from operations		(140 707 292)	60 835 177	661 806 017	57 244 016
Monetary gain adjustment					
Monetary gain adjustment		184 944 387	310 653 451	-	-
Surplus for the year		44 237 095	371 488 628	661 806 017	57 244 016
Other comprehensive income					
Gain on property and equipment revaluation		(20 264 690)	64 444 378	111 619 840	11 391 313
Total comprehensive income for the year		23 972 405	435 933 006	773 425 857	68 635 329

STATEMENT OF CASH FLOWS

For the year ended 31 December 2024

	Notes	Audited Inflation Adjusted		Unaudited Historical Cost	
		31 Dec 2024	31 Dec 2023 Restated**	31 Dec 2024	31 Dec 2023 Restated**
		ZWG	ZWG	ZWG	ZWG
CASH FLOW FROM OPERATING ACTIVITIES					

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FOR THE YEAR ENDED 31 DECEMBER 2024

NOTES TO THE FINANCIAL RESULTS

For the year ended 31 December 2024

1	Audited Inflation Adjusted		Unaudited Historical Cost	
	31 Dec 2024		31 Dec 2023	
	ZWG	Restated**	ZWG	Restated**
1 CASH AND CASH EQUIVALENTS				
Cash on hand	27 832 767	29 054 462	27 832 767	2 674 342
Cash at bank	279 060 332	20 071 653	279 060 332	1 847 512
Balances with Reserve Bank of Zimbabwe ("RBZ")	136 026 931	47 740 892	136 026 931	4 394 350
Interbank short term investments	-	245 879 857	-	22 632 216
	442 920 030	342 746 864	442 920 030	31 548 420
Expected credit loss allowance	-	(1 106 460)	-	(101 845)
	442 920 030	341 640 404	442 920 030	31 446 575
2 FINANCIAL ASSETS AT AMORTISED COST				
Treasury bills	98 994 899	-	98 994 899	-
Agro bills	-	121 201 259	-	11 156 070
Gross financial assets at amortised cost	98 994 899	121 201 259	98 994 899	11 156 070
Expected credit loss allowance	(604 469)	(545 403)	(604 469)	(50 202)
	98 390 430	120 655 856	98 390 430	11 105 868
2.1 Maturity analysis of financial assets at amortised cost				
1 month to 3 months	63 955 023	-	63 955 023	-
3 months to 1 year	34 435 407	120 655 856	34 435 407	11 105 868
	98 390 430	120 655 856	98 390 430	11 105 868
3 LOANS AND ADVANCES TO CUSTOMERS				
Short term loan advances	534 957 299	161 933 069	534 957 299	14 905 264
Business Banking advances	148 845 116	115 475 639	148 845 116	10 629 051
Mortgage loan advances	136 080 040	66 018 852	136 080 040	6 076 760
Gross loans and advances to customers	819 882 455	343 427 560	819 882 455	31 611 075
Expected credit loss allowance	(16 432 648)	(3 051 426)	(16 432 648)	(280 871)
Net loans and advances to customers	803 449 807	340 376 134	803 449 807	31 330 204
3.1 Maturity analysis of loans and advances				
Up to 1 month	45 934 108	20 385 486	45 934 108	1 876 399
1 month to 3 months	91 868 217	40 770 972	91 868 217	3 752 798
3 months to 1 year	336 342 587	153 845 707	336 342 587	14 160 856
1 year to 5 years	251 517 486	94 578 809	251 517 486	8 705 585
Over 5 years	77 787 409	30 795 160	77 787 409	2 834 566
	803 449 807	340 376 134	803 449 807	31 330 204
	Expected credit loss (ECL) staging			
	Stage 1 12 month ECL ZWG	Stage 2 Lifetime ECL ZWG	Stage 3 Lifetime ECL ZWG	Total ZWG
3.2 Credit exposure on loans and advances				
2024 Restated and Inflation Adjusted				
Audited 31 Dec 2024				
Credit grade				
Investment grade	733 089 331	-	-	733 089 331
Standard monitoring	-	61 806 450	-	61 806 450
Special monitoring	-	18 622 796	-	18 622 796
Default	-	-	6 363 878	6 363 878
Gross loans and advances to customers	733 089 331	80 429 246	6 363 878	819 882 455
Credit impairment loss allowance	(12 350 254)	(3 816 683)	(265 711)	(16 432 648)
Net loans and advances to customers	720 739 077	76 612 563	6 098 167	803 449 807
3.2.1 Credit exposure on loans and advances				
2023 Inflation Adjusted				
Audited 31 Dec 2023				
Credit grade				
Investment grade	317 537 946	-	-	317 537 946
Standard monitoring	-	18 208 279	-	18 208 279
Special monitoring	-	5 606 697	-	5 606 697
Default	-	-	2 074 638	2 074 638
Gross loans and advances to customers	317 537 946	23 814 976	2 074 638	343 427 560
Credit impairment loss allowance	(1 124 500)	(729 080)	(1 197 846)	(3 051 426)
Net loans and advances to customers	316 413 446	23 085 896	876 792	340 376 134
3.2.2 Credit exposure on loans and advances				
2023 Historical cost				
Audited 31 Dec 2023				
Credit grade				
Investment grade	29 228 043	-	-	29 228 043
Standard monitoring	-	1 675 996	-	1 675 996
Special monitoring	-	516 073	-	516 073
Default	-	-	190 962	190 962
Gross loans and advances to customers	29 228 043	2 192 069	190 962	31 611 074
Credit impairment loss allowance	(103 505)	(67 109)	(110 257)	(280 871)
Net loans and advances to customers	29 124 538	2 124 960	80 705	31 330 204
3.3 Analysis of gross loans and advances				
2024 Inflation Adjusted				
Balance as at 1 January 2024	317 537 946	23 814 976	2 074 638	343 427 560
Monetary loss adjustment	(288 309 899)	(21 622 907)	(1 883 675)	(311 816 481)
Transfers	(10 979 615)	8 697 777	2 281 838	-
Stage 1	(16 448 817)	14 877 574	1 571 243	-
Stage 2	5 465 511	(6 708 258)	1 242 747	-
Stage 3	3 691	528 461	(532 152)	-
Impact of increase in loans and advances	773 554 929	74 831 075	6 654 294	855 040 304
Repayments	(58 714 030)	(5 291 675)	(1 044 784)	(65 050 489)
Amounts written off during the year as uncollectible	-	-	(1 718 433)	(1 718 433)
Balance as at 31 December 2024	733 089 331	80 429 246	6 363 878	819 882 455
3.3.1 Analysis of gross loans and advances				
2023 Inflation Adjusted				
Balance as at 1 January 2023	72 283 612	7 900 784	3 984 331	84 168 728
Monetary loss adjustment	(57 525 698)	(6 279 430)	(2 848 059)	(66 653 187)
Transfers	(785 659)	595 420	190 239	-
Stage 1	(1 090 339)	1 025 040	65 299	-
Stage 2	304 680	(429 620)	124 940	-
Stage 3	-	-	-	-
Impact of increase in loans and advances	309 504 282	22 417 159	2 323 297	334 244 738
Repayments	(5 938 591)	(818 957)	(1 150 915)	(7 908 463)
Amounts written off during the year as uncollectible	-	-	(424 255)	(424 255)
Balance as at 31 December 2023	317 537 946	23 814 976	2 074 638	343 427 560

NOTES TO THE FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2024

3.3.2 Analysis of gross loans and advances	Expected credit loss (ECL) staging			
	Stage 1 12 month ECL ZWG	Stage 2 Lifetime ECL ZWG	Stage 3 Lifetime ECL ZWG	Total ZWG
2024 Historical cost				
Balance as at 1 January 2024	29 228 043	2 192 069	190 963	31 611 075
Transfers	(10 979 615)	8 697 777	2 281 838	-
Stage 1	(16 448 817)	14 877 574	1 571 243	-
Stage 2	5 465 511	(6 708 258)	1 242 747	-
Stage 3	3 691	528 461	(532 152)	-
Impact of increase in loans and advances	773 554 929	74 831 075	6 654 294	855 040 304
Repayments	(58 714 030)	(5 291 675)	(1 044 784)	(65 050 489)
Amounts written off during the year as uncollectible	-	-	(1 718 433)	(1 718 433)
Balance as at 31 December 2024	733 089 330	80 429 246	6 363 878	819 882 454
3.3.3 Analysis of gross loans and advances				
2023 Historical cost				
Balance as at 1 January 2023	1 391 453	151 889	68 890	1 612 23

Abridged Audited Results

FOR THE YEAR ENDED 31 DECEMBER 2024

NOTES TO THE FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2024

	Audited Inflation Adjusted		Unaudited Historical Cost	
	31 Dec 2024	31 Dec 2023 Restated**	31 Dec 2024	31 Dec 2023 Restated**
	ZWG	ZWG	ZWG	ZWG
5 INVENTORY				
Raw materials	776 859	2 722 058	776 859	95 522
Work in progress	56 281 223	20 218 315	45 442 629	768 203
	57 058 082	22 940 373	46 219 488	863 725
6 OTHER ASSETS				
Prepayments	5 047 935	1 946 515	4 582 620	134 422
VAT input assets	8 438 967	4 686 911	8 438 967	431 411
Other debtors	4 117 821	855 280	4 117 821	78 725
Other	897 974	9 729 881	897 973	858 205
	18 502 697	17 218 587	18 037 381	1 502 763
7 INVESTMENT PROPERTIES				
Opening balance	997 395 680	396 448 427	91 806 114	7 593 878
Fair value adjustment on investment properties	(228 373 452)	527 984 109	678 546 231	81 228 542
Additions	4 099 276	33 458 883	3 891 416	1 290 219
Disposals	(24 204 732)	(14 322 629)	(23 508 031)	(1 137 859)
Transfer from inventory	5 560 361	53 826 890	3 741 403	2 831 333
Closing balance	754 477 133	997 395 680	754 477 133	91 806 113
8 PROPERTY AND EQUIPMENT				
Cost				
Carrying amount at beginning of the year	147 339 067	82 027 549	13 561 947	1 571 219
Gross carrying amount	147 752 028	84 011 981	13 561 947	1 571 219
Accumulated depreciation and impairment loss	(412 961)	(1 984 432)	-	-
Additions	6 757 414	8 465 599	4 540 814	465 562
Revaluation gain on properties	(20 264 690)	64 444 377	115 317 876	11 764 391
Disposals	-	-	-	(3 182)
Depreciation charge for the year	(6 633 196)	(7 598 458)	(6 222 042)	(236 044)
Carrying amount at end of the year	127 198 595	147 339 067	127 198 595	13 561 947
9 RIGHT OF USE ASSETS				
Opening carrying amount right of use buildings	187 976	353 180	17 302	6 765
Remeasurement of right of use buildings	2 282 007	117 340	2 743 157	15 949
Depreciation charge for the year	(684 300)	(282 544)	(428 776)	(5 412)
Carrying amount at end of the year	2 331 683	187 976	2 331 683	17 302
The balance as at 31 December 2024 relates to the right of use of Msasa warehouse. The remaining useful life for the asset is 51 months to 31 March 2029				
10 DEPOSITS				
10.1 Deposits from banks				
Money market deposits	267 827 831	144 404 075	267 827 831	13 291 793
10.2 Deposits from customers				
Retail savings deposits	137 478 846	125 040 388	137 478 846	11 509 446
Money market deposits	680 091 597	356 791 307	680 091 597	32 841 152
Fixed deposits	24 282 705	16 601 871	24 282 705	1 528 133
	841 853 148	498 433 566	841 853 148	45 878 731
Total deposits	1 109 680 979	642 837 641	1 109 680 979	59 170 524
10.3 Maturity analysis of deposits				
Up to 1 month	762 916 047	448 464 710	762 916 047	41 279 306
1 month to 3 months	322 482 227	96 851 555	322 482 227	8 914 782
3 months to 1 year	-	80 919 505	-	7 448 303
Over 1 year	24 282 705	16 601 871	24 282 705	1 528 133
	1 109 680 979	642 837 641	1 109 680 979	59 170 524
11 OTHER LIABILITIES				
Trade and other payables	144 360 300	70 565 102	144 360 300	6 495 223
Deferred income	52 171 436	9 761 380	44 966 181	898 494
Deferred capital gain tax on property valuations	125 388 780	148 569 068	125 388 780	13 675 163
Provisions	101 555 110	280 692 722	101 555 110	25 836 596
	423 475 626	509 588 272	416 270 371	46 905 476
12 INTEREST INCOME				
Loans and advances to customers	127 748 150	54 586 163	93 311 087	2 914 579
Interbank money market investments	11 021 202	15 325 825	7 343 188	1 075 220
Financial assets at amortised cost	11 894 280	44 322 213	8 556 433	1 670 614
	150 663 632	114 234 201	109 210 708	5 660 413
13 INTEREST EXPENSE				
Deposits from banks	791 713	85 914 023	476 062	3 641 860
Deposits from customers - retail savings	-	128 001	-	5 458
Deposits from customers - time deposits	52 575 098	76 840 312	37 263 599	3 388 586
	53 366 811	162 882 336	37 739 661	7 035 904
14 OTHER INCOME				
Rent received	39 202 764	30 388 863	31 560 685	1 807 147
Fair value adjustment on investment properties	(228 373 452)	366 077 359	572 050 529	68 274 628
Foreign exchange gains	145 798 174	212 610 561	145 798 174	19 569 916
Other	19 567 930	10 304 378	10 018 252	566 400
	(23 804 584)	619 381 161	759 427 640	90 218 091
15 OPERATING EXPENSES				
Administration expenses	53 248 254	77 097 035	37 772 498	2 383 946
Personnel expenses	223 967 786	411 316 933	166 807 171	25 683 054
Audit fees	7 364 354	5 584 492	4 422 451	288 206
Directors fees and key management remuneration	47 312 821	111 635 433	35 876 739	8 686 086
Depreciation and amortisation	7 317 496	7 881 002	6 650 818	241 456
Lease finance costs	306 937	118 627	306 910	737
	339 517 648	613 633 522	251 836 587	37 283 485

NOTES TO THE FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2024

	Audited Inflation Adjusted		Unaudited Historical Cost	
	31 Dec 2024	31 Dec 2023 Restated**	31 Dec 2024	31 Dec 2023 Restated**
	ZWG	ZWG	ZWG	ZWG
16 CAPITAL ADEQUACY RATIO				
Core Capital Tier 1				
Issued and fully paid up ordinary share capital	127 119 208	127 119 208	432 872	432 872
Retained earnings	540 269 706	588 578 501	637 518 345	62 217 848
Capital allocated for market and operational risk	(56 796 198)	(170 107 809)	(56 796 198)	(5 969 392)
Total core capital	610 592 716	545 589 900	581 155 019	56 681 328
Supplementary Capital Tier 2				
Revaluation reserves	99 170 612	119 435 302	124 509 655	12 889 814
Total supplementary capital	99 170 612	119 435 302	124 509 655	12 889 814
Tier 3				
Capital allocated for market and operational risk	56 796 198	170 107 809	56 796 198	5 969 392
Core capital plus supplementary capital	766 559 526	835 133 011	762 460 872	75 540 534
Total risk weighted assets	2 130 860 351	2 518 297 697	2 130 860 351	231 798 802
Tier 1 capital ratio	29%	22%	27%	29%
Tier 2 capital ratio	5%	5%	6%	8%
Tier 3 capital ratio	3%	7%	3%	2%
Capital adequacy ratio	37%	34%	36%	39%
17 LIQUIDITY RISK				
Contractual maturity profile of assets and liabilities				
31 Dec 2024		</td		



Abridged Audited Results

FOR THE YEAR ENDED 31 DECEMBER 2024

NOTES TO THE FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2024

	Up to 30 days ZWG	31-90 days ZWG	91-180 days ZWG	181-365 days ZWG	Over 365 days ZWG	Non interest bearing ZWG	Total ZWG
18 INTEREST RATE RISK							
Interest adjusted							
Interest rate repricing gap							
31 December 2024							
Assets							
Cash and cash equivalents	25 223 053	38 731 969	34 435 408	-	-	442 920 030	442 920 030
Financial assets at amortised cost	803 449 807	-	-	-	-	98 390 430	98 390 430
Loans and advances to customers	-	-	-	-	-	803 449 807	803 449 807
Inventory	-	-	-	-	-	57 058 082	57 058 082
Other assets	-	-	-	-	-	18 502 697	18 502 697
Investment properties	-	-	-	-	-	754 477 133	754 477 133
Property and equipment	-	-	-	-	-	127 198 595	127 198 595
Right of use assets	-	-	-	-	-	2 331 683	2 331 683
Total assets	828 672 860	38 731 969	34 435 408	-	-	1 402 488 220	2 304 328 457
Liabilities							
Deposits from banks	267 827 831	-	-	-	-	267 827 831	267 827 831
Deposits from customers	495 088 216	322 482 227	-	-	24 282 705	841 853 148	841 853 148
Lease liability	-	-	-	-	-	4 612 326	4 612 326
Other liabilities	-	-	-	-	-	423 475 626	423 475 626
Equity	-	-	-	-	-	766 559 526	766 559 526
Total liabilities	762 916 047	322 482 227	-	24 282 705	1 194 647 478	2 304 328 457	-
Interest rate repricing gap	65 756 813	(283 750 258)	34 435 408	-	(24 282 705)	207 840 742	-
Cumulative interest rate repricing gap	65 756 813	(217 993 445)	(183 558 037)	(183 558 037)	(207 840 742)	-	-
18.1 INTEREST RATE RISK							
Historical cost							
Interest rate repricing gap							
31 December 2024							
Assets							
Cash and cash equivalents	25 223 053	38 731 969	34 435 408	-	-	442 920 030	442 920 030
Financial assets at amortised cost	803 449 807	-	-	-	-	98 390 430	98 390 430
Loans and advances to customers	-	-	-	-	-	803 449 807	803 449 807
Inventory	-	-	-	-	-	46 219 488	46 219 488
Other assets	-	-	-	-	-	18 037 381	18 037 381
Investment properties	-	-	-	-	-	754 477 133	754 477 133
Property and equipment	-	-	-	-	-	127 198 595	127 198 595
Right of use assets	-	-	-	-	-	2 331 683	2 331 683
Total assets	828 672 860	38 731 969	34 435 408	-	-	1 391 184 310	2 293 024 547
Liabilities							
Deposits from banks	267 827 831	-	-	-	-	267 827 831	267 827 831
Deposits from customers	495 088 216	322 482 227	-	-	24 282 705	841 853 148	841 853 148
Lease liability	-	-	-	-	-	4 612 326	4 612 326
Other liabilities	-	-	-	-	-	416 270 371	416 270 371
Equity	-	-	-	-	-	762 460 871	762 460 871
Total liabilities	762 916 047	322 482 227	-	24 282 705	1 183 343 568	2 293 024 547	-
Interest rate repricing gap	65 756 813	(283 750 258)	34 435 408	-	(24 282 705)	207 840 742	-
Cumulative interest rate repricing gap	65 756 813	(217 993 445)	(183 558 037)	(183 558 037)	(207 840 742)	-	-
18.2 Interest rate repricing gap							
31 December 2023							
Restated**							
Interest adjusted							
Assets							
Cash and cash equivalents	217 503 380	-	120 655 856	-	-	124 137 025	341 640 404
Financial assets at amortised cost	340 376 134	-	-	-	-	-	120 655 856
Loans and advances to customers	-	-	-	-	-	-	340 376 134
Inventory	-	-	-	-	-	-	22 940 373
Other assets	-	-	-	-	-	-	17 218 587
Investment properties	-	-	-	-	-	-	997 395 680
Property and equipment	-	-	-	-	-	-	147 339 067
Right of use assets	-	-	-	-	-	-	187 976
Total assets	557 879 514	-	120 655 856	-	-	1 309 218 708	1 987 754 077
Liabilities							
Deposits from banks	144 404 075	-	-	-	-	-	144 404 075
Deposits from customers	304 060 634	96 851 555	80 919 501	-	16 601 876	-	498 433 566
Lease liability	-	-	-	-	-	-	195 153
Other liabilities	-	-	-	-	-	-	835 133 011
Equity	-	-	-	-	-	-	835 133 011
Total liabilities	448 464 709	96 851 555	80 919 501	-	16 601 876	1 344 916 436	1 987 754 077
Interest rate repricing gap	109 414 806	(96 851 555)	39 736 355	-	(16 601 876)	(35 697 728)	-
Cumulative interest rate repricing gap	109 414 806	12 563 250	52 299 605	52 299 605	35 697 728	-	-
18.3 INTEREST RATE RISK							
Interest rate repricing gap							
31 December 2023							
Restated**							
Historical cost							
Assets							
Cash and cash equivalents	20 020 279	-	11 105 868	-	-	11 426 295	31 446 575
Financial assets at amortised cost	31 330 204	-	-	-	-	-	11 105 868
Loans and advances to customers	-	-	-	-	-	-	31 330 204
Inventory	-	-	-	-	-	-	863 725
Other assets	-	-	-	-	-	-	1 502 763
Investment properties	-	-	-	-	-	-	91 806 113
Property and equipment	-	-	-	-	-	-	13 561 947
Right of use assets	-	-	-	-	-	-	17 302
Total assets	51 350 483	-	11 105 868	-	-	119 178 146	181 634 497
Liabilities							
Deposits from banks	13 291 793	-	-	-	-	-	13 291 793
Deposits from customers	27 987 513	8 914 782	7 448 303	-	1 528 133	-	45 878 731
Lease liability	-	-	-	-	-	-	17 963
Other liabilities	-	-	-	-	-	-	46 905 476
Equity	-	-	-	-	-	-	75 540 534
Total liabilities	41 279 306	8 914 782	7 448 303	-	1 528 133	122 463 973	181 634 497
Interest rate repricing gap	10 071 177	(8 914 782)	3 657 565	-	(1 528 133)	(3 285 827)	-
Cumulative interest rate repricing gap	10 071 177	1 156 395	4 813 960	4 813 960	3 285 827	-	-
Audited Inflation Adjusted							
31 Dec 2024							
ZWG	2 879 684	17 307 268					



Abridged Audited Results

FOR THE YEAR ENDED 31 DECEMBER 2024

NOTES TO THE FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2024

21 EXTERNAL CREDIT RATING

The Building Society had its credit rating assessed by an internationally credit rating agency, Global Credit Rating Company. The credit rating agency is accredited by the Reserve Bank of Zimbabwe. The Building Society was accorded a long term credit rating of BB+ in July 2024.

22 GOING CONCERN

In accordance with the requirements of International Financial Reporting Standards, the directors carried out a going concern assessment for the entity. Key considerations were made on compliance with regulatory requirements with main focus on compliance with regulatory minimum capital requirements, the operating environment and the inherent risks thereof and the budgets and future plans of the Building Society. The Building Society was in compliance with the regulatory minimum capital requirement for Tier 11 banks as at 31 December 2024 and has a robust plan for capital maintenance and growth into the future. On the basis of the review, the directors have a reasonable expectation that the Building Society, taking into account the operating environment, has adequate resources to continue in operational existence for the foreseeable future. The Building Society therefore continues to adopt the going concern basis in preparing its financial statements.

23 BOARD ATTENDANCE

The Building Society's Board is committed to the principles of openness, integrity and accountability. It recognises the developing nature of corporate governance and assesses its compliance with local and international generally accepted corporate governance practices on an ongoing basis through its various sub-committees. Guidelines issued by the Reserve Bank of Zimbabwe ("RBZ") from time to time are strictly adhered to and compliance check lists are continuously reviewed.

The Board is chaired by an independent Non-Executive Director. The Board is responsible to the shareholders for setting the direction of the Building Society through the establishment of strategies, objectives and key policies. The Board monitors the implementation of these policies through a structured approach to reporting and accountability. The Board meets regularly, with a minimum of four scheduled meetings annually.

Board member	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Farai Muchena **				
Pius Rateiwa *				
Edwin Chidzonga **				
Clemence Guta **				
Agnes Kanhukamwe ***		n/a		n/a
Trynos Kufazvinei ***	x			
Chipo Mafunga **				
Guardiner Manikai **				
Tariro Ndebele **				
Webster Rusere ***				

Key

- Attended n/a - not applicable

x - Apologies

* Executive
** Independent Non-executive director
*** Non-independent Non-executive director
**** Resigned from the board on 30 June 2024

Board Audit

Name	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Clemence Guta **				
Guardiner Manikai **				
Tariro Ndebele **				

Board Human Resources and Remuneration

Name	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Farai Muchena **				
Chipo Mafunga **			x	
Trynos Kufazvinei ***				

The committee's primary objective is to ensure that the right caliber of management and staff is attracted and retained. To achieve this, it ensures that the directors, senior managers and other staff are appropriately rewarded for their contribution to the Building Society's performance. The committee is also responsible for human resources policy issues as well as terms and conditions of service. Non-Executive Directors are remunerated by fees and do not participate in any performance-related scheme(s). The Group Divisional Director of Human Resources attends meetings of the committee by invitation.

NOTES TO THE FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2024

Board Finance and Assets and Liabilities

Name	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Edwin Chidzonga **				
Farai Muchena **				
Trynos Kufazvinei ***				
Pius Rateiwa *				

The committee meets at least four times a year to review the following aspects of the Building Society:

- The performance against agreed benchmarks;
- The assets and liabilities;
- The strategy and budget;
- The financial statements and accounting policies;
- The counterparties trading limits; and
- The adequacy of the management information systems.

Board Risk and Compliance

Name	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Guardiner Manikai **				
Edwin Chidzonga **				
Chipo Mafunga **				
Trynos Kufazvinei ***				
Tariro Ndebele **				
Webster Rusere ***				

The committee is responsible for the Building Society's risk management function. The committee's primary objective is to maintain oversight of the Building Society's risk and regulatory compliance processes and procedures and monitor their effectiveness. The committee keeps under review, developments and prospective changes in the regulatory environment and monitors significant risk and regulatory issues affecting the Building Society, noting any material compliance/regulatory breaches and monitoring resolution of such any breaches.

Board Credit Review

Name	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Clemence Guta **				
Chipo Mafunga **				
Pius Rateiwa *				
Webster Rusere ***				

The committee sets the Building Society's credit policy and approves credit applications above management's authorized limits. The committee is responsible for the overall quality of the Building Society's credit portfolio.

Board Loans Review

Name	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Guardiner Manikai **				
Edwin Chidzonga **				
Farai Muchena **				
Trynos Kufazvinei ***				
Tariro Ndebele **				

The committee is responsible for ensuring that the Building Society's loan portfolio and lending abide by the credit policies approved by the Board of Directors and are in compliance with RBZ requirements. It also ensures that non - performing loans are properly identified, classified and placed on non-accrual in accordance with the Reserve Bank of Zimbabwe guidelines. The committee also ensures that adequate provisions are made for potential losses and write-offs of losses identified are made in the correct period.

By order of the Board


T. Mabenza

Group Company Secretary

31 March 2025

The Home of Mortgage Financing



FBC Building Society
You Matter Most





Abridged Audited Results

FOR THE YEAR ENDED 31 DECEMBER 2024

STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

	31 Dec 2024 Note	31 Dec 2023 Restated* ZWG	31 Dec 2022 Restated* ZWG
ASSETS			
Balances with banks and cash	2	1 454 583 833	1 297 462 605
Financial assets at fair value through OCI	3	154 873 142	12 199 878
Non-current assets held for sale		-	78 044 051
Loans and advances to customers	4	729 086 942	258 045 227
Amounts due from group companies	5	56 173 168	78 811
Other assets	7	72 999 882	159 047 748
Current tax asset		1 234 639	96 998 016
Equity instruments at fair value through other comprehensive income	8	7 589 588	6 085 959
Right of use asset		-	4 829 855
Investment property	9	458 100 000	166 525 695
Property and equipment	10	216 257 822	179 362 486
Total assets		3 150 899 016	2 079 922 960
EQUITY AND LIABILITIES			
Liabilities			
Deposits from customers	11	1 982 768 128	1 535 982 843
Deposits from other financial institutions	12	60 587 589	-
Amounts due to group companies	6	25 759 390	117 986
Trade and other payables	13	157 180 665	141 693 403
Current tax liability		-	127 033 782
Deferred tax liability		5 974 161	29 693 512
Total liabilities		2 232 269 933	1 715 235 765
Equity			
Share capital		334	1 879 538
Share premium		286 757 274	46 988 898
Retained earnings		174 903 047	87 230 029
Other reserves		456 968 428	256 516 024
Total equity		918 629 083	364 687 195
Total equity and liabilities		3 150 899 016	2 079 922 960

STATEMENT OF CHANGES IN EQUITY

For The Year Ended 31 December 2024

	Share capital ZWG	Share premium ZWG	Retained earnings ZWG	Other reserves ZWG	Total equity ZWG
Restated*					
Opening balances as at 1 January 2023	3 489 164	87 230 029	256 516 024	160 225 164	507 460 381
Loss for the year	-	-	(2 898 220)	-	(2 898 220)
Other comprehensive income	(1 609 626)	(40 241 131)	(119 162 945)	8 931 253	(152 082 449)
Total comprehensive income	(1 609 626)	(40 241 131)	(122 061 165)	8 931 253	(154 980 669)
Transactions with owners of equity					
Shareholder debt forgiveness	-	-	12 207 483	-	12 207 483
Balance as at 31 December 2023	1 879 538	46 988 898	146 662 342	169 156 417	364 687 195
Opening balances as at 1 January 2024					
Transfer to equity reserve	(1 879 208)	(46 980 645)	-	48 859 853	-
Issue of new shares	4	286 749 021	-	-	286 749 025
Loss for the year	-	-	(51 961 297)	-	(51 961 297)
Other comprehensive income	-	-	63 533 532	238 952 158	302 485 690
Total comprehensive income	-	-	11 572 235	238 952 158	250 524 393
Transactions with owners of equity					
Shareholder debt forgiveness	-	-	16 668 470	-	16 668 470
Balance as at 31 December 2024	334	286 757 274	174 903 047	456 968 428	918 629 083

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For The Year Ended 31 December 2024

	31 Dec 2024 Note	31 Dec 2023 Restated* ZWG
Interest income calculated using the effective interest method	15	120 419 787
Interest and similar expenses	16	(4 328 524)
Net interest related income	116 091 263	171 701 818
Fee and commission income	17	168 732 314
		171 620 065
Dealing and trading income	19	84 104 894
Other operating income	18	18 906 794
Total other income	103 011 688	199 753 445
Total net income		387 835 265
Impairment credit/(losses) on financial assets	20	108 755 005
Administrative expenses		(38 444 349)
Monetary loss		(524 059 248)
(Loss)/profit before income tax	(27 468 978)	27 348 174
Income tax expense		(24 492 319)
Loss after income tax for the year	(51 961 297)	(2 898 220)
Other comprehensive income:		
Items that will not be reclassified to profit or loss:		
Gains on property revaluation		7 933 431
Related tax		(2 267 435)
Reserve on equity investments at FVOCI		(3 989 222)
Related tax		199 474
Actuarial gains arising from re-measurement of retirement benefit obligations		-
Related tax		(1 099 702)
Effects of change in presentation currency		273 261
		371 721 738
		(234 102 673)
Items that are or may be reclassified to profit or loss	373 597 986	(152 082 450)
Reserve on financial assets at FVOCI		(95 990 899)
Related tax		24 878 603
		(71 112 296)
Other comprehensive income (net of income tax)	302 485 690	(152 082 450)
Total comprehensive income for the year	250 524 393	(154 980 670)

STATEMENT OF CASH FLOWS

For The Year Ended 31 December 2024

	31 Dec 2024 Note	31 Dec 2023 Restated* ZWG
Cash flow from operating activities		
(Loss)/profit before income tax		(27 468 978)
Adjustments for non cash items:		27 348 174
Impairment (credit)/losses on financial assets		(108 716 627)
Fair value gains on investment properties		38 658 692
Fair value gain on assets held for sale		(10 741 051)
Net unearned interest income		(66 047 411)
Unrealised foreign exchange gains		(13 187 602)
Lease modification gain		(116 091 263)
Depreciation charge		(171 701 832)
Profit on disposal of property and equipment		(62 561 112)
Net cash used before changes in operating assets and liabilities	(321 645 631)	(370 374 926)
Increase in loans and advances at amortised cost		(471 041 715)
Decrease/ (increase) in other assets		(46 562 789)
Increase in amounts due from group entities		86 047 866
Increase in amounts due to group entities		62 207 355
Increase/ (decrease) in deposits from customers		(56 094 357)
Increase/ (decrease) in deposits from other financial institutions		(78 811)
Increase in other liabilities		25 641 404
Net cash flow after working capital changes	(214 232 297)	(701 697 010)
Interest received		108 093 103
Interest paid		(3 509 217)
Income tax paid		(11 653 838)
Net cash generated/ (used in) from operating activities	(121 302 249)	(554 813 124)
Cash flows from investing activities		
Proceeds from sale of property and equipment		450 326
Proceeds on disposal of non-current assets held for sale		-
Purchase of property and equipment		(5 034 529)
Purchase of financial assets at fair value through other comprehensive income		(252 124 664)
Sale of financial assets at fair value through other comprehensive income		23 846 379
Net cash used in investing activities	(232 862 488)	(10 494 803)
Cash flows from financing activities		
Proceeds from new shares issued		286 749 025
Repayments of lines of credit		(917 904)
Net cash generated from/ (used in) financing activities	285 831 121	(78 052)
Net increase/ (decrease) in cash and cash equivalents		
Cash and cash equivalents at beginning of year		(68 333 616)
Effect of change in presentation currency on cash flow activities		(565 385 979)
Impact of net foreign exchange movements on cash and cash equivalents		1 297 462 605
Cash and cash equivalents at the end of year	2 145 583 833	1 297 462 605

*The comparative figures for the year ended 31 December 2023 which were previously presented in the Zimbabwe Dollar ('ZWL') after adjustment for inflation in accordance with IAS 29: Financial Reporting in Hyperinflationary Economies, were translated to United States Dollar ('USD') (functional currency) based on the exchange rate of USD1 : ZWL6 105 prevailing on 31 December 2023 and thereafter, to the Zimbabwe Gold ('ZWG') (presentation currency) based on the exchange rate of USD1: ZWG13.56, the first available exchange rate as at 05 April 2024 when ZWG was introduced.



Welcome to the Future of Banking

Crown Bank

We are stronger together. A warm welcome to all of our Crown Bank customers. Your convenience and satisfaction are our top priorities.





Abridged Audited Results

FOR THE YEAR ENDED 31 DECEMBER 2024

NOTES TO THE FINANCIAL RESULTS

For the year ended 31 December 2024

1. FUNCTIONAL AND PRESENTATION CURRENCY

The financial statements of the Bank have been presented in the Zimbabwe Gold ('ZWG') which is its presentation currency. The Reserve Bank of Zimbabwe ('RBZ'), the Bank's regulator in conjunction with the Public Accountants and Auditors Board ('PAAB') announced a requirement for all entities in Zimbabwe to adopt the ZWG as a common presentation currency for reporting purposes for accounting periods ending on or after 31 December 2024. The Bank had been using the Zimbabwe Dollars ('ZWL') as its presentation and functional currency since 2019.

The Bank adopted USD functional currency effective 1 January 2024.

1.1 Change in functional currency

Following the enactment of Statutory Instrument ("SI") 185 of 2020 on 24 July 2020, Crown Bank Limited witnessed a gradual increase in the use of foreign currency across its operations. Subsequently, in June 2022, the government established the multi-currency system into law until 31 December 2025 through Statutory Instrument 118A of 2022. Moreover, on 27 October 2023, Statutory Instrument 218 of 2023 (SI 218/23) extended the settlement of transactions in foreign currency until 31 December 2030, assuring businesses regarding the continuity of the multi-currency system. This has since been confirmed through the Finance Act No.13 of 2023.

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

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

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

Based on the above factors, the Bank concluded that there has been a change in functional currency from Zimbabwe Dollar (ZWL) to United States Dollars ("USD") with effect from 1 January 2024.

1.2 Change in presentation currency

The Bank applied the following procedures to translate the financial position and results from its functional currency to the presentation currency:

- (a) assets and liabilities for the statement of financial position were translated at the closing exchange rate as at 31 December 2024
- (b) income and expenses for the 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 and taken to a separate component of equity.

1.3 Conversion of Comparative numbers to the presentation currency

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

Conversion Methodology

Given that ZWG did not exist as a currency in the prior reporting period (2023), a two-step conversion process was employed for all amounts in the financial statements. Firstly, the hyperinflation-adjusted ZWL balances as of 31 December 2023 were converted to US Dollars (USD) using the exchange rate of USD1 : ZWL6 105, as per guidance from the Institute of Chartered Accountants Zimbabwe (ICAZ). These USD balances were then converted to ZWG using the exchange rate of USD1 : ZWG13.56, which was the earliest available exchange rate on 5 April 2024.

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

1.4 Foreign Currency Transactions and Balances

In preparing the financial statements of the Bank, transactions in currencies other than the United States Dollar are recognised at the rates (currencies other than the Zimbabwean dollar for prior year) of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are 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 translated at the historical spot rate that is, the spot rate at the date of transaction.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

Except where indicated, financial information presented herein has been rounded off to the nearest ZWG.

31 Dec 2024	31 Dec 2023
ZWG	ZWG

2. BALANCES WITH BANKS AND CASH

Balances with Reserve Bank of Zimbabwe

Statutory reserve balances	456 060 903	183 353 221
Current account balances	69 135 668	11 027 867
Negotiable certificate of deposits	33 900 000	143 351 026
Total	559 096 571	337 732 114

Balances with other banks and cash

Nostro balances	535 974 849	408 865 492
Cash and coins	282 051 522	270 733 984
Other bank balances	77 460 891	280 131 015
Total	895 487 262	959 730 491

Cash and cash equivalents

Total	1 454 583 833	1 297 462 605
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3. FINANCIAL ASSETS HELD AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

Bonds and notes issued by Government	252 124 664	12 533 942
Expected credit losses	(1 260 623)	(334 064)
Fair value through other comprehensive income	(95 990 899)	-
Balance as at 31 December	154 873 142	12 199 878

3.1 Maturity analysis of financial assets at fair value through other comprehensive income

Maturing between 0 to 3 months including payable on demand	-	12 197 030
Maturing between 3 months to 1 year	-	-
Maturing in more than 1 year to 5 years	30 774 592	1 424
Maturing in more than 5 years	124 098 550	1 424
Total	154 873 142	12 199 878

4. LOANS AND ADVANCES TO CUSTOMERS

Maturing within 1 year	457 308 273	209 322 696
Maturing after 1 year but within 5 years	307 255 496	176 164 035
Gross loans and advances	764 563 769	385 486 731
Expected credit losses (note 4.3)	(3 421 299)	(58 818 493)
Adjustment for staff loans benefit	761 142 470	326 668 238
Net loans and advances to customers	729 086 942	258 045 227

4.1 Loans concentration by sector

	31 Dec 2024	Percentage	31 Dec 2023	Percentage
	ZWG		ZWG	
Agriculture and horticulture	-	0%	36 095 011	9%
Construction and property	31 322 830	4%	11 816 970	3%
Commerce	53 153 970	7%	9 191 660	2%
Manufacturing	386 968 581	51%	141 104 275	37%
Individual loans	245 868 802	32%	171 675 200	45%
Mining	30 000 000	4%	-	0%
Other	17 249 586	2%	15 603 615	4%
Total gross loans and advances	764 563 769	100%	385 486 731	100%

NOTES TO THE FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2024

4.2 Exposure to credit risk : Loans and advances

Gross carrying amount of loans and advances to customers

Amortised cost of gross loans and advances ; past due and impaired

Stage III classified exposures : default

Grade 8: impaired

Grade 9: impaired

Grade 10: impaired

Amortised cost past due and impaired

Life time expected credit losses

Carrying amount past due and impaired

Past due but not impaired

Stage II classified exposures : standard monitoring

: special monitoring

Gross amount, past due but not impaired

Life time expected credit losses

Carrying amount, past due and not impaired

Neither past due nor impaired

Stage I classified exposures : investment grade

Twelve months expected credit losses

Carrying amount, not impaired

Total carrying amount (loans and advances)

31 Dec 2024	31 Dec 2023
ZWG	ZWG

764 563 769	385 486 731
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4.3 Expected credit losses staging

31 December 2024	Stage 1 12-month ECL ZWG	Stage 2 Lifetime ECL ZWG	Stage 3 Lifetime ECL ZWG	Total
Credit grade				

Investment grade	738 757 125	24 309 124	-	763 066 249
Standard monitoring	-	-	-	-
Special monitoring	-	-	-	-
Default	-	-	1 497 520	1 497 520

Gross financial assets at amortised cost	738 757 125	24 309 124	1 497 520	764 563 769
Expected credit loss allowance	(3 300 764)	(113 540)	(6 995)	(3 421 299)
Net financial asset at amortised cost	735 456 361	24 195 584	1 490 525	761 142 470

31 December 2023	Stage 1 12-month ECL ZWG	Stage 2 Lifetime ECL ZWG	Stage 3 Lifetime ECL ZWG	Total
Restated*				
Credit grade				

Investment grade	243 304 428	141 864 938	-	385 169 366
Standard monitoring	-	167 834	-	167 834
Special monitoring	-	-	149 531	149 531
Default	-	-	-	-

Gross financial assets at amortised cost	243 304 428	142 032 772	149 531	385 486 731
Expected credit loss allowance	(201 091)	(58 628 885)	11 483	(58 818 493)
Net financial asset at amortised cost	243 103 337	83 403 887	161 014	326 668 238

31 Dec 2024	31 Dec 2023
ZWG	ZWG

6. AMOUNTS DUE FROM GROUP ENTITIES	
FBC Holdings Limited	6 324 120
FBC Building Society Limited	526 318
FBC Bank Limited	49 322 730
Total receivable from group entities	78 811

5. AMOUNTS DUE TO GROUP ENTITIES	
FBC Bank Limited	25 759 390
Standard Chartered Bank PLC entities	-
Total payable to group entities	117 986

6. AMOUNTS DUE TO GROUP ENTITIES	
FBC Bank Limited	25 759 390
Standard Chartered Bank PLC entities	-
Total payable to group entities	117 986

7. PREPAYMENTS AND OTHER ASSETS	
Funding gap receivable	-
Accrued interest receivable	12 326 684
VISA/Plus Settlement Suspense	23 1



Abridged Audited Results

FOR THE YEAR ENDED 31 DECEMBER 2024

NOTES TO THE FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2024

11.2 Deposits concentration

	31 Dec 2024	Percentage	31 Dec 2023	Percentage
	ZWG		ZWG	
Individuals	416 600 826	21%	229 990 577	15%
Agriculture	76 386 661	4%	17 945 168	1%
Mining	548 424	0%	555 865	0%
Manufacturing	206 698 667	10%	311 758 719	20%
Distribution	135 602 922	7%	156 170 073	10%
Construction	43 470 479	2%	32 426 028	2%
Transport	141 665 962	7%	93 374 146	6%
Communication	78 284 386	4%	101 097 407	7%
Services	883 509 801	45%	592 664 860	39%
Total	1 982 768 128	100%	1 535 982 843	100%

12 DEPOSITS FROM OTHER FINANCIAL INSTITUTIONS

Money market deposits	54 989 350	-
Cash account deposits	5 598 239	-
Total	60 587 589	-

12.1 Maturity analysis of deposits from other financial institutions

Maturing within 1 year	60 587 589	-
Maturing after 1 year but within 5 years	-	-
Total	60 587 589	-

13 TRADE AND OTHER PAYABLES

Intermediated Money Transfer Tax and other taxes	32 721 217	28 008 560
International card settlement suspense	14 105 485	14 492 928
Income received in advance	9 146 078	1 340 257
Unclaimed balances	7 567 646	6 685 026
Trade and other creditors	93 640 239	91 166 632
Total	157 180 665	141 693 403

14 CAPITAL ADEQUACY

Ordinary share capital	334	330
Share premium	286 757 275	8 254
Retained earnings	433 484 358	32 470 464
General reserves	103 881 973	21 452
Capital allocated for market and operational risk	-	-
Advances to insiders	-	-
Tier 1 capital	824 123 940	32 500 500
Non distributable reserves	124 723 817	29 171 642
Tier 2 capital	124 723 817	29 171 642
Tier 1 & 2 capital	948 847 757	61 672 142
Tier 3 capital allocated for market and operational risk	-	-
Risk weighted assets	2 266 799 888	189 351 137

15 INTEREST INCOME

Loans and advances to customers	117 361 002	141 192 605
Loans and advances to other financial institutions	729 251	-
Treasury bills	2 329 534	30 655 607
Total	120 419 787	171 848 212

16 INTEREST EXPENSE

Savings and demand deposits from customers	1 140 659	140 672
Other interest expense	2 364 207	-
Lease finance	4 351	5 722
Deposits by banks	819 307	-
Total	4 328 524	146 394

17 FEES AND COMMISSION INCOME

Account service fees and charges	43 338 441	45 377 659
Lending fees	15 286 455	25 839 773
Transaction related commissions	137 424 489	125 698 393
Other fees and commissions	21 572 888	29 207 209
Total	217 622 273	226 123 034
Less fees and commission expenses	(48 889 959)	(54 502 969)
Total	168 732 314	171 620 065

18 OTHER OPERATING INCOME

Rental income	6 918 307	6 268 720
Profit on disposal of property and equipment	450 326	617 997
Fair value changes on investment property	10 741 051	66 047 411
Other income	797 110	18 019 599
Total	18 906 794	90 953 727

19 DEALING AND TRADING INCOME

Gains arising from foreign exchange trading	21 543 782	64 702 015
Unrealised foreign exchange gains	62 561 112	44 097 703
Total	84 104 894	108 799 718

20 ADMINISTRATION EXPENSES

Other administrative expenses	70 529 197	68 653 832
Staff costs (Note 20.1)	379 634 909	224 025 085
Directors' emoluments (Note 20.2)	35 177 142	7 639 704
Group cross border recharges	5 350 174	11 495 178
Depreciation	2 997 223	8 945 329
Audit fees	4 660 970	2 715 743
Premises costs	25 709 633	31 130 397
Total	524 059 248	354 605 268

NOTES TO THE FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2024

11.2 Deposits concentration

	31 Dec 2024	Percentage	31 Dec 2023	Percentage
	ZWG		ZWG	
Individuals	416 600 826	21%	229 990 577	15%
Agriculture	76 386 661	4%	17 945 168	1%
Mining	548 424	0%	555 865	0%
Manufacturing	206 698 667	10%	311 758 719	20%
Distribution	135 602 922	7%	156 170 073	10%
Construction	43 470 479	2%	32 426 028	2%
Transport	141 665 962	7%	93 374 146	6%
Communication	78 284 386	4%	101 097 407	7%
Services	883 509 801	45%	592 664 860	39%
Total	1 982 768 128	100%	1 535 982 843	100%

12 DEPOSITS FROM OTHER FINANCIAL INSTITUTIONS

Money market deposits	54 989 350	-
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Abridged Audited Results

FOR THE YEAR ENDED 31 DECEMBER 2024

NOTES TO THE FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2024

Total position as at 31 December 2023 Restated*

	0 - 30 days ZWG	31 - 90 days ZWG	91-365 days ZWG	Over 365 days ZWG	Non-interest bearing ZWG	Total ZWG
Cash and cash equivalents	-	-	-	1 430	1 430	12 199 878
Financial assets at fair value through OCI	12 197 018	97 832 978	9 749 312	117 924 392	159 047 748	258 045 227
Gross loans and advances to customers	32 538 545				6 085 959	6 085 959
Prepayments and other assets	-	-	-	-	1 114 551	1 114 551
Amount due from group companies	-	-	-	-	166 525 695	166 525 695
Equity investment at fair value through OCI	-	-	-	-	179 362 486	179 362 486
Right of use assets	-	-	-	-		
Investment property	-	-	-	-		
Property and equipment	-	-	-	-		
Total assets	44 735 563	97 832 978	9 749 312	117 925 822	1 809 679 285	2 079 922 960
Deposits from customers	8 029 027	-	-	-	1 527 953 816	1 535 982 843
Amount due to group entities	-	-	-	-	117 986	117 986
Other liabilities	-	-	-	-	141 693 403	141 693 403
Current tax liability	-	-	-	-	29 693 512	29 693 512
Deferred income tax liabilities	-	-	-	-	7 748 021	7 748 021
Capital and reserves	-	-	-	-	364 687 195	364 687 195
Total liabilities	8 029 027	-	-	-	2 071 893 933	2 079 922 960
Interest rate repricing gap	36 706 536	97 832 978	9 749 312	117 925 822	(262 214 648)	
Cumulative interest rate repricing gap	36 706 536	134 539 514	144 288 826	262 214 648	-	

25 FOREIGN EXCHANGE RISK ANALYSIS

As at 31 December 2024

	USD ZWG	GBP ZWG	EUR ZWG	ZAR ZWG	Other ZWG	Total ZWG
Assets						
Cash and cash equivalents	1 249 642 820	17 752 206	42 227 886	16 335 893	2 130 849	1 328 089 654
Financial assets at fair value through other comprehensive income	154 873 142	-	-	-	-	154 873 142
Loans and advances	463 837 103	-	-	-	-	463 837 103
Other assets	68 169 929	-	-	-	-	68 169 929
Total assets	1 936 522 994	17 752 206	42 227 886	16 335 893	2 130 849	2 014 969 828
Liabilities						
Deposits from customers	1 511 661 495	10 403 679	32 247 707	1 521 066	44 510	1 555 878 457
Deposits from other financial institutions	5 221 075	33 862	293 825	42 092	-	5 590 854
Other liabilities	93 883 632	535 035	40 889	22 370	-	94 481 926
Total liabilities	1 610 766 202	10 972 576	32 582 421	1 585 528	44 510	1 655 951 237
Net currency position	325 756 792	6 779 630	9 645 465	14 750 365	2 086 339	359 018 591

26 RESERVE BANK OF ZIMBABWE ("RBZ") ONSITE EXAMINATION

The Bank has its corporate governance and risk management processes independently audited by the Reserve Bank of Zimbabwe. The latest on-site examination of the Bank was conducted as at 31 March 2019 and the Bank was given an overall rating of "2", which is a satisfactory rating using the CAMELS model. This rating was largely premised on the Bank's strong capitalisation, satisfactory earnings performance, strong asset quality and strong liquidity position.

The following table shows the rating by each of the six components of CAMELS:

CAMELS component	Latest RAS rating
Capital adequacy	1
Asset Quality	1
Management	2
Earnings	2
Liquidity and Funds Management	1
Sensitivity to Market Risk	1
Composite Rating	2

*CAMELS- is an acronym for capital adequacy, asset quality, management, earnings, liquidity, and sensitivity to market risk. CAMELS rating system uses a rating scale of 1-5, where '1' is strong, '2' is satisfactory, '3' is fair, '4' is weak, and '5' is critical.

Summary Risk Assessment System ("RAS") ratings

The Bank's overall composite risk, based on the Risk Assessment System (RAS), was considered low and the direction is stable.

The Bank's risk profile is summarised in the matrix below:

RAS component	Latest RAS rating
Overall inherent risk	Low
Overall risk management systems	Acceptable
Overall composite risk	Low

27 EXTERNAL CREDIT RATING

The Bank traditionally has its credit ratings reviewed annually by an international credit rating agency, Global Credit Rating Company.

The Bank was awarded an International A- Credit Rating in 2024.

Rating agent	2024	2023	2022	2021
Global Credit Rating Company	A-	AA	AA	AA+

28 COMPLETION OF STANDARD CHARTERED BANK PLC DIVESTURE

FBC Holdings completed the acquisition of Standard Chartered Bank Zimbabwe Limited on May 18, 2024, further consolidating its market share in the banking sector and the business has since been integrated into FBC Holdings. Standard Chartered Bank Zimbabwe Limited was successfully renamed to FBC Crown Bank Limited trading as Crown Bank on the 17th of August 2024 after regulatory approvals. The focus is now on driving business growth, in line with the Group's market segmentation.

29 STATEMENT OF STATUTORY AND REGULATORY COMPLIANCE

The Bank is generally compliant with Corporate Governance best practice and RBZ's directive on liquidity management and prudential lending guidelines including core capital which, at USD31 million as at 31 December 2024, was above the minimum regulatory level of local currency equivalent to USD30 million following new capital injection by the parent company, FBC Holdings.

30 GOING CONCERN

In accordance with the requirements of International Financial Reporting Standards, the Directors carried out a going concern assessment for the Bank. Key considerations were made on compliance with regulatory requirements with main focus on compliance with regulatory minimum capital requirements, the operating environment and the inherent risks thereof and the budgets and future plans of the Bank. The new shareholder, FBC Holdings Limited, has implemented recapitalization measures for Crown Bank which has resulted in the bank complying with minimal capital requirements. From the review, the Directors have a reasonable expectation that the Bank, taking into account the operating environment, has adequate resources to continue in operational existence for the foreseeable future. The Bank therefore continues to adopt the going concern basis in preparing its financial statements.

31 AUDIT OPINION

These abridged financial statements have been extracted and summarised from the Bank's annual financial statements for the year ended 31 December 2024 audited by Ernst and Young Chartered Accountants (Zimbabwe) and should be read in conjunction with this complete set of financial statements. The auditors have issued an unmodified audit opinion and their report is available for inspection at the Bank's registered address.

32 DIRECTORS' REPORT

32.1 Directors' Responsibility

The Directors are responsible for ensuring implementation of effective internal controls as they deem necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Directors are also responsible for maintaining adequate accounting records and an effective system of risk management as well as the preparation of the supplementary schedules included in these financial statements.

32.2 Board Evaluation

The Board conducts an annual evaluation process which assesses the performance and effectiveness of individual Directors, the Board Chairman, Board Committees and overall performance of the Board. The process is facilitated by an independent external party to allow for objectivity. The results of the evaluation are collated, a report is produced and feedback provided to the Board and the Reserve Bank of Zimbabwe.

NOTES TO THE FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2024

32.3 Board Composition

The Board, which comprises two Executive Directors, two Non-Executive Directors and three Independent Non Executive Directors, meets a minimum of four times each year and has oversight over the Bank's affairs. It sets and monitors the Bank's strategy, reviews the Bank's performance and ensures that adequate financial resources are available to operate the Bank. The Board of Directors oversees compliance with Corporate Governance best practice, the Reserve Bank of Zimbabwe ('RBZ') regulations and "regulatory requirements, as well as policies and procedures of Crown Bank Limited.

32.4 Main Board Attendance

NAME	INED/E/NE	QUARTER 1	QUARTER 2	QUARTER 3	QUARTER 4
H.S. Mashanyare *	INED	✓	✓	✓	✓
M. Mubayiwa	E	✓	✓	✓	✓
G. Mangori	E	✓	✓	R	R
A. Kanhukamwe	E	N/A	✓	✓	✓
E. Mkondo	INED	✓	✓	✓	✓
M.F. Masiye-Moyo	INED	✓	✓	✓	✓
T. Kufazvinei	NE	N/A	✓	✓	✓
W. Rusere	NE	N/A	✓	✓	✓
M. Clarke	NE	✓	R	R	R
A. Mahesh	NE	✓	R	R	R
Dr. S. M. Mushiri **	INED	R	R	R	R

KEY

✓ - Present

X - Leave of Absence recorded

N/A - Not yet a board member

R - Retired/ resigned

INED - Independent Non-executive Director

N/E - Non-executive Director

E - Executive Director

* Appointed Chairperson with effect from 28 February 2024

** Retired as Chairperson and Board Member with effect from 28 February 2024

The Board has five



Abridged Audited Results

FOR THE YEAR ENDED 31 DECEMBER 2024

STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

	Notes	Audited Information adjusted		Unaudited historical cost*	
		31 Dec 2024	31 Dec 2023 **Restated ZWG	31 Dec 2024	31 Dec 2023 **Restated ZWG
		ZWG	ZWG	ZWG	ZWG
Assets					
Cash and cash equivalents	2	112 531 927	168 099 208	112 531 927	15 472 787
- Measured at fair value		68 080 994	65 922 825	68 080 994	6 067 904
- Measured at amortised cost		23	-	23	-
Receivables and prepayments		1 815 502	1 864 260	1 815 502	171 597
Insurance contract asset	3	58 733 810	35 195 850	58 733 810	3 239 622
Reinsurance contract assets	4	51 920 062	30 329 465	51 920 062	2 791 693
Investment in subsidiary		56 707 828	5 956 004	7 437 825	33 188
Current tax assets		18 507 273	10 162 724	18 507 273	935 434
Deferred tax assets		948 376	-	412 992	-
Property and equipment	1	11 314 369	14 143 811	11 314 369	1 301 876
Intangible assets		23 707	26 948	71	107
Investment property		4 332 981	-	4 179 516	-
Total Assets		384 916 852	331 701 095	334 934 364	30 014 208
Liabilities					
Insurance contract liabilities	3	144 655 794	179 236 407	144 655 794	16 497 917
Reinsurance contract liabilities	4	-	-	-	-
Provisions		40 829 652	59 291 217	40 829 652	5 457 494
Deferred tax liabilities			28 601 899	-	2 632 678
Other liabilities		34 940 087	11 757 884	34 940 087	1 082 261
Total Liabilities		220 425 533	278 887 408	220 425 533	25 670 350
Equity					
Stated capital		3 619 391	3 619 391	360	360
Retained earnings		108 556 126	(5 691 125)	105 539 347	3 213 085
Share premium		41 047 847	41 047 847	17 090	17 090
Revaluation reserve		11 101 393	13 671 012	8 952 019	1 113 308
Non distributable reserves		166 562	166 562	15	15
Equity attributable to owners of the Company		164 491 319	52 813 687	114 508 831	4 343 858
Total liabilities and equity		384 916 852	331 701 095	334 934 364	30 014 208

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2024

	Notes	Audited Information adjusted		Unaudited historical cost*	
		31 Dec 2024	31 Dec 2023 **Restated ZWG	31 Dec 2024	31 Dec 2023 **Restated ZWG
		ZWG	ZWG	ZWG	ZWG
Insurance revenue					
Insurance service expenses	3	372 127 592	235 719 984	217 880 842	13 024 045
Insurance service result before reinsurance contracts held		(9 175 152)	(48 700 516)	(30 232 690)	(3 048 546)
Allocation of reinsurance premiums	4	(78 467 750)	(45 316 156)	(50 283 034)	(2 757 777)
Amounts recoverable from reinsurers for incurred claims	4	26 964 385	-	16 583 105	-
Insurance service result		(60 678 517)	(94 016 672)	(63 932 619)	(5 806 323)
Interest revenue/(expense)		3 193 474	6 563 391	2 621 656	414 597
Net fair value gains on financial assets at fair value through P&L		49 383 813	45 377 223	49 383 813	4 176 772
Net foreign exchange income		184 295 662	163 188 634	184 295 662	15 020 791
Net investment return		236 872 949	215 129 248	236 301 131	19 612 160
Other income		3 537 971	2 999 849	2 700 363	195 936
Other operating expenses	5	(122 774 344)	(146 492 169)	(92 549 964)	(9 725 678)
Monetary (loss)/gain		38 514 051	49 905 572	-	-
Prof t before tax		95 472 110	27 525 828	82 518 911	4 276 095
Income tax expense		21 364 120	6 870 887	21 364 120	(1 212 575)
Prof t for the year		116 836 230	34 396 715	103 883 031	3 063 520
Other comprehensive income					
Revaluation (loss)/gain on property and equipment		(3 105 004)	6 953 753	9 003 246	1 176 130
Tax relating to revaluation gain		535 385	(924 559)	(1 164 534)	(170 459)
Total other comprehensive income		(2 569 619)	6 029 194	7 838 711	1 005 671
Total comprehensive income		114 266 611	40 425 909	111 721 742	4 069 191

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2024

	Stated capital ZWG	Share Premium ZWG	Retained earnings ZWG	Non distributable reserve ZWG	Revaluation reserve ZWG	Total ZWG
Balance as at 1 January 2023						
Prof t for the year	3 619 391	41 047 847	(40 087 840)	166 562	7 641 818	12 387 778
Other comprehensive income for the year	-	-	34 396 715	-	34 396 715	34 396 715
Total comprehensive income for the year					6 029 194	6 029 194
Transactions with shareholders	-	-	-	-	-	-
Balance as at 31 December 2023	3 619 391	41 047 847	(5 691 125)	166 562	13 671 012	52 813 687
Balance as at 1 January 2024	3 619 391	41 047 847	(5 691 125)	166 562	13 671 012	52 813 687
Prof t for the year	-	-	116 836 230	-	116 836 230	(2 569 619)
Other comprehensive income for the year	-	-	116 836 230	-	116 836 230	(2 569 619)
Total comprehensive income for the year					114 266 611	114 266 611
Transactions with shareholders	-	-	(2 588 979)	-	-	(2 588 979)
Balance as at 31 December 2024	3 619 391	41 047 847	108 556 126	166 562	11 101 393	164 491 319
Unaudited historical cost						
	Stated capital ZWG	Share Premium ZWG	Retained earnings ZWG	Non distributable reserve ZWG	Revaluation reserve ZWG	Total ZWG
Balance as at 1 January 2023	360	17 090	149 565	15	107 637	274 667
Prof t for the year	-	-	3 063 520	-	-	3 063 520
Other comprehensive income for the year	-	-	-	1 005 671	-	1 005 671
Total comprehensive income for the year					4 069 191	4 069 191
Transactions with shareholders	-	-	-	-	-	-
Balance as at 31 December 2023	360	17 090	3 213 085	15	1 113 308	4 343 858
Balance as at 1 January 2024	360	17 090	3 213 085	15	1 113 308	4 343 858
Prof t for the year	-	-	103 883 031	-	-	103 883 031
Other comprehensive income for the year	-	-	-	7 838 711	-	7 838 711
Total comprehensive income for the year						



Abridged Audited Results

FOR THE YEAR ENDED 31 DECEMBER 2024

NOTES TO THE COMPANY FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

2. CASH AND CASH EQUIVALENTS	Audited Inflation Adjusted		Unaudited Historical Cost	
	31 Dec 2024	31 Dec 2023 Restated**	31 Dec 2024	31 Dec 2023 Restated**
	ZWG	ZWG	ZWG	ZWG
Current account balances	23 295 269	168 099 208	23 295 269	15 472 787
Money market deposits	89 236 658	-	89 236 658	-
	112 531 927	168 099 208	112 531 927	15 472 787
Current	112 531 927	168 099 208	112 531 927	15 472 787
	112 531 927	168 099 208	112 531 927	15 472 787
3. INSURANCE AND REINSURANCE CONTRACTS				
Audited Inflation adjusted				
	Liability for remaining coverage excluding loss component	Estimates of the present value of future cash flows	Non-financial risk adjustment	Total
Insurance contract liabilities as at 1 January 2023	41 654 944	-	-	41 654 944
Insurance contract assets as at 1 January 2023	41 654 944	-	-	41 654 944
Net insurance contract (assets)/liabilities as at 1 January	(235 719 984)	-	(235 719 984)	0
Insurance revenue	-	284 420 500	-	284 420 500
Insurance service expenses	-	214 905 535	-	214 905 535
Incurred claims and other expenses	-	69 514 965	-	69 514 965
Changes in liabilities for incurred claims	(235 719 984)	284 420 500	-	48 700 516
Insurance service result	182 909 109	-	-	182 909 109
Cash flows	-	(129 224 012)	-	(129 224 012)
Premiums received	182 909 109	-	-	182 909 109
Claims and other expenses paid	-	(129 224 012)	-	(129 224 012)
Total cash flows	182 909 109	(129 224 012)	53 685 097	0
Net insurance contract (assets)/liabilities as at 31 December	(11 155 931)	155 196 488	-	144 040 557
Audited Inflation adjusted				
	Liability for remaining coverage excluding loss component	Estimates of the present value of future cash flows	Non-financial risk adjustment	Total
Insurance contract liabilities as at 1 January 2024	24 039 919	155 196 488	-	179 236 407
Insurance contract assets as at 1 January 2024	(35 195 850)	-	-	(35 195 850)
Net insurance contract (assets)/liabilities as at 1 January	(11 155 931)	155 196 488	-	144 040 557
Insurance revenue	(372 127 592)	-	-	(372 127 592)
Insurance service expenses	61 320 302	305 518 271	14 464 171	381 302 744
Incurred claims and other expenses	-	262 825 810	-	262 825 810
Amortisation of acquisition cash flows	61 320 302	-	-	61 320 302
Changes in liabilities for incurred claims	-	42 692 461	14 464 171	57 156 632
Insurance service result	(310 807 290)	305 518 271	14 464 171	9 175 152
Cash flows	239 136 911	-	-	239 136 911
Premiums received	-	(245 110 334)	-	(245 110 334)
Claims and other expenses paid	(61 320 302)	-	-	(61 320 302)
Insurance acquisition cash flows	-	-	-	-
Total cash flows	177 816 609	(245 110 334)	(67 293 725)	0
Net insurance contract (assets)/liabilities as at 31 December	(144 146 612)	215 604 425	14 464 171	85 921 984
Insurance contract liabilities as at 31 December 2024	(85 412 802)	215 604 425	14 464 171	144 655 794
Insurance contract assets as at 31 December 2024	(58 733 810)	-	-	(58 733 810)
Net insurance contract (assets)/liabilities as at 31 December	(144 146 612)	215 604 425	14 464 171	85 921 984
Unaudited historical cost				
	Liability for remaining coverage excluding loss component	Estimates of the present value of future cash flows	Non-financial risk adjustment	Total
Insurance contract liabilities as at 1 January 2023	1 326 926	-	-	1 326 926
Insurance contract assets as at 1 January 2023	-	-	-	-
Net insurance contract (assets)/liabilities as at 1 January	1 326 926	-	-	1 326 926
Insurance revenue	(13 024 045)	-	-	(13 024 045)
Insurance service expenses	-	16 072 591	-	16 072 591
Incurred claims and other expenses	-	9 674 047	-	9 674 047
Changes in liabilities for incurred claims	-	6 398 544	-	6 398 544
Insurance service result	(13 024 045)	16 072 591	-	3 048 546
Total changes in statement of profit or loss	(13 024 045)	16 072 591	-	3 048 546
Cash flows	18 556 870	-	-	18 556 870
Premiums received	-	(9 674 047)	-	(9 674 047)
Claims and other expenses paid	18 556 870	-	-	18 556 870
Total cash flows	18 556 870	(9 674 047)	-	8 882 823
Other movement	-	-	-	-
Net insurance contract (assets)/liabilities as at 31 December	6 859 751	6 398 544	-	13 258 295
Insurance contract liabilities as at 31 December 2023	10 099 373	6 398 544	-	16 497 917
Insurance contract assets as at 31 December 2023	(3 239 622)	-	-	(3 239 622)
Net insurance contract (assets)/liabilities as at 31 December	6 859 751	6 398 544	-	13 258 295
Unaudited historical cost				
	Liability for remaining coverage excluding loss component	Estimates of the present value of future cash flows	Non-financial risk adjustment	Total
Insurance contract liabilities as at 1 January 2024	10 099 373	6 398 544	-	16 497 917
Insurance contract assets as at 1 January 2024	(3 239 622)	-	-	(3 239 622)
Net insurance contract (assets)/liabilities as at 1 January	6 859 751	6 398 544	-	13 258 295
Insurance revenue	(217 880 842)	-	-	(217 880 842)
Insurance service expenses	61 320 302	172 329 059	14 464 171	248 113 532
Incurred claims and other expenses	-	129 636 598	-	129 636 598
Amortisation of acquisition cash flows	61 320 302	-	-	61 320 302
Changes in liabilities for incurred claims	-	42 692 461	14 464 171	57 156 632
Insurance service result	(156 560 540)	172 329 059	14 464 171	30 232 690
Total changes in statement of profit or loss	(156 560 540)	172 329 059	14 464 171	30 232 690
Cash flows	180 271 196	-	-	180 271 196
Premiums received	-	(76 519 895)	-	(76 519 895)
Claims and other expenses paid	180 271 196	-	-	180 271 196
Insurance acquisition cash flows	(61 320 302)	-	-	(61 320 302)
Total cash flows	118 950 894	(76 519 895)	-	42 430 999
Net insurance contract (assets)/liabilities as at 31 December	(30 749 895)	102 207 708	14 464 171	85 921 984
Insurance contract liabilities as at 31 December 2024	27 983 915	102 207 708	14 464 171	144 655 794
Insurance contract assets as at 31 December 2024	(58 733 810)	-	-	(58 733 810)
Net insurance contract (assets)/liabilities as at 31 December	(30 749 895)	102 207 708	14 464 171	85 921 984

NOTES TO THE COMPANY FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

4. REINSURANCE CONTRACTS

Audited Inflation adjusted

Assets for remaining coverage excluding loss component	Amounts recoverable		
	Estimates of the present value of future cash flows	Non-financial risk adjustment	Total
Reinsurance contract assets as at 1 January 2023	5 698 326	-	5 698 326
Reinsurance contract liabilities as at 1 January 2023	-	-	-
Net reinsurance contract assets/(liabilities) as at 1 January	5 698 326	-	5 698 326
An allocation of reinsurance premiums	45 316 156	-	45 316 156
Amounts recoverable from reinsurers for incurred claims	-	(200 381)	(200 381)
Changes to amounts recoverable for incurred claims	-	(200 381)	(200 381)
Net income or expense from reinsurance contracts held	45 316 156	(200 381)	45 115 775
Cash flows			
Premiums paid	(49 626 343)	-	(49 626 343)
Amounts received	-	26 350 014	26 350 014
Total cash flows	(49 626 343)	26 350 014	(23 276 329)
Net reinsurance contract assets/(liabilities) as at 31 December	(4 310 187)	34 639 652	30 329 465
Reinsurance contract assets as at 1 January 2024	4 310 187	34 639 652	30 329 465
Reinsurance contract liabilities as at 1 January 2024	-	-	-
Net reinsurance contract assets/(liabilities) as at 31 December	(4 310 187)	34 639 652	30 329 465
Audited Inflation adjusted	Amounts recoverable		
	Estimates of the present value of future cash flows	Non-financial risk adjustment	Total
Reinsurance contract assets as at 1 January 2024	34 639 652	-	30 329 465
Reinsurance contract liabilities as at 1 January 2024	-	-	-
Net reinsurance contract assets/(liabilities) as at 1 January	(4 310 187)	34 639 652	30 329 465
An allocation of reinsurance			

Abridged Audited Results

FOR THE YEAR ENDED 31 DECEMBER 2024

STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

ASSETS	Audited Information adjusted			Unaudited historical cost*	
	Notes	31 Dec 2024		31 Dec 2023	
		ZWG	ZWG	ZWG	ZWG
Property and equipment		59 280 390	72 651 866	59 280 390	6 687 301
Right of use asset		455 494	601 250	219 151	33 921
Investment property		464 373	511 311	464 373	47 064
Deferred tax asset		4 368 676	1 959 803	4 368 676	180 392
Reinsurance contract assets		51 499 620	56 287 719	51 499 620	5 181 050
Prepayments and other receivables		69,837,805	53 809 867	68,727,912	4,836,333
Current income tax asset		16 437 255	4 483 180	16 437 255	411 750
Financial assets:					
- At fair value through profit or loss		22 945 591	25 492 061	22 946 591	2 347 438
- At amortised cost		46 776 167	26 775 439	46 776 167	2 464 567
Cash and cash equivalents		39 102 789	28 037 773	39 102 789	2 580 760
Total assets		311,168,160	270 610 269	309 822 924	24,770,576
EQUITY AND LIABILITIES					
Capital and reserves					
Share capital		4 459	4 459		
Share premium		12 484 293	12 484 293	1 120	1 120
Non-distributable reserves		391 332	391 332	35	35
Revaluation reserve		37 812 600	47 562 122	44 088 599	5 067 619
Accumulated profit		54 964 269	14 803 413	43 201 017	948 368
Total equity		105,656,953	75 245 619	87 290 771	6,017,142
Liabilities					
Insurance liabilities:-					
- Insurance contract Liabilities		79 342 241	68 651 689	79 342 241	6 319 102
- Reinsurance contract Liabilities			40 200 988		3 700 333
Other payables		96 455 052	54 525 441	96 455 052	5 018 839
Provisions		2 251 399	4 499 675	2 251 399	414 259
Lease liability		721 011	898 564	721 011	82 709
Deferred tax liabilities		26 741 504	26 589 393	43 762 450	3 218 192
Total liabilities		205,511,207	195 365 650	222,532,153	18 753 434
Total equity and liabilities		311,168,160	270 611 269	309,822,924	24,770,576

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2024

INCOME STATEMENT	Audited Information adjusted			Unaudited historical cost*	
	Notes	31 Dec 2024		31 Dec 2023	
		ZWG	ZWG	ZWG	ZWG
Insurance contracts revenue	8	293 561 432	288 625 654	207 086 717	12 542 821
Insurance service expenses	8	(255 765 761)	(206 533 934)	(194 440 892)	(11 264 941)
Net expenses from reinsurance contracts held	8	(40 168 904)	(30 412 761)	(37 881 981)	(122 901)
Insurance service result		(2 373 233)	51 678 959	(25 236 156)	1 154 979
Investment income		10 130 124	8 229 843	7 581 391	487 074
Net fair value gains on financial assets at fair value through profit or loss		20 598 381	22 016 997	20 598 381	2 026 573
Rental income		49 627	133 704	29 841	7 218
Other operating income		96 182 398	53 280 198	94 889 707	4 599 439
Net income		124 587 297	135 339 701	97 863 164	8 275 283
Expenses for marketing and administration		(86 056 372)	(124 274 646)	(45 802 990)	(6 246 959)
Impairment losses on financial assets		(232 786)	(276 332)	(232 786)	(25 435)
Finance costs		(63 578)	(441 971)	(63 710)	(13 898)
Net monetary gain		(10 229 462)	6 087 001		
Profit before income tax		28 005 099	16 433 753	51 763 678	1 988 991
Income tax expense		12 155 760	(2 882 149)	(9 511 029)	(1 073 804)
Profit for the year		40 160 859	13 551 604	42 252 649	915 187
OTHER COMPREHENSIVE INCOME					
Items that will not be reclassified to profit or loss:					
- Fair value gains on property and equipment		(13 130 669)	32 954 602	52 584 780	6 028 501
- Income tax relating to components of other comprehensive income		3 381 147	(8 485 810)	(13 563 799)	(1 552 339)
Net other comprehensive income		(9 749 522)	24 468 792	39 020 981	4 477 162
Total comprehensive income for the year		30 411 337	38 020 396	81 273 630	5 391 349

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2024

Audited Information adjusted	Share capital	Share premium	Non-distributable reserves	Revaluation reserve	Accumulated profit	Total ZWG
	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG
Balance as at 1 January 2023	4 459	12 484 293	391 332	23 093 330	1 250 809	37 224 223
Profit for the year					13 551 604	13 551 604
Other comprehensive income for the year						
Revaluation reserve				24 468 792		24 468 792
Total comprehensive income for the year				24 468 792	13 551 604	38 020 396
Transactions with shareholders						
Dividend declared and paid						
Balance as at 31 December 2023	4 459	12 484 293	391 332	47 562 122	14 803 413	75 245 619
Balance as at 1 January 2024	4 459	12 484 293	391 332	47 562 122	14 803 413	75 245 619
Profit for the year					40 160 859	40 160 859
Other comprehensive income for the year						
Revaluation reserve				(9 749 522)		(9 749 522)
Total comprehensive income for the year				(9 749 522)	40 160 859	30 411 337
Transactions with shareholders						
Dividend declared and paid						
Balance as at 31 December 2024	4 459	12 484 293	391 332	37 812 600	54 964 269	105 656 956
Unaudited historical cost*						
Balance as at 1 January 2023						
Profit for the year						
Other comprehensive income for the year						
Total comprehensive income for the year						
Transactions with shareholders						
Dividend declared and paid						
Balance as at 31 December 2024	-	1 120	35	591 457	33 181	625 793
Balance as at 1 January 2024						
Profit for the year						
Other comprehensive income for the year						
Effects of IAS 29/currency conversion						
Total comprehensive income for the year				39 020 980	42 252 649	81 273 629
Transactions with shareholders						
Dividend declared and paid						
Balance as at 31 December 2024	-	1 120	35	44 088 599	43 201 017	87 290 771

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

** This is due to currency conversion from ZWL to ZWG (refer to note



Abridged Audited Results

FOR THE YEAR ENDED 31 DECEMBER 2024

NOTES TO THE FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2024

The main procedures applied for the above-mentioned restatement are as follows:

- i. All corresponding figures as of and for the year ended 31 December 2023 are restated by applying the change in the index from 31 December 2023 to 31 December 2024.
- ii. Monetary assets and liabilities that are carried at amounts current at balance sheet date are not re-stated because they are already expressed in terms of the monetary unit current at the balance sheet date.
- iii. Non-monetary assets and liabilities that are not carried at amounts current at the balance sheet date and components of shareholders equity are restated by applying the change in the index from the date of the transaction or if applicable from the date of their most recent revaluation to 31 December 2024. An impairment loss is recognised in profit or loss if the remeasured amount of a non-monetary item exceeds its estimated recoverable amount.
- iv. Property, plant and equipment that is not current at the statement of financial position date is restated from the date of initial application of hyperinflation conditions, that is, 1 January 2018 or from the transaction date if purchased after 1 January 2018. Depreciation and amortization amounts are based on restated costs. Owner occupied buildings are revalued annually at the balance sheet date, and therefore are being carried at amounts current at the balance sheet date, are not restated. The depreciation amounts are based on the opening restated amounts.
- v. Deferred tax is calculated on restated carrying amounts.
- vi. Profit or loss items/transactions, except the depreciation and amortization charges explained above, are restated by applying the change in the index from the date of the transaction to 31 December 2024.
- vii. The effect of inflation on the net monetary position of the entity is included in the income statement as loss or gain on monetary position.
- viii. All items in the cash flow statement are expressed in terms of the measuring unit current at the balance sheet date.

The inflation adjusted figures forms the primary set of financial statements and the unaudited historical figures are supplementary information.

IAS 21 (The Effects of Changes in Foreign Exchange Rates)

The 2024 Monetary Policy Statement (MPS) issued by the Reserve Bank of Zimbabwe (RBZ) governor, on the 5th of April 2024 ushered in a new domestic currency called the Zimbabwe Gold (ZWG).

As per Statutory Instrument 60 of 2024 Presidential Powers (Temporary Measures) (Zimbabwe Gold Notes and Coins) Regulations, 2024, (SI 60 of 2024) effective the 5th of April 2024, the Zimbabwean dollars (ZWL) were converted into the new ZWG using the swap rate of ZWG 1: ZWL 2 498.7242 as guided by the Reserve Bank of Zimbabwe. Furthermore, SI 60 of 2024 states that the ZWG shall be the unit of account for transactions previously denominated in Zimbabwean dollars. For accounting and other purposes (including the discharge of financial or contractual obligations), all assets and liabilities that were, immediately before the effective date, valued and expressed in Zimbabwean dollars, shall be deemed to be valued in ZWG as converted in terms of section 6(1) of SI 60 of 2024.

Functional currency

The Company operates in a multi-currency economy where a basket of currencies including the Zimbabwean Dollar (ZWG), United States Dollar (USD), Euro currency (Euro), British Pound (Pound), South African Rand (Zar) and Botswana Pula (Pula) are all accepted as legal tender for the past four years in terms of the Zimbabwean laws and are currently being used in the economy to varying degrees. Over the years, the ZWG and the USD have proven to be the most used currencies in the economy with the ZWG being arguably the dominant currency. However, in the current year under review, the USD has grown in its use in the economy and in the Company in particular, making the functional currency decision a close one to call.

In arriving at its conclusions, the Directors considered and analysed the primary indicators as per IAS 21.9 which are restated below;

IAS 21.9ai - the currency that mainly influences sales prices for goods and services (this will often be the currency in which sales prices for its goods and services are denominated and settled); and

IAS 21.9aii - the currency of the country whose competitive forces and regulations mainly determine the sales prices of its goods and services.

IAS 21.9ib - the currency that mainly influences labour, material and other costs of providing goods or services (this will often be the currency in which such costs are denominated and settled).

An analysis of these primary indicators for the financial year under review showed the following:

- Staff costs for the Company were 50% apiece in USD and ZWG.
- Operating expenses were incurred mainly in ZWG at 55% of the total operating expenses.
- We performed an exchange rate movement analysis. The sharp increase in exchange rate between USD and ZWG amplified the increment of the USD premiums due to conversion of the USD premiums to ZWG.

The above indicators were mixed, and the functional currency was not obvious for the period under review. The change from transactions dominated in USD to ZWG might have been distorted by exchange rate movements and the economic environment FBC Insurance is operating in. However, a closer analysis of the income drivers i.e. transaction volumes still shows that the ZWG is the dominant currency. For the period under review, despite the ZWG volumes of premium transactions contributing only 4% the other considerations still demonstrate that ZWG is still the dominant currency.

Based on the above analysis, the Directors concluded that;

- i. The ZWG is the currency that mainly influences labour, material and other costs of providing goods or services.
- ii. The ZWG is the currency of the country whose competitive forces and regulations mainly determine the sales prices of its goods and services.
- iii. The main revenue driver for the Company, insurance contract revenue, the USD is now dominating whilst other revenue streams is the ZWG."

The Directors, having given priority to the primary indicators of functional currency as per IAS 21, concluded that the ZWG is still the Company's functional currency for the period under review. Conversely, while the Directors acknowledge that the USD has grown in use in the Company in the period under review, the growth was not enough to warrant a change of functional currency from prior year from the assessment of primary indicators as required by IAS 21, hence the conclusion that ZWG remains the functional currency was considered appropriate.

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

(a) Taxes

Significant judgement is required in determining the liability for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain. The Company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

(b) Policyholders claims

The estimation of the ultimate liability arising from claims made under insurance contracts is the Company's most critical accounting estimate. The Company's estimates for reported and unreported losses and resulting provisions and related reinsurance recoverables are continually reviewed and updated, and adjustments resulting from this review are recognised in profit or loss. The estimates are calculated based on past experience, adjusted for the effect of current developments and likely trends, and are deemed to be an appropriate basis for predicting future events.

The Company applies 5% on Net premiums written in estimating the 'IBNR', 1/365th method to determine the LRC and Claims outstanding are assessed by reviewing individual claims and making allowance for the effect of both internal and external foreseeable events, such as changes in claims handling procedure, inflation, judicial trends, legislative changes and past experience. External actuaries carry our annual independent validation of the adequacy of the reserves.

(c) Allowance for impairment of insurance contract assets

The Company reviews its insurance contract assets in respect of outstanding premiums for service rendered to establish whether an impairment loss should be recognised in profit or loss. Judgement is required by management of the timing and amount of uncertain future cash flows in the determination of the impairment loss. In estimating these cash flows management makes judgements about the debtor's financial position and the likelihood of settlement. These estimates are based on assumptions about a number of factors where actual results may differ, resulting in future changes to the allowance. The allowance for impairment of insurance receivables at year end was ZWG nil (2021: ZWG nil) as expressed in note 11.

(d) Valuation of property and equipment

The Company adopted the revaluation model of measurement of its property and equipment due to the hyper-inflationary environment therefore on an annual basis, the Company engages external, independent and qualified valuers to determine the fair value of the Company's office buildings and other assets. As at 31 December 2022, the fair values of the office buildings were determined by Bard Real Estate (Private) Limited. The external valuations of the level 3 office building have been performed using an investment approach. There have been a limited number of sales in the market for commercial property and therefore the valuations have been performed using unobservable inputs. The external valuers determined these inputs based on the size, age and condition of the land and buildings, the state of the local economy and comparable rental rates.

Other classes of equipment were also valued in the current year by the same Company with the exception of intangible assets. The valuation was based on prices of similar assets in the market using a desktop valuation as the state of assets inspection was carried out in the previous year. The qualified valuers determined property and equipment values in ZWG.

(e) Valuation of investment property

The fair value of the investment property as at 31 December 2024 was arrived at on the basis of a valuation carried out by an independent professionally qualified valuer who holds a recognised relevant professional qualification and has recent experience in the locations and categories of the investment properties valued using the open market value method. This valuation has been carried out in accordance with the latest edition of the Royal Institute of Chartered Surveyors Valuation- Professional Standards ['The Red Book'] incorporating the International Valuation Standards [IVS] 2017.

The comparison basis for residential properties and the investment method for commercial properties are the main approaches used in coming up with this valuation. The comparative principle has been applied in the valuation for rent of common types of premises and valuation for sale or purchase of common types of premises. This has also been applied in the comparison of investment yields from sale of investments and sale of underdeveloped land. The comparison basis considers evidence on transactions from similar properties in terms of size, standard of finishes and age in the same locality. The investment principle establishes market rentals for the properties being valued. These monthly market rentals are annualized and then capitalized using the market capitalization rates in the market to establish the values. Sensitivity analysis refer to note 10.

NOTES TO THE FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2024

4 PROPERTY AND EQUIPMENT
Unaudited historical cost

	Equipment Office Building ZWG	Motor vehicles ZWG	furniture and fittings ZWG	Total ZWG
Net book amount as at 1 January 2023	685 870	32 015	51 082	768 967
Additions	-	-	71 073	71 073
Revaluation	5 559 742	170 324	298 434	6,028,500
Disposals	-	(1 508)	(1 100)	(2 608)
Depreciation charge	(83 700)	(14 143)	(80 788)	(178 631)
Net book amount as at 31 December 2023	6,161,912	186 688	338,701	6,687,301
As at 31 December 2023				
Gross carrying amount	6 245 612	200 831	419 488	6,865,931
Accumulated depreciation	(83 700)	(14 143)	(80 788)	(178 631)
Accumulated impairment	-	-	-	-
Net book amount	6,161,912	186 688	338,700	6,687,300
Net book amount as at 1 January 2024	6,161,912	186 688	338,700	6,687,300
Additions	-	1 177 723	379 565	1 557 288
Revaluation	48 411 062	2 220 382	1 953 336	52 584 780
Disposals	-	(167 265)	-	(167 265)
Depreciation charge	(654 109)	(268 821)	(458 785)	(1 381 715)
Net book amount as at 31 December 2024	53 918 865	3 148 707	2,212,817	59,280,390
As at 31 December 2024				
Gross carrying amount	54 572 974	3 417 529	2 671 602	60 662 105
Accumulated depreciation	(654 109)	(268 821)	(458 785)	(1 381 715)
Accumulated impairment	-	-	-	-
Net book amount	53 918 865	3 148 708	2,212,817	59,280,390
Inflation adjusted				
	Office Building ZWG	Motor vehicles ZWG	furniture and fittings ZWG	Total ZWG
Net book amount as at 1 January 2023	35 806 751	1 671 370	2 666 793	40 144 914
Additions	-	-	1 278 476	1 278 476
Revaluation	31 853 346	769 829	331 427	32 954 603
Disposals	-	(78 717)	(57 432)	(136 149)
Depreciation charge	(716 135)	(334 274)	(539 567)	(1 589 976)
Net book amount as at 31 December 2023	66 943 962	2 028 208	3 679 696	72 651 868
As at 31 December 2023				
Gross carrying amount	67 660 097	2 362 483	4 219 263	74 241 842
Accumulated depreciation	(716 135)	(334 274)	(539 567)	(1 589 976)
Accumulated impairment	-	-	-	-
Net book amount	66 943 962	2 028 208	3 679 696	72 651 866
Net book amount as at 1 January 2024	66 943 962	2 028 209	3 679 696	72 651 866
Additions	-	1 998 800	608 197	2 606 997
Revaluation	(11 686 216)	(27 677)	(1 416 775)	(13 130 669)
Disposals	-	(167 265)	-	(167 265)
Depreciation charge	(1 338 880)	(683 359)	(658 300)	(2 680 539)
Net book amount as at 31 December 2024	53 918 866	3 148 707	2,212,818	59,280,390
As at 31 December 2024				
Gross carrying amount	55 257 746	3 832 066	2 871 117	61 960 929
Accumulated depreciation	(1 338 880)	(683 359)	(658 300)	(2 680 539)
Accumulated impairment	-	-	-	-
Net book amount	53 918 866	3 148 707	2,212,817	59,280,390
Current	-	-	-	-
Non-current	-	-	-	-
Total	53 918 866	3 148 707	2,212,817	59,280,390
5 INSURANCE AND REINSURANCE CONTRACTS				
	Inflation adjusted 31 Dec 2024 ZWG	Unaudited historical cost 31 Dec 2023 Restated** ZWG		
Insurance contracts				
Insurance contract liabilities				
-Insurance contract balances	-	-	-	-
	79 342 241	68 651 689	79 342 241	6 319 102
	79 342 241	68 651 689	79 342 241	6 319 102
-Assets for insurance acquisition cash flows	-	-	-	-
	79 342 241	68 651 689	79 342 241	6 319 102



NOTES TO THE FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2024

5.1 Movement in insurance and reinsurance contract balances

	INFLATION ADJUSTED					
	Liability for remaining coverage		Liability for incurred claims			
	Contracts under PAA		Estimates of present value of future cash flows		Risk adjustment for non-financial risk	
	excluding loss component ZWG	Loss component ZWG	Contracts not under PAA ZWG	Loss ZWG	Risk ZWG	Total ZWG
Opening liabilities	43 509 073	6 240 998	-	17 019 706	1 881 912	68 651 689
Net opening balance	43 509 073	6 240 998	-	17 019 706	1 881 912	68 651 689
Changes in the statement of profit or loss and OCI						
Insurance revenue	(293 561 432)	1 620 078	-	-	-	(291 941 354)
	(293 561 432)	1 620 078	-	-	-	(291 941 354)
Insurance service expense						
Incurred claims and other insurance service expenses				204 580 112		204 580 112
Amortisation of insurance acquisition cash flows				43 483 036		43 483 036
Losses and reversals of losses on onerous contracts				-		
Adjustment to liabilities for incurred claims				7 767 830	(65 217)	7 702 614
				255 830 978	(65 217)	255 765 762
Premium refunds				-	-	-
Insurance service result	(293 561 432)	1 620 078	-	255 830 978	(65 217)	(36 175 592)
Net finance expenses from insurance contracts				-	-	
Effect of movement in exchange rates	47 370 421	-	-	(50 033 976)	-	(2 663 555)
Total changes in the statement of profit or loss and OCI	(246 191 011)	1 620 078	-	205 797 002	(65 217)	(38 839 148)
Cash flows						
Premiums received	249 995 910	-	-	-	249 995 910	
Claims and other insurance service expenses	-	-	-	(156 983 174)	(156 983 174)	
Insurance acquisition cash flows	-	-	-	43 483 036	(43 483 036)	
Total cash flows	249 995 910	-	-	(200 466 210)	-	49 529 699
Transfer to other items in the statement of financial position				-	-	-
Contracts derecognised on disposal of subsidiary				-	-	-
Net closing balance	47 313 971	7 861 076	-	22 350 498	1 816 696	79 342 241

	HISTORICAL COST					
	Liability for incurred claims		Contracts under PAA			
	Contracts under PAA		Estimates of present value of future cash flows		Risk adjustment for non-financial risk	
	excluding loss component ZWG	Loss component ZWG	Contracts not under PAA ZWG	Loss ZWG	Risk ZWG	Total ZWG
Opening liabilities	4 004 829	574 458	-	1 566 593	173 222	6 319 102
Net opening balance	4 004 829	574 458	-	1 566 593	173 222	6 319 102
Changes in the statement of profit or loss and OCI						
Insurance revenue	(207 086 717)	-	-	-	-	(207 086 717)
	(207 086 717)	-	-	-	-	(207 086 717)
Insurance service expense						
Incurred claims and other insurance service expenses	-	-	-	161 233 891	-	161 233 891
Amortisation of insurance acquisition cash flows	-	-	-	31 777 747	-	31 777 747
Losses and reversals of losses on onerous contracts	-	-	-	-	-	-
Adjustment to liabilities for incurred claims		7 286 618	-	(7 500 837)	1 643 473	1 429 254
		7 286 618	-	185 510 801	1 643 473	194 440 892
Premium refunds		-	-	-	-	-
Insurance service result	(207 086 717)	7 286 618	-	185 510 801	1 643 473	(12 645 825)
Net finance expenses from insurance contracts	-	-	-	29 713 996	-	30 113 947
Effect of movement in exchange rates	399 950	-	-	-	-	-
Total changes in the statement of profit or loss and OCI	(206 686 767)	7 286 618	-	215 224 797	1 643 473	17 468 122
Cash flows						
Premiums received	249 995 910	-	-	-	249 995 910	
Claims and other insurance service expenses	-	-	-	(168 848 792)	(168 848 792)	
Insurance acquisition cash flows	-	-	-	(25 592 100)	(25 592 100)	
Total cash flows	249 995 910	-	-	(194 440 892)	-	55 555 017
Transfer to other items in the statement of financial position				-	-	-
Contracts derecognised on disposal of subsidiary				-	-	-
Net closing balance	47 313 971	7 861 076	-	22 350 498	1 816 696	79 342 241

	INFLATION ADJUSTED					
	Liability for remaining coverage		Liability for incurred claims			
	Contracts under PAA		Contracts under PAA		Estimates of present value of future cash flows	
	remaining coverage	excluding loss component ZWG	not under PAA ZWG	PAA ZWG	of future cash flows ZWG	Risk ZWG
Opening liabilities	5 418 525	1 849 329	-	-	224 082	7 491 936
Net opening balance	5 418 525	1 849 329	-	-	224 082	7 491 936
Changes in the statement of profit or loss and OCI						
Insurance revenue	288 625 654	-	-	-	-	288 625 654
	288 625 654	-	-	-	-	288 625 654
Insurance service expense						
Incurred claims and other insurance service expenses	-	-	-	(137 045 317)	(137 045 317)	
Amortisation of insurance acquisition cash flows	-	-	-	(60 245 676)	(60 245 676)	
Losses and reversals of losses on onerous contracts	-	-	-	-	-	-
Adjustment to liabilities for incurred claims		4 391 669	-	(9 242 940)	1 657 831	(3 193 441)
		4 391 669	-	(206 533 933)	1 657 831	(200 484 434)
Premium refunds		-	-	-	-	-
Insurance service result	288 625 654	4 391 669	-	(206 533 933)	1 657 831	88 141 220
Net finance expenses from insurance contracts	-	-	-	-	-	-
Effect of movement in exchange rates	(57 607 079)	-	-	26 262 646	-	(31 344 433)
Total changes in the statement of profit or loss and OCI	231 018 575	4 391 669	-	(180 271 287)	1 657 831	56 796 787
Cash flows						
Premiums received	(192 928 027)	-	-	-	(192 928 027)	
Claims and other insurance service expenses	-	-	-	137 045 317	-	137 045 317
Insurance acquisition cash flows	-	-	-	60 245 676	-	60 245 676
Total cash flows	(192 928 027)	-	-	197 290 993	-	4 362 966
Transfer to other items in the statement of financial position				-	-	-
Contracts derecognised on disposal of subsidiary				-	-	-
Net closing balance	43 509 073	6 240 998	-	17 019 706	1 881 912	68 651 689

NOTES TO THE FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2024

5.1 Movement in insurance and reinsurance contract balances

	DECEMBER 2023					
	Liability for remaining coverage		Liability for incurred claims			
	Contracts under PAA		Contracts under PAA		Estimates of present value of future cash flows	
	remaining coverage	excluding loss component ZWG	not under PAA ZWG	PAA ZWG	of future cash flows ZWG	Risk ZWG
Opening liabilities	(47 343)	170 223	-	-	-	20 626
Net opening balance	(47 343)	170 223	-	-	-	20 626
Changes in the statement of profit or loss and OCI						

Abridged Audited Results

FOR THE YEAR ENDED 31 DECEMBER 2024

NOTES TO THE FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2024

5.1 Movement in insurance and reinsurance contract balances (continued)

December 2023

Non-Life

Reinsurance contracts

Assets for remaining coverage

INFLATION ADJUSTED

Analysis by remaining coverage and incurred claims	INFLATION ADJUSTED			
	Excluding Loss recovery component ZWG	Loss recovery component ZWG	Asset for incurred claims ZWG	Total ZWG
Opening assets	16 791 680	38 479	902 391	17 732 551
Net opening balance	16 791 680	38 479	902 391	17 732 551
Changes in the statement of profit or loss and OCI				
Allocation of reinsurance premiums paid	125 066 191	-	-	125 066 191
Amounts recoverable from reinsurers				
Recoveries of incurred claims and other insurance service expenses	-	(52 619 581)	(52 619 581)	
Recoveries and reversals of recoveries of losses on onerous underlying contracts	-	-	-	
Losses and reversals of losses on onerous contracts	-	-	-	
Adjustment to assets for incurred claims	-	(42 032 849)	(42 032 849)	
Premium refunds	-	-	-	
Effect of changes in non-performance risk of reinsurers	-	-	-	
Net expenses from reinsurance contracts	125 066 191	-	(94 652 430)	30 413 761
Net finance expenses from insurance contracts	-	-	-	
Effect of movement in exchange rates	(49 216 758)	-	72 732 106	23 515 349
Total changes in the statement of profit or loss and OCI	75 849 434	-	(21 920 324)	53 929 110
Cash flows				
Premiums paid	(77 495 253)	-	(77 495 253)	
Amounts received	-	21 920 324	21 920 324	
Total cash flows	(77 495 253)	-	21 920 324	(55,574,929)
Contracts derecognised on disposal of subsidiary	-	-	-	
Closing assets	15 145 861	38 479	902 391	16 086 731

HISTORICAL COST

	Assets for remaining coverage			
	Excluding Loss recovery component ZWG	Loss recovery component ZWG	Asset for incurred claims ZWG	Total ZWG
Opening assets	101	3 542	83 061	86 704
Net opening balance	101	3 542	83 061	86 704
Changes in the statement of profit or loss and OCI				
Allocation of reinsurance premiums paid	5 393 738	-	-	5 393 738
Amounts recoverable from reinsurers				
Recoveries of incurred claims and other insurance service expenses	(3 698 467)	-	(3 698 467)	
Recoveries and reversals of recoveries of losses on onerous underlying contracts	-	-	-	
Losses and reversals of losses on onerous contracts	-	-	-	
Adjustment to assets for incurred claims	385 147	-	385 147	
Premium refunds	(3 313 320)	-	(3 313 320)	
Effect of changes in non-performance risk of reinsurers	-	-	-	
Net expenses from reinsurance contracts	2 080 418	-	-	2 080 418
Net finance expenses from insurance contracts	-	-	-	
Effect of movement in exchange rates	(697 412)	-	(697 412)	
Total changes in the statement of profit or loss and OCI	1 383 006	-	-	1 383 006
Cash flows				
Premiums paid	11 007	-	11 007	
Amounts received	-	-	-	
Total cash flows	11 007	-	-	11 007
Contracts derecognised on disposal of subsidiary	-	-	-	
Closing assets	1 394 113	3 542	83 061	1 480 717

Claims recoveries outstanding from reinsurers are comprised of reinsurance receivables where the Company has the right to recover claims expenses based on reinsurance agreements in place between the Company and reinsurance companies.

The maximum exposure to credit risk at the reporting date is the fair value of the receivable balances. The Company does not hold any collateral as security.

NOTES TO THE FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2024

6 INVESTMENT PROPERTY

	Inflation adjusted		Unaudited historical cost	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
	ZWG	ZWG	ZWG	ZWG
Balance at 1 January	511 311	239 854	47 064	4 594
Fair value adjustment	(46 938)	271 457	417 309	42 470
Additions	-	-	-	-
Balance at 31 December	464 373	511 311	464 373	47 064
Current	464 373	511 311	464 373	47 064
Non-current	-	-	-	-
Total	464 373	511 311	464 373	47 064

Investment property comprises the following:

Residential stand, Harare

464 373	511 311	464 373	47 064
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7 CASH AND CASH EQUIVALENTS

Cash and cash equivalents include the following for the purposes of the statement of cash flows:

Cash at bank

Cash on hand

39 102 789	28 037 773	39 102 789	2 580 760
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39 102 789	28 037 773	39 102 789	2 580 760
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39 102 789	28 037 773	39 102 789	2 580 760
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8 SHARE CAPITAL

Authorised and issued share capital

Authorised:	2 500 000 Ordinary shares with a nominal value of ZWG 0.0004	11 149	11 149	1	1
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Issued and fully paid:

1 000 000 Ordinary shares with a nominal value of ZWG 0.0004 (2023: 1 000 000)	4 459	4 459	0	0
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Current

Non-current	4 459	4 459	-	-
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Total	4 459	4 459	-	-
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The unissued shares are under the control of the Directors, subject to the provisions of the Zimbabwe Companies and Other Business Entities Act (Chapter 24:31) and the Articles of Association of the Company.

9 INSURANCE REVENUE

Short-term insurance contracts:

Gross premiums received	293 561 432	288 625 654	207 086 717	12 542 821
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Change in Liability for remaining coverage

293 561 432	288 625 654	207 086 717	12 542 821
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Premium revenue arising from insurance contracts issued

Insurance contract expense

Incurred claims and other insurance service expenses	(149 280 560)	(95 226 550)	(105 934 340)